

The Sterling Villages of Palm Beach Lakes Condo  
Balance Sheet  
As of 09/30/16

| Account #           | Description              | Fund Balances |            |       | Totals       |
|---------------------|--------------------------|---------------|------------|-------|--------------|
|                     |                          | Operating     | Reserves   | Other |              |
| <b>ASSETS</b>       |                          |               |            |       |              |
| Cash                |                          |               |            |       |              |
| 1110                | BB&T-Operating 0632      | 126,995.10    |            |       | 126,995.10   |
| 1115                | BB&T - Lock Box 70759    | 3,495.02      |            |       | 3,495.02     |
| 1120                | BB&T - Cash Savings 1108 | 138,960.42    |            |       | 138,960.42   |
| 1130                | Petty Cash               | 900.00        |            |       | 900.00       |
| 1150                | Due (TO) From Reserves   | (260,558.47)  |            |       | (260,558.47) |
| 2250                | Due (TO) From Operating  |               | 260,558.47 |       | 260,558.47   |
|                     |                          | 9,792.07      | 260,558.47 | .00   | 270,350.54   |
| Accounts Receivable |                          |               |            |       |              |
| 1210                | Accounts Receivable      | 263,184.01    |            |       | 263,184.01   |
| 1250                | Allowance for Bad Debts  | (161,347.24)  |            |       | (161,347.24) |
|                     |                          | 101,836.77    | .00        | .00   | 101,836.77   |
| Other Assets        |                          |               |            |       |              |
| 1610                | Prepaid Expenses         | 220.09        |            |       | 220.09       |
| 1615                | Prepaid Insurance        | 156,802.54    |            |       | 156,802.54   |
| 1630                | Returned Check           | 1,906.61      |            |       | 1,906.61     |
| 1750                | Utility Deposits         | 67,900.00     |            |       | 67,900.00    |
|                     |                          | 226,829.24    | .00        | .00   | 226,829.24   |
|                     |                          | 338,458.08    | 260,558.47 | .00   | 599,016.55   |

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| Account #                            | Description                          | Fund Balances: |             |       | Totals       |
|--------------------------------------|--------------------------------------|----------------|-------------|-------|--------------|
|                                      |                                      | Operating      | Reserves    | Other |              |
| <b>LIABILITIES AND FUND BALANCES</b> |                                      |                |             |       |              |
| Liabilities                          |                                      |                |             |       |              |
| 3345                                 | Accounts Payable                     | 34,437.43      |             |       | 34,437.43    |
| 3350                                 | AP Villages of Palm Beach Lake       | 224,642.17     |             |       | 224,642.17   |
| 3355                                 | Insurance Payable                    | 152,274.50     |             |       | 152,274.50   |
| 3356                                 | Payroll Taxes Payable                | 2,934.71       |             |       | 2,934.71     |
| 3360                                 | Other Deposits                       | 1,000.00       |             |       | 1,000.00     |
| 3400                                 | Prepaid Owner Assessments            | 54,461.24      |             |       | 54,461.24    |
|                                      |                                      | 469,750.05     | .00         | .00   | 469,750.05   |
| Fund Balances:                       |                                      |                |             |       |              |
| Reserve Fund                         |                                      |                |             |       |              |
| 5500                                 | Reserve Fund - Roofs                 |                | 268,600.00  |       | 268,600.00   |
| 5525                                 | Reserve Fund Interest    Roofs       |                | 10,628.86   |       | 10,628.86    |
|                                      | Operating Fund Bal Beginning         | (201,432.63)   |             |       | (201,432.63) |
|                                      | Current Year Net Income/Loss         | 70,140.66      | (18,670.39) | .00   | 51,470.27    |
|                                      | <b>Total Fund Balances</b>           | (131,291.97)   | 260,558.47  | .00   | 129,266.50   |
|                                      | <b>Liabilities and Fund Balances</b> | 338,458.08     | 260,558.47  | .00   | 599,016.55   |

