

**SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.**  
**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED MARCH 31, 2013**  
**(WITH COMPARATIVE INFORMATION FOR 2012)**

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Seapointe Village Master Association, Inc.

***Report on the Financial Statements***

We have audited the accompanying financial statements of Seapointe Village Master Association, Inc., which comprise the balance sheet as of March 31, 2013, and the related statements of revenues, expenses and changes in fund balance, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seapointe Village Master Association, Inc. as of March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Summarized Comparative Information***

We have previously audited the Seapointe Village Master Association, Inc.'s 2012 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated September 7, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2012, is consistent in all material respects with the audited financial statements from which it has been derived.

## ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 12 and 13 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves; and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

## ***Disclaimer of Opinion on Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedule of information on future major repairs and replacements on pages 14 through 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Marcum LLP*

Bala Cynwyd, PA  
September 30, 2013

**SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.**

**BALANCE SHEETS**

**MARCH 31, 2013**

**(With Comparative Information for 2012)**

	March 31, 2013			March 31, 2012	
	Operating Fund	Deferred Maintenance Fund	Replacement Fund	Total	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 62,325	\$ 176,966	\$ 220,321	\$ 459,612	\$ 365,457
Due from Villages and other receivables	1,678	--	--	1,678	14,405
Insurance reimbursement receivable	15,000	--	--	15,000	--
Prepaid expenses and other assets	26,504	--	--	26,504	18,522
Property and equipment, net	1,319,960	--	--	1,319,960	1,305,413
Interfund balances	--	85,708	73,060	158,768	264,437
<b>Total Assets</b>	<u>\$ 1,425,467</u>	<u>\$ 262,674</u>	<u>\$ 293,381</u>	<u>\$ 1,981,522</u>	<u>\$ 1,968,234</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenses	\$ 64,393	\$ --	\$ --	\$ 64,393	\$ 37,869
Payroll expenses and taxes payable	12,911	--	--	12,911	13,343
Note payable	--	--	--	--	654
Interfund balances	158,768	--	--	158,768	264,437
<b>Total Liabilities</b>	<u>236,072</u>	<u>--</u>	<u>--</u>	<u>236,072</u>	<u>316,303</u>
<b>Fund Balance</b>					
Board designated funds	--	262,674	293,381	556,055	448,439
Undesignated funds	1,189,395	--	--	1,189,395	1,203,492
<b>Total Fund Balance</b>	<u>1,189,395</u>	<u>262,674</u>	<u>293,381</u>	<u>1,745,450</u>	<u>1,651,931</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,425,467</u>	<u>\$ 262,674</u>	<u>\$ 293,381</u>	<u>\$ 1,981,522</u>	<u>\$ 1,968,234</u>

*The accompanying notes are an integral part of these financial statements.*

**SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**

**FOR THE YEAR ENDED MARCH 31, 2013**

**(With Comparative Information for 2012)**

	2013			2012	
	Operating Fund	Deferred		Total	Total
		Maintenance Fund	Replacement Fund		
<b>Revenues</b>					
Master fees from Villages	\$ 1,795,678	\$ 32,000	\$ 226,854	\$ 2,054,532	\$ 2,015,172
Reimbursements from Villages	189,941	--	--	189,941	204,728
Initial assessments	19,321	--	--	19,321	13,236
Interest income	2	368	358	728	517
Service charges	80,263	--	--	80,263	76,591
Beach tags and pool fees	9,569	--	--	9,569	7,507
Vending commissions	6,242	--	--	6,242	5,281
Lease fees - Beach Hut	26,000	--	--	26,000	25,074
<b>Total Revenues</b>	<u>2,127,016</u>	<u>32,368</u>	<u>227,212</u>	<u>2,386,596</u>	<u>2,348,106</u>
<b>Expenses</b>					
Administrative expenses	353,737	--	--	353,737	335,770
Payroll and employee expenses	992,200	--	--	992,200	996,929
Utilities and insurance	413,257	--	--	413,257	429,228
Residential and maintenance services	381,919	--	--	381,919	386,203
Major repairs and replacements	--	44,234	107,730	151,964	103,360
<b>Total Expenses</b>	<u>2,141,113</u>	<u>44,234</u>	<u>107,730</u>	<u>2,293,077</u>	<u>2,251,490</u>
<b>(Deficiency) Excess of Revenues over Expenses</b>	(14,097)	(11,866)	119,482	93,519	96,616
<b>Fund Balance - Beginning</b>	<u>1,203,492</u>	<u>274,540</u>	<u>173,899</u>	<u>1,651,931</u>	<u>1,555,315</u>
<b>Fund Balance -Ending</b>	<u>\$ 1,189,395</u>	<u>\$ 262,674</u>	<u>\$ 293,381</u>	<u>\$ 1,745,450</u>	<u>\$ 1,651,931</u>

