

**HIDEAWAY BAY BEACH CLUB
ASSOCIATION, INC.**

PLACIDA, FLORIDA

**AUDITED FINANCIAL STATEMENTS
WITH
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2022

**HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.
PLACIDA, FLORIDA**

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Hideaway Bay Beach Club Condominium Association, Inc.
Placida, Florida

Opinion

We have audited the accompanying financial statements of Hideaway Bay Beach Club Condominium Association, Inc. (the "Association"), which comprise the balance sheet as of December 31, 2022 and the related statements of revenues and expenditures, changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2022 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Audited Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedule on analysis of replacement fund components in Exhibit F is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's 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 as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that supplementary information on future major repairs and replacements in Exhibit G be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which 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.

Report on Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of operating fund revenues and expenses – actual to budget for the year ended December 31, 2022 in Exhibit H is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and, except for the portion marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That 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, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Webb, Sarah & McMillan, PLLC

August 18, 2023

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

BALANCE SHEET

AT DECEMBER 31, 2022

ASSETS	OPERATING FUND	REPLACEMENT FUND	TOTAL
Current assets:			
Cash and cash equivalents	\$ 338,691	\$ 285,640	\$ 624,331
Assessments receivable	48,583	-	48,583
Accounts receivable - other	30,031	-	30,031
Due from reserve fund	3,660	-	3,660
Prepaid insurance	216,825	-	216,825
Total current assets	637,790	285,640	923,430
Property and equipment - net \$86,155 accumulated depreciation	82,494	-	82,494
TOTAL ASSETS	<u>\$ 720,284</u>	<u>\$ 285,640</u>	<u>\$1,005,924</u>
LIABILITIES AND FUND BALANCES			
Current liabilities:			
Accounts payable	\$ 29,650	\$ -	\$ 29,650
Assessments received in advance	78,120	-	78,120
Insurance liability	85,296	-	85,296
Due to operating	-	3,660	3,660
Contract liability (unexpended special assessments)	327,678	-	327,678
Total current liabilities	520,744	3,660	524,404
Contract liability (unexpended replacement fund assessments)	-	271,256	271,256
Total liabilities	<u>520,744</u>	<u>274,916</u>	<u>795,660</u>
Fund balances:			
Operating and reserve funds	<u>199,540</u>	<u>10,724</u>	<u>210,264</u>
Total fund balances	<u>199,540</u>	<u>10,724</u>	<u>210,264</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 720,284</u>	<u>\$ 285,640</u>	<u>\$1,005,924</u>

Read independent auditors' report and
accompanying notes to financial statements.

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

STATEMENT OF REVENUES AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES:			
Member assessments	\$ 731,361	\$ 368,907	\$ 1,100,268
Placida Harbor income	25,951	-	25,951
Interest income	426	1,773	2,199
Special assessment	198,015	-	198,015
Insurance proceeds	2,890,570	-	2,890,570
Other income	3,839	-	3,839
TOTAL REVENUES	<u>3,850,162</u>	<u>370,680</u>	<u>4,220,842</u>
EXPENDITURES:			
Administration	103,522	-	103,522
Contracts	17,255	-	17,255
Ferry/skiff/dock	47,327	5,350	52,677
Fire system	22,528	-	22,528
Insurance	436,526	-	436,526
Landscaping	10,600	-	10,600
Payroll	136,382	-	136,382
Pool	8,234	-	8,234
Property maintenance	60,069	363,467	423,536
Sewer plant	77,201	19,525	96,726
Utilities	29,703	-	29,703
Hurricane Ian expenses	3,088,585	-	3,088,585
TOTAL EXPENDITURES	<u>4,037,932</u>	<u>388,342</u>	<u>4,426,274</u>
EXCESS EXPENDITURES	<u>\$ (187,770)</u>	<u>\$ (17,662)</u>	<u>\$ (205,432)</u>

Read independent auditors' report and
accompanying notes to financial statements.

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2022

	OPERATING FUND	REPLACEMENT FUND	TOTALS
FUND BALANCES AT JANUARY 1, 2022	\$ 387,410	\$ 28,286	\$ 415,696
Excess expenditures	(187,770)	(17,662)	(205,432)
Transfer	(100)	100	-
FUND BALANCES AT DECEMBER 31, 2022	<u>\$ 199,540</u>	<u>\$ 10,724</u>	<u>\$ 210,264</u>

Read independent auditors' report and
accompanying notes to financial statements.