Run Date: 10/14/16  
 Run Time: 01:29 PM

The Sterling Villages of Palm Beach Lakes Condo  
 Income/Expense Statement  
 Period: 09/01/16 to 09/30/16

| Description                         | Actual            | Current Period Budget | Variance        | Actual            | Year-To-Date Budget | Variance           | Yearly Budget       |
|-------------------------------------|-------------------|-----------------------|-----------------|-------------------|---------------------|--------------------|---------------------|
| <b>INCOME:</b>                      |                   |                       |                 |                   |                     |                    |                     |
| 06000 Maintenance Fees              | 97,671.25         | 97,359.66             | 311.59          | 879,041.25        | 876,236.94          | 2,804.31           | 1,168,316.00        |
| 06050 Late Fees                     | 875.00            | 1,250.00              | (375.00)        | 4,050.00          | 11,250.00           | (7,200.00)         | 15,000.00           |
| 06100 Application Fees              | 950.00            | 833.33                | 116.67          | 8,350.00          | 7,499.97            | 850.03             | 10,000.00           |
| 06120 Estoppel Certificates         | 1,400.00          | 1,250.00              | 150.00          | 13,400.00         | 11,250.00           | 2,150.00           | 15,000.00           |
| 06130 Gate Card / Openers           | 550.00            | 333.33                | 216.67          | 5,505.00          | 2,999.97            | 2,505.03           | 4,000.00            |
| 06150 Legal Fees Recov'd: Collectio | 5,970.25          | 4,166.66              | 1,803.59        | 9,882.35          | 37,499.94           | (27,617.59)        | 50,000.00           |
| 06154 Other Charges & Fees          | 409.59            | 83.33                 | 326.26          | 3,624.81          | 749.97              | 2,874.84           | 1,000.00            |
| 06155 Capital Contribution Income   | 488.00            | .00                   | 488.00          | 488.00            | .00                 | 488.00             | .00                 |
| 06210 Interest - Operating          | 16.58             | 16.67                 | (.09)           | 186.23            | 150.03              | 36.20              | 200.00              |
| 06330 Fl Pub Util Income            | .00               | .00                   | .00             | 1,288.00          | .00                 | 1,288.00           | .00                 |
|                                     | <u>108,330.67</u> | <u>105,292.98</u>     | <u>3,037.69</u> | <u>925,815.64</u> | <u>947,636.82</u>   | <u>(21,821.18)</u> | <u>1,263,516.00</u> |
| <b>ADMINISTRATIVE</b>               |                   |                       |                 |                   |                     |                    |                     |
| 08000 Bad Debts                     | 4,166.66          | 4,166.66              | .00             | 37,499.94         | 37,499.94           | .00                | 50,000.00           |
| 08005 Bank Fees                     | 9.95              | 41.67                 | 31.72           | 101.55            | 375.03              | 273.48             | 500.00              |
| 08010 Computer/Internet Expenses    | .00               | 233.33                | 233.33          | 2,195.19          | 2,099.97            | (95.22)            | 2,800.00            |
| 08015 Licenses, Taxes & Permits     | .00               | 8.33                  | 8.33            | 858.47            | 74.97               | (783.50)           | 100.00              |
| 08020 Management/Administrative     | 11,479.00         | 9,166.67              | (2,312.33)      | 74,090.16         | 82,500.03           | 8,409.87           | 110,000.00          |