*The accompanying notes are an integral part of these financial statements.*

**SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEAR ENDED MARCH 31, 2013**

**(With Comparative Information for 2012)**

	2013			2012	
	Operating Fund	Deferred Maintenance Fund	Replacement Fund	Total	Total
<b>Cash Flows from Operating Activities</b>					
(Deficiency) excess of revenues over expenses	\$ (14,097)	\$ (11,866)	\$ 119,482	\$ 93,519	\$ 96,616
Adjustments to reconcile (deficiency) excess of revenues over expenses to net cash provided by (used in) operating activities:					
Depreciation expense	8,559	--	--	8,559	15,886
Changes in operating assets and liabilities:					
Due from Villages	12,727	--	--	12,727	(1,492)
Insurance reimbursement receivable	(15,000)	--	--	(15,000)	--
Prepaid expenses and other assets	(7,982)	--	--	(7,982)	29,404
Accounts payable and accrued expenses	26,524	--	--	26,524	(30,798)
Payroll taxes and payroll expenses payable	(432)	--	--	(432)	1,624
<b>Total Adjustments</b>	<u>24,396</u>	<u>--</u>	<u>--</u>	<u>24,396</u>	<u>14,624</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>10,299</u>	<u>(11,866)</u>	<u>119,482</u>	<u>117,915</u>	<u>111,240</u>
<b>Cash Flows Used in Investing Activities</b>					
Acquisitions of property and equipment	(23,106)	--	--	(23,106)	--
<b>Cash Flows from Financing Activities</b>					
Interfund (repayments) borrowings, net	(105,669)	122,675	(17,006)	--	--
Principal payments of note payable	(654)	--	--	(654)	(6,212)
<b>Net Cash (Used in) Provided by Financing Activities</b>	<u>(106,323)</u>	<u>122,675</u>	<u>(17,006)</u>	<u>(654)</u>	<u>(6,212)</u>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	<u>(119,130)</u>	<u>110,809</u>	<u>102,476</u>	<u>94,155</u>	<u>105,028</u>
<b>Cash and Cash Equivalents - Beginning</b>	<u>181,455</u>	<u>66,157</u>	<u>117,845</u>	<u>365,457</u>	<u>260,429</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>\$ 62,325</u>	<u>\$ 176,966</u>	<u>\$ 220,321</u>	<u>\$ 459,612</u>	<u>\$ 365,457</u>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash paid during the years for:

Interest	\$ 29	\$ --	\$ --	\$ 29	\$ 437
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*The accompanying notes are an integral part of these financial statements.*

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013  
(With Comparative Information for 2012)

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### NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Seapointe Village Master Association, Inc. (the "Master Association") is a statutory condominium association incorporated in the State of New Jersey and located in the Diamond Beach section of Wildwood Crest, New Jersey. The purpose of the Master Association is to provide for the maintenance, management and operation of common property and recreational facilities. The Master Association consists of the unit owners of seven constituent villages ("Villages"): Seapointe Village I through V, Seapointe Village VII and Single Family Homes at Seapointe Village.

#### *FUND ACCOUNTING*

The Master Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Master Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

*Operating Fund* - This fund is used to account for financial resources available for the general operations of the Master Association.

*Deferred Maintenance Fund* - This fund is used to accumulate amounts in order to perform maintenance services which occur less frequently than annually.

*Replacement Fund* - This fund is used to accumulate financial resources designated for future major repairs and replacements.

#### *MEMBER ASSESSMENTS*

The Villages are subject to monthly assessments to provide funds for the Master Association's operating expenses, maintenance services, future capital acquisitions and major repairs and replacements. Any excess assessments at year end are retained by the Master Association for use in the succeeding year.