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	OPERATING FUND	REPLACEMENT FUND	TOTAL
Cash flow from operating activities:			
Cash received from operations:			
Member assessments	\$ 727,496	\$ 157,263	\$ 884,759
Interest income	426	1,773	2,199
Special assessment	525,693	-	525,693
Insurance proceeds	2,890,570	-	2,890,570
Other income	(241)	-	(241)
	<u>4,143,944</u>	<u>159,036</u>	<u>4,302,980</u>
Cash expended for operations:			
Payments for administration	83,031	-	83,031
Payments for insurance	524,572	-	524,572
Payments to contractors and vendors for maintenance and operations	147,122	368,817	515,939
Payments for payroll	136,382	-	136,382
Payments for sewer plant	77,201	19,525	96,726
Payments for utilities	29,703	-	29,703
Payments for Hurricane Ian expenses	3,088,585	-	3,088,585
	<u>4,086,596</u>	<u>388,342</u>	<u>4,474,938</u>
Net cash provided by (used in) operating activities	<u>57,348</u>	<u>(229,306)</u>	<u>(171,958)</u>
Cash flows from investing activities:			
Redemptions of certificates of deposit	-	106,406	106,406
Net cash provided by (used in) investing activities	-	<u>106,406</u>	<u>106,406</u>
Cash flows from financing activities:			
Appropriations	(55)	55	-
Proceeds from insurance financing	379,670	-	379,670
Repayments of insurance financing	(350,090)	-	(350,090)
Net cash provided by (used in) financing activities	<u>29,525</u>	<u>55</u>	<u>29,580</u>
Net increase (decrease) in cash and cash equivalents	86,873	(122,845)	(35,972)
Cash and cash equivalents at beginning of year	<u>251,818</u>	<u>408,485</u>	<u>660,303</u>
Cash and cash equivalents at end of year	<u>\$ 338,691</u>	<u>\$ 285,640</u>	<u>\$ 624,331</u>

Read independent auditors' report and
accompanying notes to financial statements.

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2022

	OPERATING FUND	REPLACEMENT FUND	TOTAL
Reconciliation of excess revenues (expenditures) to net cash provided by (used in) operating activities:			
Excess revenues (expenditures)	\$(187,770)	\$ (17,662)	\$(205,432)
Adjustments to reconcile excess revenues (expenditures) to net cash provided by (used in) operating activities:			
Depreciation	20,491	-	20,491
(Increase) decrease in:			
Assessments receivable	(37,932)	-	(37,932)
Accounts receivable - other	(30,031)	-	(30,031)
Prepaid insurance	(88,046)	-	(88,046)
Increase (decrease) in:			
Accounts payable	18,891	-	18,891
Assessments received in advance	34,067	-	34,067
Contract liability (unexpended special assessments)	327,678	-	327,678
Contract liability (unexpended replacement fund assessmen	-	(211,644)	(211,644)
Net cash provided by (used in) operating activities	<u>\$ 57,348</u>	<u>\$ (229,306)</u>	<u>\$(171,958)</u>

ADDITIONAL CASH FLOW DISCLOSURES

The Association did not participate in any noncash investing or financing activities during the year ended December 31, 2022, and no payments relating to income taxes were made during the year. The Association paid \$9,092 of cash payments related to interest expense, under its insurance finance agreements, during the year ended December 31, 2022. This amount is recorded in insurance expense on the statement of revenues and

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.

PLACIDA, FLORIDA

DECEMBER 31, 2022

NOTES TO FINANCIAL STATEMENTS

Note 1 – Nature of Organization

Hideaway Bay Beach Club Condominium Association, Inc. (the “Association”), was incorporated on May 14, 1987, under the laws of the State of Florida as a not-for-profit corporation for the purpose of operating and maintaining the common properties of Hideaway Bay Beach Club Condominium in accordance with the terms of its Declaration of Condominium and Florida Statute 718. The development contains 102 residential condominium units located in Placida, Florida.

Note 2 – Summary of Significant Accounting Policies

Fund Accounting

The Association’s governing documents provide certain guidelines for its financial activities. To ensure observance to the restrictions on the use of financial resources, the Association maintains its accounts using fund accounting, and has established the following funds for accounting and reporting purposes:

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

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

The accompanying financial statements have been prepared on the accrual basis using fund accounting in accordance with generally accepted accounting principles pursuant to the requirement of Section 61B-22.006, Florida Administrative Code, as amended.

Cash Equivalents

The Association considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk

Financial instruments that potentially subject the Association to credit risk include cash, assessments receivable. The Association’s management prudently monitors cash and cash equivalents as well as outstanding receivables.

