

**WIGGINS BAY FOUNDATION, INC.**  
**NAPLES, FLORIDA**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**December 31, 2021**

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**THE SPIRES GROUP, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

[www.SpiresGroupcpa.com](http://www.SpiresGroupcpa.com)

FORT MYERS OFFICE  
P 239-936-4336  
F 239-936-4941  
12734 Kenwood Lane, Ste. 25  
Fort Myers, FL 33907

NAPLES OFFICE  
P 239-596-6580  
F 239-596-6574  
5415 Jaeger Rd, Ste B  
Naples, FL 34109

INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Wiggins Bay Foundation, Inc.  
Naples, Florida

**Opinion**

We have audited the accompanying financial statements of Wiggins Bay Foundation, Inc., which comprise the balance sheets as of December 31, 2021, and the related statements of revenues, expenses, changes in fund balances, cash flows, the related notes to the financial statements and supplemental information for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wiggins Bay Foundation, Inc. as of December 31, 2021, and the results of their operations and cash flows for the years 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 Wiggins Bay Foundation, Inc. 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 these 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 Wiggins Bay Foundation, Inc.'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 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 Wiggins Bay Foundation, Inc.'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wiggins Bay Foundation, Inc.'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 Supplementary Information**

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Deferred Liabilities – Replacement and Replacement Fund Activities on page 15, includes information required by the Florida Statutes and are presented for the purpose of additional analysis and is not a required part of the basic 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Operating Revenues and Expenses Budget to Actual on page 16-17, are presented for the purpose of additional analysis and is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

**Disclaimer of Opinion of Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 18, 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.

The Spires Group P.A.

The Spires Group, P.A.  
Fort Myers, Florida  
July 11, 2022

**WIGGINS BAY FOUNDATION, INC.**  
**BALANCE SHEET**  
**DECEMBER 31, 2021**

	FUNDS		
	Operating	Replacement	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 730,601	\$ 324,433	\$ 1,055,034
Accounts Receivable	63	-	63
Prepaid Insurance	9,274	-	9,274
Prepaid Expenses	2,750	-	2,750
Utility Deposits	310	-	310
Total Assets	<u>\$ 742,998</u>	<u>\$ 324,433</u>	<u>\$ 1,067,431</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 24,611	\$ -	\$ 24,611
Prepaid Owner Assessments	647,988	-	647,988
Deferred Liabilities - Replacement	-	323,991	323,991
Total Liabilities	<u>672,599</u>	<u>323,991</u>	<u>996,590</u>
<b>FUND BALANCES</b>	<u>70,399</u>	<u>442</u>	<u>70,841</u>
Total Liabilities and Fund Balances	<u>\$ 742,998</u>	<u>\$ 324,433</u>	<u>\$ 1,067,431</u>

See accompanying notes and independent accountant's audit report.

**WIGGINS BAY FOUNDATION, INC.**  
**STATEMENT OF REVENUES AND EXPENSES**  
**FOR THE PERIOD ENDED DECEMBER 31, 2021**

	FUNDS		
	Operating	Replacement	Total
<b>REVENUES</b>			
Owner Assessments	\$ 912,516	\$ -	\$ 912,516
Late Fees	675	-	675
Legal Fee Income	325	-	325
Return Check Fee Income	10	-	10
Undeveloped Property Tract	2,074	-	2,074
Bar Code / Key Access	1,215	-	1,215
Late Fee Interest	981	-	981
Tarpon Club	6,207	-	6,207
Interest Income	583	657	1,240
Miscellaneous Income	3,678	-	3,678
Dock Owners	1,470	-	1,470
Total Revenues	<u>929,734</u>	<u>657</u>	<u>930,391</u>
<b>EXPENSES</b>			
Administration	16,917	-	16,917
Insurance	9,015	-	9,015
Utilities	71,591	-	71,591
Contracts	740,431	-	740,431
Property Repairs & Maintenance	67,274	29,806	97,080
Total Expenses	<u>905,228</u>	<u>29,806</u>	<u>935,034</u>
Excess of Revenues Over Expenses	<u>\$ 24,506</u>	<u>\$ (29,149)</u>	<u>\$ (4,643)</u>

See accompanying notes and independent accountant's audit report.

**WIGGINS BAY FOUNDATION, INC.**  
**CHANGES IN FUND BALANCE**  
**FOR THE PERIOD ENDED DECEMBER 31, 2021**

	FUNDS		
	Operating	Replacement	Total
FUND BALANCES - December 31, 2020	\$ 45,893	\$ 29,591	\$ 75,484
Excess of Revenues Over Expenses	24,506	(29,149)	(4,643)
FUND BALANCES - December 31, 2021	\$ 70,399	\$ 442	\$ 70,841

See accompanying notes and independent accountant's audit report.