#### *CASH AND CASH EQUIVALENTS*

For purposes of the statement of cash flows, the Master Association considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.



# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013

(With Comparative Information for 2012)

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### NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *PROPERTY AND EQUIPMENT*

In accordance with prevalent industry practice, the Master Association's policy is not to capitalize real property directly associated with individual units, or part of the fee simple ownership of the individual units. Also in accordance with prevalent industry practice, the Master Association's policy is to capitalize all equipment, personal property and real property not directly associated with the units to which it has title and to which it (1) has the right to sell and retain proceeds of, or (2) can use the property to generate significant cash flows on the basis of usage. Property and equipment that meet the preceding requirements are capitalized at cost and depreciated using the straight-line method over estimated useful lives. All other costs of repair and replacement are expensed as incurred or charged to the replacement fund if provided for therein.

As of March 31, 2013 and 2012, property not capitalized consists of sidewalks, roadways, parking areas and open areas. The Master Association received these common elements in a non-monetary transaction with the developers. Since the use and disposition of these properties are restricted or governed by the Master Association's legal documents, no amounts have been capitalized or reflected on the accompanying balance sheets.

#### *ESTIMATES*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Master Association to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### *INTEREST EARNED*

The Master Association's policy is to allocate all interest earned on replacement and deferred maintenance cash and cash equivalents to the corresponding replacement funds and deferred maintenance funds.

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013  
(With Comparative Information for 2012)

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### NOTE 2 - INCOME TAXES

Under the Internal Revenue Code, the Master Association may be taxed as a Condominium Management Association at its election, or as a regular corporation. The Master Association may select either method in any year and will generally select the method that results in the lowest tax due. A method selected in one year affects only that year and the Master Association is free to select either method in future years. By filing as a regular corporation, an association is generally taxed at a lower rate than by filing as a Condominium Management Association.

For the years ended March 31, 2013 and 2012, the Master Association has not elected to be taxed as a Condominium Management Association. The Master Association will therefore be taxed as a corporation. For each of the years ended March 31, 2013 and 2012, there were no income taxes based on the comparison of non-membership income to non-membership expenses.

The Master Association is incorporated pursuant to Title 15 of the New Jersey Statutes and therefore is not liable for New Jersey corporation business income tax.

The Master Association follows the guidance for accounting for uncertainty in income taxes. The Master Association had no unrecognized tax benefits at March 31, 2013 and 2012. The Master Association's Federal income tax returns prior to fiscal year 2010 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The Master Association recognizes interest and penalties associated with tax matters as operating expenses and includes accrued interest and penalties with accrued expenses in the balance sheet. There were no penalties and interest during the years ended March 31, 2013 and 2012.

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013  
(With Comparative Information for 2012)

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### NOTE 3 - REPLACEMENT FUND

The Master Association's governing documents require that funds accumulate for future major repairs and replacements. At March 31, 2013 and 2012, accumulated fund balances are \$293,381 and \$173,899, respectively. Replacement funds are held in separate accounts and are generally not available for expenditures or operating purposes.

The Board of Directors is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimate of those lives and current replacement costs considering amounts previously accumulated in the replacement fund. For the years ended March 31, 2013 and 2012, the Board of Directors funded \$226,854 and \$198,396 in total monthly assessments and \$358 and \$269 in interest income for the basic annual contribution, respectively.

Funds are being accumulated in the replacement fund based upon estimated costs for repairs and replacement of common property components. Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs for major repairs and replacements. If additional funds are needed, the Master Association has the right to increase regular assessments, levy special assessments, or delay such repairs and replacements until funds are available.

### NOTE 4 - CONCENTRATION OF CREDIT RISK

At times, the Master Association maintains cash in one bank account in excess of the FDIC insured amount.

### NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31:

	2013	2012	Estimated Useful Lives
Land	\$1,275,000	\$1,275,000	--
Improvements	26,519	26,519	27.5 years
Furniture and fixtures	65,134	54,909	5 years
Equipment	<u>160,465</u>	<u>147,584</u>	5-10 years
	1,527,118	1,504,012	
Less: Accumulated depreciation	<u>(207,158)</u>	<u>(198,599)</u>	
<b>Property and Equipment, net</b>	<b><u>\$1,319,960</u></b>	<b><u>\$1,305,413</u></b>	

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013  
(With Comparative Information for 2012)

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### NOTE 6 - NOTE PAYABLE

A bank note payable, payable in monthly installments of \$589, including interest of 7.5% per annum, matured April 2012.