| 08021 Payroll Tax Expense           | 921.33            | .00                   | (921.33)        | 6,280.06          | .00                 | (6,280.06)         | .00                 |
| 08025 Master Association Fees       | .00               | .00                   | .00             | 47,896.10         | .00                 | (47,896.10)        | .00                 |
| 08030 Meeting Expense               | .00               | 83.33                 | 83.33           | 438.76            | 749.97              | 311.21             | 1,000.00            |
| 08035 Miscellaneous                 | 212.00            | 416.67                | 204.67          | 7,657.17          | 3,750.03            | (3,907.14)         | 5,000.00            |
| 08040 Office Supplies               | 532.31            | 1,166.66              | 634.35          | 4,381.68          | 10,499.94           | 6,118.26           | 14,000.00           |
| 08045 Printing and Postage          | 67.88             | 83.33                 | 15.45           | 1,959.40          | 749.97              | (1,209.43)         | 1,000.00            |
| 08050 Accounting Services           | 1,009.58          | 1,183.33              | 173.75          | 8,983.87          | 10,649.97           | 1,666.10           | 14,200.00           |
| 08055 Audit Services                | .00               | 333.33                | 333.33          | 4,000.00          | 2,999.97            | (1,000.03)         | 4,000.00            |
| 08060 Legal fees and expenses       | 5,518.00          | 8,333.33              | 2,815.33        | 100,714.18        | 74,999.97           | (25,714.21)        | 100,000.00          |
| 08065 Other Professional Fees       | .00               | 125.00                | 125.00          | .00               | 1,125.00            | 1,125.00           | 1,500.00            |
| 08066 Division Fees                 | .00               | 106.33                | 106.33          | .00               | 956.97              | 956.97             | 1,276.00            |
| 08075 Screening Fees                | 172.89            | 333.33                | 160.44          | 2,072.16          | 2,999.97            | 927.81             | 4,000.00            |
| 08080 Telephone                     | 914.11            | 558.33                | (355.78)        | 7,230.46          | 5,024.97            | (2,205.49)         | 6,700.00            |
| 08085 Website - hosting & maintce   | .00               | 175.00                | 175.00          | 1,650.34          | 1,575.00            | (75.34)            | 2,100.00            |
|                                     | <u>25,003.71</u>  | <u>26,514.63</u>      | <u>1,510.92</u> | <u>308,009.49</u> | <u>238,631.67</u>   | <u>(69,377.82)</u> | <u>318,176.00</u>   |
| <b>INSURANCE</b>                    |                   |                       |                 |                   |                     |                    |                     |
| 08100 Insurance Expense             | 14,254.78         | 16,750.00             | 2,495.22        | 146,611.16        | 150,750.00          | 4,138.84           | 201,000.00          |
|                                     | <u>14,254.78</u>  | <u>16,750.00</u>      | <u>2,495.22</u> | <u>146,611.16</u> | <u>150,750.00</u>   | <u>4,138.84</u>    | <u>201,000.00</u>   |
| <b>OTHER</b>                        |                   |                       |                 |                   |                     |                    |                     |
| 08500 Interest Expense              | .00               | 15.00                 | 15.00           | .00               | 135.00              | 135.00             | 180.00              |
|                                     | <u>.00</u>        | <u>15.00</u>          | <u>15.00</u>    | <u>.00</u>        | <u>135.00</u>       | <u>135.00</u>      | <u>180.00</u>       |