The Association maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts at each commercial banking institution are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. At December 31, 2022 the Association’s account balances exceeded federally insured limits by \$373,850. The Association has not experienced any losses on such accounts and has not been exposed to any significant risk related to cash and cash equivalents.

Read independent auditors’ report.

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.
PLACIDA, FLORIDA
DECEMBER 31, 2022

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 – Summary of Significant Accounting Policies (continued)

Commonly Owned Assets

Commonly owned assets primarily include the land, buildings, pool, and other recreational areas within the development. These assets are not owned by the Association. The ownership of these assets vests with the unit owners and these assets are not deemed to be severable. As a result, commonly owned assets are not capitalized in the Association's financial statements. Replacements, major repairs and the purchases of additional commonly owned assets are not capitalized as assets. These assets are accounted for as expenditures in the operating and replacement funds when incurred.

Property and Equipment

The Association recognizes commonly owned personal property, such as equipment and furnishings, at original cost. This property is depreciated over its estimated useful life using the straight-line method.

Member Assessments

Association members are subject to quarterly assessments to provide for operating expenses, major repairs and replacements, as well as acquisition of commonly owned assets. Assessment revenue is recognized as the related performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from the outstanding assessments to unit owners.

Effective for all of 2022, the quarterly assessment to members was \$2,178, of which \$385 was designated to the replacement fund. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are thirty days or more delinquent. Any excess assessments at year end are retained by the Association and utilized in the succeeding year.

The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. As of December 31, 2022, the Association has not recorded an allowance.

Contract Liabilities – Unexpended Replacement Fund Assessments

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (unexpended replacement fund assessments) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement fund assessments. The balances of contract liabilities as of the beginning and end of the 2022 are \$482,900 and \$271,256, respectively.

Read independent auditors' report.

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.
PLACIDA, FLORIDA
DECEMBER 31, 2022

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 – Summary of Significant Accounting Policies (continued)

Income Taxes

The Association has adopted the provisions of *Accounting Standards Codification (ASC) 740, Income Taxes*, which prescribes a comprehensive model for the recognition, classification and disclosure of uncertain tax positions. Management believes that appropriate support exists for the positions taken on the Association's tax returns, both with the U.S. Internal Revenue Service (IRS) and the State of Florida Department of Revenue. Therefore, no accrual for tax liabilities related to such tax positions has been made. Should interest expense and/or penalties be assessed by these taxing authorities, the Association would recognize these costs as operating expenses. During the years ended December 31, 2022, the Association did not incur interest expense and/or penalties related to income taxes. The Association's federal and state income tax returns could generally be subject to examination for three years after the filing date of such tax returns. The Association has not been notified of any tax return examinations.

Allocation of Income and Expenses

The allocation of income and expenses to Association members is based on the Association documents, which state that Association members equally share the income and expenses of the Association.

Use of Estimates

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

Date of Management's Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through August 18, 2023, the date that the financial statements were available to be issued, for subsequent events and determined that there were no events to report during that period.

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.
PLACIDA, FLORIDA
DECEMBER 31, 2022

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 3 – Cash and Cash Equivalents

At December 31, 2022, the Association's cash and cash equivalents consisted of the following:

	2022		
	Operating Fund	Replacement Fund	Totals
Cash in checking account	\$ 338,691	\$ -	\$ 338,691
Cash in money market account	-	285,640	285,640
	<u>\$ 338,691</u>	<u>\$ 285,640</u>	<u>\$ 624,331</u>

Note 4 – Assessments Receivable and Assessments Received in Advance

Net assessments receivable at December 31, 2022 consisted of \$48,583. Assessment revenue from members that related to 2023 has been reflected as assessments received in advance, and totaled \$78,120 as of December 31, 2022.

Note 5 – Property and equipment

Property and equipment consist of the following at December 31, 2022:

Transportation equipment	\$ 163,736
Caretaker unit fixtures	4,913
Total	<u>\$ 168,649</u>
Accumulated depreciation	<u>(86,155)</u>
Net property and equipment	<u>\$ 82,494</u>

Depreciation of \$20,491 for the year ending December 31, 2022 was charged to expense.

Note 6 – Deferred Special Assessments

During 2022 the Association billed members for a new special assessment that totaled \$525,693 (\$5,154 per unit) for Hurricane Ian repairs. During 2022 the Association spent \$198,015 on Hurricane Ian repairs with special assessment funds. Therefore, at December 31, 2022, \$327,678 remained in contract liability unexpended special assessment.

Read independent auditors' report.

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.