### NOTE 7 - MASTER FEES FROM VILLAGES

All Villages are obligated to collect the Master Association fees from their individual unit owners, and remit the amounts to the Master Association. The following represent the amount of master fees paid during the years ended March 31:

	2013	2012
Seapointe Village I Condominium Association, Inc.	\$ 430,224	\$ 421,380
Seapointe Village II Condominium Association, Inc.	430,224	421,380
Seapointe Village III Condominium Association, Inc.	307,176	300,636
Seapointe Village IV Condominium Association, Inc.	197,952	193,596
Seapointe Village V Condominium Association, Inc.	288,912	283,128
Single Family Homes at Seapointe Village	98,160	96,960
Seapointe Village VII Condominium Association, Inc.	<u>301,884</u>	<u>298,092</u>
<b>Master Fees from Villages, total</b>	<b><u>\$2,054,532</u></b>	<b><u>\$2,015,172</u></b>

### NOTE 8 - INITIAL ASSESSMENTS

In accordance with the Board of Directors' policy, each initial member of the association must contribute revenue to the Master Association at the time of settlement an amount equivalent to two months maintenance assessments. Initial assessments totaled \$19,321 and \$13,236 the years ended March 31, 2013 and 2012, respectively.

### NOTE 9 - REIMBURSEMENTS FROM VILLAGES

The Master Association pays for various office, maintenance and custodial expenses, which are allocated to the Villages and included in revenue as reimbursements from the Villages. Revenues totaled \$189,941 and \$204,728 for the years ended March 31, 2013 and 2012, respectively.

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2013  
(With Comparative Information for 2012)

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### NOTE 10 - AMENITIES USAGE FEE

The Master Association charges an amenities usage fee to an unrelated association. The monthly commitment was approximately \$5,000 and indexed for inflation, not to exceed 5% per annum. Income, which is included in service charges in the Statements of Revenues, Expenses and Changes in Fund Balance, was approximately \$76,000 and \$73,000 for the years ended March 31, 2013 and 2012, respectively, of which \$-0- and \$6,000 were due and included in prepaid expenses and other assets in the Balance Sheets. The commitment has no stated expiration date.

### NOTE 11 - COMMITMENT

The Master Association financed its annual insurance premiums through a financing company in the amount of \$23,564, payable in monthly installments of approximately \$2,400, including interest at 4.93% per annum, maturing August 2013. The outstanding principal as of March 31, 2013 was \$11,514. The premium can be repaid should the policy be canceled at any time with appropriate notice.

### NOTE 12 - SUBSEQUENT EVENTS

Management evaluated subsequent events occurring through September 30, 2013, the date that the accompanying financial statements were available to be issued, and determined that there were no events or transactions which require recognition or disclosure in the financial statements.

**SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.**

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF TOTAL REVENUES, EXPENSES AND  
ALLOCATION TO FUNDS AS COMPARED TO BUDGET**

**FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

	March 31, 2013			March 31, 2012
	Actual	Budget (Unaudited)	Variance Favorable (Unfavorable)	Actual
<b>Revenues</b>				
Master fees from Villages	\$ 2,054,532	\$ 2,054,532	\$ -	\$2,015,172
Reimbursements from Villages	189,941	170,000	19,941	204,728
Initial assessments	19,321	12,000	7,321	13,236
Interest income	728	--	728	517
Service charges	80,263	80,202	61	76,591
Beach tags and pool fees	9,569	5,600	3,969	7,507
Vending commissions	6,242	5,900	342	5,281
Lease fees - Beach Hut	26,000	26,000	--	25,074
<b>Total Revenues</b>	<u>2,386,596</u>	<u>2,354,234</u>	<u>32,362</u>	<u>2,348,106</u>
<b>Expenses</b>				
Administrative expenses:				
Management fees	224,880	210,930	(13,950)	220,764
Bad debts expense	12,607	16,044	3,437	--
Bank service charges	118	--	(118)	140
Depreciation expense	8,559	--	(8,559)	15,886
Dues and subscriptions	410	1,000	590	715
Gifts and contributions	276	--	(276)	--
Interest expense	29	--	(29)	443
Licenses and permits	1,244	1,300	56	1,241
Meeting expenses	1,173	1,200	27	818
Miscellaneous expense (credits) -including master fee reimbursements	1,606	--	(1,606)	(6,049)
Office supplies and expense	22,203	22,000	(203)	22,357
Postage and delivery	5,926	6,000	74	5,697
Printing and reproduction	1,810	--	(1,810)	1,396
Professional fees	46,391	51,000	4,609	45,758
Rent	19,500	19,500	--	19,500
Taxes and fees	6,946	7,000	54	6,854
Travel and entertainment	59	--	(59)	250
<b>Total Administrative Expenses</b>	<u>353,737</u>	<u>335,974</u>	<u>(17,763)</u>	<u>335,770</u>
Payroll and employee expenses:				
Salaries and wages	812,981	805,000	(7,981)	815,645
Payroll taxes	117,992	112,500	(5,492)	113,005
Group insurance and benefits	61,227	52,800	(8,427)	68,279
<b>Total Payroll and Employee Expenses</b>	<u>992,200</u>	<u>970,300</u>	<u>(21,900)</u>	<u>996,929</u>
Utilities and insurance:				
Cable TV	8,209	7,200	(1,009)	8,111
Electricity	124,902	126,000	1,098	114,571
Gas	40,084	48,000	7,916	43,676
Insurance	112,894	108,100	(4,794)	142,705
Telephone	18,803	18,000	(803)	18,260
Water and sewer	108,365	104,500	(3,865)	101,905
<b>Total Utilities and Insurance</b>	<u>\$ 413,257</u>	<u>\$ 411,800</u>	<u>\$ (1,457)</u>	<u>\$ 429,228</u>

*See independent auditors' report.*

**SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.**

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF TOTAL REVENUES, EXPENSES AND  
ALLOCATION TO FUNDS AS COMPARED TO BUDGET - CONTINUED**

**FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

	March 31, 2013			March 31,
	Actual	Budget (Unaudited)	Variance Favorable (Unfavorable)	2012 Actual
<b>Expenses and Fund Allocations (Continued)</b>				
Residential and maintenance services:				
Custodial supplies and materials	\$ 43,861	\$ 31,000	\$ (12,861)	\$ 47,663
Damaged/insured loss contingency	5,360	--	(5,360)	5,173
Exterminator	3,075	3,250	175	777
Heating, ventilation and air-conditioning	2,101	--	(2,101)	775
Landscaping	158,927	152,862	(6,065)	154,914
Pool, spa and lagoon supplies and maintenance	65,576	80,000	14,424	74,093
Repairs and maintenance	60,881	69,000	8,119	65,405
Security supplies and equipment	8,634	9,000	366	10,078
Trash collection	25,434	22,500	(2,934)	17,871
Uniforms	8,070	10,000	1,930	9,454
<b>Total Residential and Maintenance Services</b>	<b>381,919</b>	<b>377,612</b>	<b>(4,307)</b>	<b>386,203</b>
Major repairs and replacements:				
Pool maintenance	12,062	--	(12,062)	17,384
Recreation facilities	19,182	--	(19,182)	11,266
Beach-related projects	16,849	--	(16,849)	3,000
Perimeter fence	34,806	--	(34,806)	32,209
New trash dumpsters	--	--	--	2,547
New golf cars	--	--	--	7,233
Carpeting and tiles	4,470	--	(4,470)	--
Exterior maintenance	45,607	--	(45,607)	7,139
Interior maintenance	13,165	--	(13,165)	14,208
Professional fees - engineering and legal	5,823	--	(5,823)	8,374
<b>Total Major Repairs and Replacements</b>	<b>151,964</b>	<b>--</b>	<b>(151,964)</b>	<b>103,360</b>
<b>Total Expenses</b>	<b>2,293,077</b>	<b>2,095,686</b>	<b>(197,391)</b>	<b>2,251,490</b>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<b>93,519</b>	<b>258,548</b>	<b>(165,029)</b>	<b>96,616</b>
Deferred maintenance fund allocations:				
Allocated assessments	32,000	32,000	--	60,000
Allocated interest income	368	--	368	244
Major repairs and replacements	(44,234)	--	(44,234)	(16,703)
<b>Total Deferred Maintenance Fund Allocations</b>	<b>(11,866)</b>	<b>32,000</b>	<b>(43,866)</b>	<b>43,541</b>
Replacement fund allocations:				
Allocated assessments	226,854	226,854	--	198,396
Allocated interest income	358	--	358	269
Major repairs and replacements	(107,730)	--	(107,730)	(86,657)
<b>Total Replacement Fund Allocations</b>	<b>119,482</b>	<b>226,854</b>	<b>(107,372)</b>	<b>112,008</b>
<b>Total Fund Allocations, Net of Expenses</b>	<b>107,616</b>	<b>258,854</b>	<b>(151,238)</b>	<b>155,549</b>
<b>Deficiency of Revenues over Expenses, Net of Fund Allocations</b>	<b>\$ (14,097)</b>	<b>\$ (306)</b>	<b>\$ (13,791)</b>	<b>\$ (58,933)</b>