**WIGGINS BAY FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2021**

	FUNDS		
	Operating	Replacement	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Collected From			
Assessments	\$ 1,038,946	\$ 38,245	\$ 1,077,191
Interest	583	657	1,240
Other Income	6,884	-	6,884
Cash Paid to Suppliers	<u>(917,948)</u>	<u>(29,806)</u>	<u>(947,754)</u>
Net Cash Provided by Operating Activities	<u>128,465</u>	<u>9,096</u>	<u>137,561</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
CD Redeemed / (purchased) net	-	114,952	114,952
Net Cash Provided by Investing Activities	<u>-</u>	<u>114,952</u>	<u>114,952</u>
Net Increase in Cash	128,465	124,048	252,513
CASH - December 31, 2020	<u>602,136</u>	<u>200,385</u>	<u>802,521</u>
CASH - December 31, 2021	<u><u>\$ 730,601</u></u>	<u><u>\$ 324,433</u></u>	<u><u>\$ 1,055,034</u></u>

See accompanying notes and independent accountant's audit report.

**WIGGINS BAY FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2021**

RECONCILIATION OF REVENUES OVER (UNDER) EXPENSES TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

	FUNDS		
	Operating	Replacement	Total
CASH PROVIDED (USED) BY <u>OPERATING ACTIVITIES:</u>			
Revenues Over (Under) Expenses	24,506	(29,149)	(4,643)
<b>Adjustments:</b>			
<b>(Increase) Decrease in:</b>			
Change in Accounts Receivable	1,792	-	1,792
Change in Prepaid Insurance	(3,899)	-	(3,899)
<b>Increase (Decrease) in:</b>			
Change in Accounts Payable	(8,821)	-	(8,821)
Change in Prepaid Owner Assessments	114,887	-	114,887
Change in Deferred Liabilities - Replacement	-	38,245	38,245
	_____	_____	_____
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 128,465	\$ 9,096	\$ 137,561

See accompanying notes and independent accountant's audit report.

**WIGGINS BAY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 1 - THE ASSOCIATION**

Wiggins Bay Foundation, Inc. (the "Foundation") was incorporated on October 10, 1983, under Chapter 617 of the Florida Statutes as a not-for-profit organization. The Association is to operate and manage the common property of the Association in accordance with the terms of the Florida Statutes, Chapter 721 and the provisions set forth in the Declaration of Condominium (the "Declaration"). The Association consists of 613 residential unit weeks and 3 non-residential units (including the Club complex, docks and a lot) occupying a site approximately 148.26 acres located in Naples, Florida. The owners of all units in the Foundation are the only members.

**NOTE 2 – DATE OF MANAGEMENT REVIEW**

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 11, 2022, the date that the financial statements were available to be issued.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Fund Accounting

The 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 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 Association.

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

Fund accounting is helpful in segregating funds having restrictions on their use. The operating fund is used to account for financial resources available for the general operations of the Association. Disbursements from the operating fund are generally at the discretion of the Board of Directors and Property Manager, for recurring costs of operation. The replacement fund is used to accumulate financial resources designated for future major repairs and replacements. Expenditures from this fund are restricted to those items for which assessments were levied.

Member Assessments

The Association's current policy is to assess each unit owner a fixed amount annually, based on the annual budget determined by the Board of Directors (the "Board"). Each unit owner is assessed based on his proportionate share of ownership in the common elements. Accounts receivable - owners at the balance sheet date represents fees due from the unit owners. The Association's policy is to retain legal counsel and place liens on the properties that are delinquent. As of December 31, 2021, the Association has no owners who owe annual assessments. Accordingly, the Association has not elected to set up an allowance for uncollectible accounts as of December 31, 2021.

**WIGGINS BAY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Member Assessments (Continued)

The Association treats uncollectible assessments as credit losses. Method, inputs, and assumptions used to evaluate when assessments are considered uncollectible include consideration of past experience and susceptibility to factors outside the Association's control. The balances of assessments receivable as of the beginning and end of the year are \$1,855 and \$63, respectively.

Cash and Cash equivalent

For purposes of reporting cash flows, the Association considers all short-term highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Property and Equipment

The Association follows prevalent industry practice, as contained in the "Real Estate – Common Interest Realty Association Topic of the FASB ASC" in accounting for the common property of the Association. Property that is not directly associated with the units is capitalized only if the Association has title or other evidence of ownership of the property, and either the Association can dispose of the property at the discretion of the Board or the property is used by the Association to generate significant cash flows from members based on usage or from nonmembers.

The Association's accounting policy is to capitalize the cost of personal property with an estimated useful life in excess of one year and to depreciate such property over the estimated remaining life of the asset using the straight-line method. The Association has elected to capitalize anything with a value of \$1,000 or greater. As of December 31, 2021, the Association has not capitalized any assets.

Deferred Liabilities - Replacement

The Association recognizes revenue from members as the related performance obligations are satisfied. A deferred liability - replacement is (are) recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of deferred revenue – liabilities replacement as of the beginning and end of the year are \$285,746 and \$323,991, respectively.

Estimates

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

**WIGGINS BAY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recently Issued Accounting Standards

The FASB issued new guidance that created ASC Topic 606, “Revenue from Contracts with Customers”. Topic 606 supersedes the revenue recognition requirements in FASB ASC 972-605, “Real Estate – Common interest Realty Associations, Revenue Recognition”, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an Association expects to be entitled in exchange for those goods or services.

