

January 15, 2024

AUDUBON TRACE CONDOMINIUM ASSOCIATION INC.

TREASURER'S REPORT FOR THE SIX MONTHS ENDED 12/31/2023

For the six months ended 12/31/2023 Expenses exceed revenues by \$30854.89. (deficit).

This is due to two budget line items:

1. CPA audit fees paid was \$18000 for three years of audit reports. The budget amount was \$6000. This is a timing difference as the cost of the prior year reports were included in previous budgets.

2. The water bill actuals for this six- month period is \$ 70310.79. Budgeted amount is \$45000. Our total water bill for the previous year was \$90000. Therefore, budgeted cost for six months was \$45000. This creates a budget overage of \$25310.79. Property Manager reviewed the usage- which was substantially up for July, September, and November due to the excessive drought we are currently experiencing.

3. The note to Eagan Insurance for the insurance deductible buydown is paid in full. The note for the commercial insurance has one payment of \$28000 remaining. That payment will be made in January of 2024.

4. \$ 450,000 has been transferred from our savings account to the brokerage account. We currently have \$1,064,000 invested at a 5% interest earnings rate. This amount will be needed in late March of 2024 to pay our property insurance premium for next year.

5. Building 9 (fire building) is near completion. Once done and passed to the owners for their interior work a recap of the building 9 insurance proceeds and expenses will be completed and distributed to the owners. Based on current financial information no assessment will be forthcoming to the owners for any costs associated with the rebuilding of building 9.

6. Due to the Ketry litigation settlement Audubon Trace will be fully reimbursed for costs related to the litigation.

7. Update on Insurance Assessment. Owners had until November 15, 2023, to pay their insurance assessment. As of this date 33 owners have not paid their insurance assessment for a total due of \$73,570.93. All owners who are delinquent on dues and assessments are subject to late fees and our normal collections processes which include the suspension of utilities and the filing of liens. This process is ongoing.

8. Update on upcoming property insurance and buydown insurance that will be due in March of 2024. Although we do not know the premium as of this date it is anticipated that our insurance premium will increase by 15% (just an estimate) mostly due to an increase in the insurable value of our property. Therefore, a similar assessment for insurance is anticipated in March of 2024. The budget committee and Property Management will meet to discuss this further.

Audubon Trace Condominium Association, Inc.
Balance Sheet
 As of December 31, 2023

	Dec 31, 23
ASSETS	
Current Assets	
Checking/Savings	
Carter Credit Union Bank	2.64
Cash -Reserve Investments	
Cetera Flex Insured	614,434.44
Total Cash -Reserve Investments	614,434.44
Cash Svgs Reserve 5930	405,573.79
Petty Cash	790.93
Special Assessment Account IDA	13,569.38
Whitney National Bank	300,440.63
Total Checking/Savings	1,334,811.81
Accounts Receivable	
Accounts Receivable	101,484.11
Total Accounts Receivable	101,484.11
Other Current Assets	
Prepaid Insurance	255,002.19
Total Other Current Assets	255,002.19
Total Current Assets	1,691,298.11
Fixed Assets	
Accum Dep - Bldg & Imp - Tax	-51,510.50
Accum Dep - Furniture/Fixtures	-10,052.82
Building	62,511.00
Furniture/Fixtures/Equipment	22,884.40
Total Fixed Assets	23,832.08
TOTAL ASSETS	1,715,130.19
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Rev Insur Assmt 2023	264,804.29
Note Eagan Insurance	27,907.10
Total Other Current Liabilities	292,711.39
Total Current Liabilities	292,711.39
Total Liabilities	292,711.39
Equity	
Provision For Reserves	1,025,051.64
Reserve-Current Year	
Reserve Fund Income	
Current Year Reserve Income	150,000.00
Total Reserve Fund Income	150,000.00
Total Reserve-Current Year	150,000.00
Reserve Fund Expenses	
Driveways/Streets	-64,200.00
Total Reserve Fund Expenses	-64,200.00
Retained Earnings	258,953.25
Net Income	52,613.91
Total Equity	1,422,418.80
TOTAL LIABILITIES & EQUITY	1,715,130.19

Audubon Trace Condominium Association, Inc.