*See independent auditors' report.*

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS

FOR THE YEAR ENDED MARCH 31, 2013  
(Unaudited)

An independent engineer conducted a study in March of 2012 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were obtained from licensed contractors who inspected the property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property.

<u>COMPONENTS</u>	<u>ESTIMATED REMAINING USEFUL LIVES (YEARS)</u>	<u>ESTIMATED CURRENT REPLACEMENT COSTS</u>
<u>Paving:</u>		
2' Cap -Asphalt Pavement	2	\$161,530
Decorative Concrete Pavers (Ibis Ln Cir @ 5 yrs)	6	93,373
Decorative Concrete Pavers (Plaza Deck & Remaining @ 5 Years)	23	312,195
Concrete Sidewalk (Ibis Pools & Playground)	25	33,575
Stamped Concrete (Ibis Pools & Playground)	25	17,712
Colored Concrete Pool Deck-Centre Court	20	55,224
Colored Concrete Pool Deck-Garden	15	27,918
Colored Concrete Pool Deck-Ocean Side	23	23,490
Concrete Hot Tub Deck (Ocean Side)	5	8,500
Concrete Sidewalk (Plaza Deck)	23	152,320
<u>Illumination:</u>		
20' Aluminum Street Lights (over 5 yrs)	15	178,750
Plaza Bollard Lighting	18	18,000
Bollard Lighting-Walkways	18	18,000

*See independent auditors' report.*



# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)

FOR THE YEAR ENDED MARCH 31, 2013

(Unaudited)

### Fencing:

10' High Chainlink -Tennis Ct	20	\$11,520
4' High Chainlink -Tennis Ct	20	3,465
4' Aluminum (Ibis Pool & Playground)	20	21,105
4' Aluminum (Centre Court)	6	30,870
4' Railing (Centre Court)	6	3,276
4' High Aluminum (Garden Pool)	7	19,656
4' High Aluminum (Ocean Side)	18	50,400
8' Chainlink (Pool Heaters)	6	2,358
8' High Vinyl Privacy	25	18,813
4' Vinyl (Townhomes 400, 500 & 600)	30	30,020
5' Vinyl (Townhomes 30, 500, 600 & 700)	30	16,195
6' Vinyl (Townhomes 300 Series)	30	18,338
7' Vinyl (Townhomes 300 Series)	30	9,436
6' Vinyl Fencing -Dune Drive	26	32,396
6' Woof Fence (replace with Vinyl)	1	3,540

### Recreation:

Tennis Court Resurface	2	17,600
Tennis Court Reconstruction	15	92,000
Basketball Court Resurface	5	8,800
Basketball Backstop & Hoops	15	4,400
Tot Lot & Swing Set	5	23,200
Pool Coping & Waterline Tile-Ibis Pool/Spa	10	13,200
Pool Resurfacing -Centre Court (all)	4	8,469
Pool Coping & Waterline Tile-(Centre Court)	12	35,400
Pool Resurfacing - Garden	3	6,480
Pool Coping & Waterline Tile-(Garden)	11	9,900
Pool / Spa Resurfacing (Ocean Side)	3	25,650
Pool Coping & Waterline Tile-(Ocean Side)	14	25,800