Run Date: 10/14/16

Run Time: 01:29 PM

**The Sterling Villages of Palm Beach Lakes Condo**  
**Income/Expense Statement**  
**Period: 09/01/16 to 09/30/16**

| Description                           |                               | Actual    | Current Period Budget | Variance   | Actual     | Year-To-Date Budget | Variance    | Yearly Budget |
|---------------------------------------|-------------------------------|-----------|-----------------------|------------|------------|---------------------|-------------|---------------|
| <b>LAWN AND LANDSCAPING</b>           |                               |           |                       |            |            |                     |             |               |
| 08200                                 | Lawn Mntce - Regular          | 4,090.00  | 4,162.50              | 72.50      | 38,365.60  | 37,462.50           | (903.10)    | 49,950.00     |
| 08205                                 | Landscaping Extras            | .00       | 416.67                | 416.67     | 500.00     | 3,750.03            | 3,250.03    | 5,000.00      |
| 08210                                 | Irrigation and Sprinkler      | .00       | 416.67                | 416.67     | 3,528.66   | 3,750.03            | 221.37      | 5,000.00      |
| 08218                                 | Tree Trimming and Removal     | .00       | 1,000.00              | 1,000.00   | 1,600.00   | 9,000.00            | 7,400.00    | 12,000.00     |
|                                       |                               | 4,090.00  | 5,995.84              | 1,905.84   | 43,994.26  | 53,962.56           | 9,968.30    | 71,950.00     |
| <b>REPAIRS AND MAINTENANCE</b>        |                               |           |                       |            |            |                     |             |               |
| 08220                                 | Buildgs Repair - Club & Guard | 162.00    | 625.00                | 463.00     | 162.00     | 5,625.00            | 5,463.00    | 7,500.00      |
| 08225                                 | Repairs - Electrical          | 294.00    | 2,083.33              | 1,789.33   | 2,426.38   | 18,749.97           | 16,323.59   | 25,000.00     |
| 08230                                 | Repairs - Gate                | 930.15    | 666.67                | (263.48)   | 2,393.78   | 6,000.03            | 3,606.25    | 8,000.00      |
| 08235                                 | Repairs - General             | .00       | 7,916.67              | 7,916.67   | 29,092.12  | 71,250.03           | 42,157.91   | 95,000.00     |
| 08240                                 | Janitorial                    | .00       | 291.67                | 291.67     | 3,147.40   | 2,625.03            | (522.37)    | 3,500.00      |
| 08250                                 | Plumbing                      | 1,363.68  | 625.00                | (738.68)   | 3,721.02   | 5,625.00            | 1,903.98    | 7,500.00      |
| 08255                                 | Repairs - Pool and Spa        | .00       | 625.00                | 625.00     | 2,848.57   | 5,625.00            | 2,776.43    | 7,500.00      |
| 08260                                 | Repairs -Roofs and Gutters    | 5,940.00  | 2,083.33              | (3,856.67) | 26,783.00  | 18,749.97           | (8,033.03)  | 25,000.00     |
| 08262                                 | Signs                         | .00       | 62.50                 | 62.50      | 349.00     | 562.50              | 213.50      | 750.00        |
| 08265                                 | Supplies and Small Tools      | 1,489.25  | 416.67                | (1,072.58) | 2,528.57   | 3,750.03            | 1,221.46    | 5,000.00      |
|                                       |                               | 10,179.08 | 15,395.84             | 5,216.76   | 73,451.84  | 138,562.56          | 65,110.72   | 184,750.00    |
| <b>SERVICE CONTRACTS</b>              |                               |           |                       |            |            |                     |             |               |
| 08300                                 | Fire Alarm Systems Service Co | 480.18    | 458.33                | (21.85)    | 1,796.70   | 4,124.97            | 2,328.27    | 5,500.00      |
| 08305                                 | Pest Control Service Contract | 1,026.02  | 1,000.00              | (26.02)    | 8,034.12   | 9,000.00            | 965.88      | 12,000.00     |
| 08310                                 | Pool and Spa Contract         | 560.00    | 640.83                | 80.83      | 5,942.58   | 5,767.47            | (175.11)    | 7,690.00      |
| 08315                                 | Security Contract             | .00       | 104.16                | 104.16     | 7,644.76   | 937.44              | (6,707.32)  | 1,250.00      |
|                                       |                               | 2,066.20  | 2,203.32              | 137.12     | 23,418.16  | 19,829.88           | (3,588.28)  | 26,440.00     |
| <b>UTILITIES</b>                      |                               |           |                       |            |            |                     |             |               |
| 08400                                 | Electricity                   | 2,105.42  | 2,000.00              | (105.42)   | 17,386.97  | 18,000.00           | 613.03      | 24,000.00     |
| 08410                                 | Trash Removal                 | .00       | 100.00                | 100.00     | 1,000.00   | 900.00              | (100.00)    | 1,200.00      |
| 08420                                 | Water and Sewer               | 24,978.33 | 26,333.33             | 1,355.00   | 241,803.10 | 236,999.97          | (4,803.13)  | 316,000.00    |
|                                       |                               | 27,083.75 | 28,433.33             | 1,349.58   | 260,190.07 | 255,899.97          | (4,290.10)  | 341,200.00    |
|                                       |                               | .00       | .00                   | .00        | .00        | .00                 | .00         | .00           |
| <b>TOTAL EXPENSES</b>                 |                               | 82,677.52 | 95,307.96             | 12,630.44  | 855,674.98 | 857,771.64          | 2,096.66    | 1,143,696.00  |
| <b>CURRENT YEAR NET INCOME/(LOSS)</b> |                               | 25,653.15 | 9,985.02              | 15,668.13  | 70,140.66  | 89,865.18           | (19,724.52) | 119,820.00    |

The budget balances to +119,820 to pay back the  
the operating deficits in 2014 and 2015.