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Profit & Loss

Accrual Basis

July through December 2023

	Jul - Dec 23
Ordinary Income/Expense	
Income	
Dues	
Insurance Assessment	264,804.24
Dues - Other	555,769.74
Total Dues	820,573.98
Other Income	
Dues Adjustments	13.51
Other Income - Other	0.00
Total Other Income	13.51
Total Income	820,587.49
Gross Profit	820,587.49
Expense	
Administration	
Automobile	
Repairs	1,265.28
Truck and Equipment Gas	1,343.70
Total Automobile	2,608.98
Bookkeeping	10,500.00
CPA Audit/Taxes	18,000.00
Dues and Subscriptions	385.00
Office Equipment Maintenance	240.00
Office Phone	
Alarm Service	389.00
Internet Service	662.99
Office Business Phone	2,659.52
Total Office Phone	3,711.51
Office Supplies	1,722.12
Payroll Expenses	
Employee Benefits	
Dental Ins	615.48
Health Insurance	19,123.14
Lunches	473.47
Total Employee Benefits	20,212.09
Payroll Processing Fees	874.70
Total Payroll Expenses	21,086.79
Payroll Tax Expenses	
Federal Unemployment Tax	42.00
Medicare	1,909.81
Social Security	8,166.13
State Unemployment Tax	6.93
Total Payroll Tax Expenses	10,124.87
Postage	34.24
Professional Fees	
Legal Fees	3,845.00
Total Professional Fees	3,845.00
Special Events	136.64
Wages & Labor	
Employee Bonus	4,146.22
Hourly Wages- Staff	60,499.70
Salaries - Admin.	67,065.70
Total Wages & Labor	131,711.62
Website Expense	299.94

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Profit & Loss

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July through December 2023

Accrual Basis

	Jul - Dec 23
Total Administration	204,406.71
Bank Service Charges	-9.01
Interest Exp- Eagan Insurance	7,249.75
Operating Expenses	
Contracts	
Grass Cutting	29,248.00
Landscape Maintenance	
Bedding, Maintenance	980.00
Tree Removal	0.00
Total Landscape Maintenance	980.00
Pest Control	3,300.00
Pest Control-Termite	11,391.80
Trash Removal	
Curbside Waste Disposal	12,081.36
Dumpster Service	5,687.18
Total Trash Removal	17,768.54
Total Contracts	62,688.34
Insurance	
Auto Insurance	3,124.02
Commercial Umbrella (\$10 mil)	2,951.52
Crime/Directors & Officers	479.52
Deductible Buydown	94,349.22
Flood	29,217.00
General Liability Policy	10,697.88
Property Commercial	318,953.70
Workman's Comp	-849.00
Insurance - Other	300.00
Total Insurance	459,223.86
Maintenance & Repairs	
Appliance/Equipment	63.33
Lumber & Construction	20,197.07
Plumbing	6,005.00
Pool Supplies and Maintenance	8,389.08
Roof Repairs	1,050.00
Tools	497.91
Maintenance & Repairs - Other	19.41
Total Maintenance & Repairs	36,221.80
permits & fees	25.52
Utilities	
Electric	11,324.62
Water	70,310.79
Total Utilities	81,635.41
Total Operating Expenses	639,794.93
Total Expense	851,442.38
Net Ordinary Income	-30,854.89
Other Income/Expense	
Other Income	
Ins Proceeds- Fire- Bldg 9	415,209.84
Interest Income	
Interest Savings	6.05
Total Interest Income	6.05
Total Other Income	415,215.89
Other Expense	
Bldg 9 Fire Expense	331,717.04
Void	0.00

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Profit & Loss

Accrual Basis

July through December 2023

	<u>Jul - Dec 23</u>
W/O of old accounts	30.05
Total Other Expense	331,747.09
Net Other Income	83,468.80
Net Income	<u>52,613.91</u>