### Ibis Exterior Components:

Pool Furniture	5	20,000
Aluminum Gutters	15	1,393
Aluminum Leaders	15	628

*See independent auditors' report.*

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)

FOR THE YEAR ENDED MARCH 31, 2013  
(Unaudited)

Ibis Interior Components:

VCT	25	\$3,935
Acoustical Ceiling Tile	25	1,828
Bathroom Renovation	15	8,000

Ibis Mechanical Components:

Pool Filters & Pumps	13	24,900
Pool Heaters – 325K Btu	13	6,400
Electric Water Heater – 40 Gallon	7	1,200
HVAC	15	15,500

Centre Court Exterior Components:

Composite Decking	20	7,680
Wooden Pedestrian Bridge (over pool)	2	12,200
Pool Equipment Shed	15	2,500

Centre Court Mechanical:

Spa Heater	4	2,200
Spa Filter & Pump	9	3,300
Pool Heaters -399K Btu	10	7,200
Pool Heater - 299K Btu	10	3,100
Pool Filters & Pumps	10	15,600

Garden Exterior Components:

Pool Furnishings	3	20,000
Beach-8'	16	2,000

Garden Mechanical Components:

Pool Heater - 250K Btu	8	3,100
Pool Heater – 399K Btu	8	7,200
ADA Pool Chair Lift	2	8,000
Pool Filters & Pumps	14	15,600

Ocean Side Exterior Components:

Lounge Chairs (8,000 allowance every other year)	5	8,000
Picnic Tables / Umbrellas	10	9,600
Trex Decking (over 3 years)	18	318,600
Trex Modular Rollout Decking	20	90,440

*See independent auditors' report.*

# SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

## SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)

FOR THE YEAR ENDED MARCH 31, 2013

(Unaudited)

### Ocean Side Mechanical:

ADA Pool Chair Lift	3	\$8,000
Pool Heaters	10	5,600
Pool Heaters - 175K Btu	10	7,500
Pool Pumps & Filters	10	12,900

### Miscellaneous:

Trash / Recycling Receptacles (over 7 years)	3	14,400
Wood Lattice (Steel Trellis) (Replace with Vinyl)	5	50,000
Shower Towers	7	33,000
Tiki Huts	5	52,500
BBQ Grills	1	8,400
Storage Sheds (10'x12' Beach Area)	6	10,500
Restroom Renovation - Beach	5	15,000
Composite Benches / Steel Frame	13	12,000
Lagoons & Components (over 5 years)	1	50,000
Lagoons & Components (over 3 years)	3	450,000

### Miscellaneous Mechanical:

Access Gates & Controllers (over 5 years)	2	23,775
Card Reader System	8	36,105
Parking Meters	6	10,000
Gatehouse HVAC	18	3,800

### Vehicles:

Golf Carts	1	7,500
Golf Carts	2	2,500
Kubota Tractor w/ Front Loader	10	40,000
Food Concession Trailer	5	50,000

### Pinnacle Interior Finishes

#### Meeting Room:

Carpet	7	7,277
Acoustical Ceiling Tiles	10	1,478
Furniture	4	15,000
Kitchen Amenities	1	1,200
Ceramic Tile	10	784

*See independent auditors' report.*

SEAPOINTE VILLAGE MASTER ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION ON FUTURE  
MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)

FOR THE YEAR ENDED MARCH 31, 2013  
(Unaudited)

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<u>Exercise Room:</u>		
Carpet	6	\$4,582
Exercise Equipment (over 5 yrs.)	4	33,900
Acoustical Ceiling Tile	29	1,478
<u>Game Room:</u>		
Carpet	6	3,881
Acoustical Ceiling Tile	29	1,277
<u>Miscellaneous:</u>		
Security System – (Cameras)	10	5,300
Sauna Heater	3	1,200
Steam Generator	3	3,200
<u>Restroom Facilities:</u>		
Ceramic Tile – (Men’s & Women’s)	20	26,484
Acoustical Ceiling Tile	29	1,261
Bathroom Renovation	20	25,000
<u>Hallways:</u>		
Ceramic Tile	10	3,572
<u>Office (North Beach):</u>		
Office Furniture	2	<u>10,000</u>
GRAND TOTAL		<u>\$3,313,332</u>

*See independent auditors' report.*