PLACIDA, FLORIDA

DECEMBER 31, 2022

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 7 – Future Major Repairs and Replacements

The Florida Statutes and the Association's governing documents require the Association to accumulate replacement funds for capital expenditures and deferred maintenance on an annual basis based on the estimated useful life and estimated replacement cost of each major component of the commonly owned assets of the condominium. This statutory requirement is effective unless waived by a majority of the voting interest of an association's membership at a duly called meeting. The Association's board of directors annually determines the estimated remaining useful lives and replacement costs of the components of the replacement fund based on its most recent reserve study which was conducted in 2022. The supplemental information included in Exhibit G is based on this determination.

The Association's policy is to calculate funding requirements for future major repairs and replacements over the remaining useful lives of these components based on such replacement cost estimates. Amounts previously accumulated are also considered in determining the annual funding requirement. Interest income is retained by the replacement fund, which contains the funds allocated for future major repairs and replacements. Effective January 1, 2022, the Association's current policy is to assess each unit owner \$385 quarterly, to meet future major repair and replacement costs. Based on the Association's implementation of FASB ASC 606, a portion of these funds have been reallocated to a contract liability (unexpended replacement fund assessments) in the accompanying balance sheet. Replacement fund activities for the year ended December 31, 2022 are summarized in Exhibit F.

Actual expenditures may vary from the estimated replacement costs. These variances could be material. Consequently, the amounts accumulated in the replacement fund may not be adequate to fund major repairs and replacements. In that event, the Association, based on provisions in its governing documents, has the authority to assess unit owners for additional funds needed at the time of replacement or major repair.

Note 8 – Income Taxes

The Association elected to be taxed as a homeowner's association for the year ended December 31, 2022. Under this election the Association is taxed on non-membership income, such as interest, in excess of certain allowable deductions, at a 30% rate for Federal tax purposes. The election to be taxed as a homeowner's association would generally not require the filing of a State of Florida corporate tax return. The Association did not have any income tax liability for the year ended December 31, 2022.

Read independent auditors' report.

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.

PLACIDA, FLORIDA

DECEMBER 31, 2022

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 9 – Significant Event - Hurricane Ian

On September 28, 2022, Hurricane Ian made landfall in Southwest Florida. The Association incurred damages from the Hurricane. The damage includes roof damage on all buildings, and water damage in almost all of the units requiring them to be completely renovated. The Association received \$2,890,570 from the insurance company in 2022 and \$1,528,189 in 2023. The Association's attorney is working with the insurance company to determine the additional amount of insurance proceeds they may receive due to the damages from Hurricane Ian. The Association spent \$3,088,585 during 2022 for repairs due to the Hurricane.

Note 10 – Contingencies

The Association's current windstorm insurance policy contains a 3% deductible clause. Based on the approximate \$17,523,100 insured valuation of the buildings, property, and equipment, the first 3%, or \$525,693 would be the responsibility of the Association.

Note 11 – Subsequent Event – Special Assessment

During 2023, the Association approved a special assessment for \$1,519 per unit. The special assessment funds are to offset the cost of the increase in insurance costs.

HIDEAWAY BAY BEACH CLUB ASSOCIATION, INC.

PLACIDA, FLORIDA

SUPPLEMENTARY INFORMATION

DECEMBER 31, 2022

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

SUPPLEMENTARY SCHEDULE ON ANALYSIS
OF REPLACEMENT FUND COMPONENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Reserve Account	Beginning Contract Liability	Beginning Fund Balance	Beginning Liability & Fund Balance	Reserve Assessment Billed	Reserve Revenue Recognized	Change in Contract Liability	Interest & Other Income	Interest & Equity Used by Expenses	Transfers	Expenses	Ending Contract Liability	Ending Fund Balance	Ending Liability & Fund Balance
Boat motor	\$ 14,425	\$ -	\$ 14,425	\$ 12,788	\$ -	\$ 12,788	\$ -	\$ -	\$ -	\$ -	\$ 27,213	\$ -	\$ 27,213
Ferry boat	42,212	-	42,212	6,482	-	6,482	-	-	100	-	48,694	100	48,794
Back up skiff	4,670	-	4,670	2,443	5,350	(2,907)	-	-	-	(5,350)	1,763	-	1,763
Bldg & paint	58,605	-	58,605	47,797	106,402	(58,605)	-	(10)	-	(106,412)	-	(10)	(10)
Roof	225,899	-	225,899	50,456	237,630	(187,174)	-	-	-	(237,630)	38,725	-	38,725
Road	20,060	-	20,060	-	-	-	-	-	-	-	20,060	-	20,060
Boardwalk/docks	37,440	-	37,440	13,819	-	13,819	-	-	-	-	51,259	-	51,259
Sewer system	72,509	-	72,509	22,436	19,525	2,911	-	-	-	(19,525)	75,420	-	75,420
Pool	7,080	-	7,080	1,042	-	1,042	-	-	-	-	8,122	-	8,122
Capital improvements	-	26,630	26,630	-	-	-	-	(19,425)	-	(19,425)	-	7,205	7,205
Reserve interest	-	1,656	1,656	-	-	-	1,773	-	-	-	-	3,429	3,429
	\$ 482,900	\$ 28,286	\$ 511,186	\$ 157,263	\$ 368,907	\$ (211,644)	\$ 1,773	\$ (19,435)	\$ 100	\$ (388,342)	\$ 271,256	\$ 10,724	\$ 281,980

Exhibit F

Read independent auditors' report and accompanying notes to financial statements.

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION ON
FUTURE MAJOR REPAIRS AND REPLACEMENTS

AT DECEMBER 31, 2022

(UNAUDITED)

The Association's Board of Directors has calculated reserves for future major repairs and replacements based on a reserve study that was completed during 2022. Estimated current replacement costs were based on the estimated costs to repair or replace the common property components as determined by the Board of Directors based on its reserve study. Inherent in this calculation was the assumption that net interest earned on the funds would approximate future inflation.

The following table presents significant information about the components of the replacement maintenance fund as of December 31, 2022.

Components	Estimated Useful Lives	Estimated Remaining Useful Lives	Estimated Current Replacement Costs	2023 Funding Requirement	Contract Liability at 12/31/2022	Reserve Fund Balance at 12/31/2022	Ending Liability and Fund Balance at 12/31/2022
Boat motor	3 Years	2 Years	\$ 40,000	\$ -	\$ 27,213	\$ -	\$ 27,213
Ferry boat	10 Years	10 Years	50,000	-	48,694	100	48,794
Back up skiff	15 Years	5 Years	20,000	-	1,763	-	1,763
Bldg & paint	5 - 30 Years	0 - 20 Years	341,704	-	-	(10)	(10)
Roof	15-18 Years	15-18 Years	622,143	-	38,725	-	38,725
Road	10 - 25 Years	0 - 13 Years	54,890	-	20,060	-	20,060
Boardwalk/docks	18 - 25 Years	0 - 23 Years	386,594	-	51,259	-	51,259
Sewer system	1 - 10 Years	0 - 8 Years	197,684	-	75,420	-	75,420
Pool	5 - 25 Years	3 - 10 Years	85,423	-	8,122	-	8,122
Capital improvements	-	-	-	150,000	-	7,205	7,205
Reserve interest	-	-	-	-	-	3,429	3,429
			<u>\$ 1,798,438</u>	<u>\$ 150,000</u>	<u>\$ 271,256</u>	<u>\$ 10,724</u>	<u>\$ 281,980</u>

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

COMPARATIVE SCHEDULE OF ACTUAL AND BUDGETED
OPERATING FUND REVENUES AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

	Actual	Adopted Budget (Unaudited)	Variance Favorable (Unfavorable) (Unaudited)
REVENUES:			
Member assessments	\$ 731,361	\$ 731,165	\$ 196
Placida Harbor income	25,951	13,943	12,008
Interest income	426	-	426
Special assessment	198,015	-	198,015
Insurance proceeds	2,890,570	-	2,890,570
Other income	3,839	20,000	(16,161)
TOTAL REVENUES	<u>3,850,162</u>	<u>765,108</u>	<u>3,085,054</u>
EXPENDITURES:			
Administration	103,522	67,495	(36,027)
Contracts	17,255	24,610	7,355
Ferry/skiff/dock	47,327	26,500	(20,827)
Fire system	22,528	8,500	(14,028)
Insurance	436,526	310,540	(125,986)
Landscaping	10,600	13,000	2,400
Payroll	136,382	159,600	23,218
Pool	8,234	4,500	(3,734)
Property maintenance	60,069	62,760	2,691
Sewer plant	77,201	60,623	(16,578)
Utilities	29,703	26,980	(2,723)
Hurricane Ian expenses	3,088,585	-	(3,088,585)
TOTAL EXPENDITURES	<u>4,037,932</u>	<u>765,108</u>	<u>(3,272,824)</u>
EXCESS EXPENDITURES	<u>\$ (187,770)</u>	<u>\$ -</u>	<u>\$ (187,770)</u>

Read independent auditors' report and
accompanying notes to financial statements.