The Association adopted the requirements of this new guidance as of January 1, 2020.

To achieve the core principle of the new guidance, the Association applies the following steps: (i) identify the contract with the customer; (ii) determine whether the promised goods or services are separate performance obligations in the contract or a single performance obligation; (iii) determine the transaction price, including considering the constraint on variable consideration; (iv) allocate the transaction price to the performance obligations in the contract; (v) recognize revenue when (or as) the Association satisfies each of the performance obligation.

Income Tax

The Association’s policy is to record interest expense or penalties related to income tax in operating expenses. For the year ended December 31, 2021, no interest or penalties were paid or accrued.

Interest Income

The Association recognizes interest income on the operating fund and the replacement fund when earned. The Association’s policy is to account for the fund expenditures using fund interest income before fund assessment income.

**NOTE 4 – FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association’s governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate \$323,991, and are presented on the accompanying balance sheet as a contract liability (assessments received in advance-replacement fund) at December 31, 2021, are held in separate accounts and are generally not available for operating purposes. The Association also has replacement fund balances as of December 31, 2021 of \$442 which are also restricted funds for the use of future major repairs and replacements.

Florida Statutes require the Association to accumulate funds for future major repairs and replacements and later statutes required funds be accumulated for any item for which the deferred maintenance expenses or replacement cost is greater than \$10,000 unless the reserves are waived or reduced by the unit owners. The funds are segregated and held primarily in interest bearing accounts and are not available for expenditures for normal operations. Interest income earned in the replacement fund is retained in the replacement fund.

The Association had a formal reserve study performed by Association Reserves on October 27, 2017 and was used to establish the remaining useful lives and future replacement costs. The Board used the reserve study performed to establish it’s estimated remaining lives and replacement costs for the preparation of the 2021 budget. This is shown on page 18.

**WIGGINS BAY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 4 – FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)**

As shown in the supplementary information, the replacement fund required and approved funding for 2022 is \$39,393.

Actual expenditures may vary from the estimated future replacement costs and these variances could be material. Consequently, the amounts accumulated in the replacement fund may not be adequate to fund the major repairs and replacements. If additional funds are needed, the Association may, subject to membership approval, increase regular assessments, or delay major repairs or replacements until funds are available, or the Board may pass special assessments.

**NOTE 5 – INCOME TAXES**

The Association is subject to federal and state income taxes. Annually, the Association may qualify and elect to be treated as a tax-exempt organization under Section 528 of the Internal Revenue Code. Under this election, revenue from maintenance fees, reserve and special assessments (exempt-function income) is not subject to state or federal income taxes. However, income that is not exempt-function is federally taxed at a 32% rate (after a \$100 exemption) and is exempt from Florida income tax. If the Association does not qualify and/or make this election, it is taxed as a regular corporation under the provisions of Internal Revenue Code Section 277. This section provides that the excess of income from members is used to offset next year expenses or returned to the member to avoid being taxed. The Association is taxed on all non-member income net of allocable expenses. The Association had no federal income tax for the year ended December 31, 2021, using the 1120H method of tax filing and no state income tax liability.

The Association uses the standard Accounting for Uncertainty in Income Taxes. It is the Association's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by "a-more-likely-than-not" threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2021. Currently, the statute of limitations remains open for tax returns filed subsequent to and including 2018; however, no IRS or Florida Department of Revenue examinations are in process or anticipated.

**NOTE 6 - ASSESSMENTS CHARGES TO UNIT OWNERS**

Pursuant to the Declaration and Bylaws of the Association, regular and special assessments are allocated to each unit owner. During the year ended December 31, 2021, the Association assessed members \$1,488.61 annually to fund operations and \$62.39 to fund the reserve for future repairs and replacements. Each member shares equally in the operating costs.

Non-residential owners are assessed annually based on the assessed value of the property multiplied by the applicable millage rate. The assessment for Tract 10 was approximately \$2,074, Tract 3 was approximately \$6,207 and the docks were approximately \$1,470.

**NOTE 7 – PREPAID ASSESSMENTS**

The prepaid assessments consist of 2022 assessments received prior to January 1, 2022. At the balance sheet date, there was \$647,988 of prepaid assessments.

**WIGGINS BAY FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 8 - CONCENTRATION OF CREDIT RISK**

The Association maintains accounts at various financial institutions in the form of bank deposits which, at times, may exceed federally-insured limits of \$250,000. As of December 31, 2021, the Association maintained balances at institutions as follows:

<b><u>Institution</u></b>	<b>Balance as of <u>12/31/2021</u></b>	<b>Exposure as of <u>12/31/2021</u></b>
Centennial Bank	\$ 982,851	\$ 732,851

The Association has not experienced any losses on such accounts and believes it is not exposed to any significant risk on cash.

**SUPPLEMENTARY INFORMATION**



**WIGGINS BAY FOUNDATION, INC.**  
**SCHEDULE OF DEFERRED LIABILITIES**  
**AND REPLACEMENT FUND ACTIVITY**  
**ENDED DECEMBER 31, 2021**

Deferred Liabilities Components	Balance 1/1/2021	Additions To Fund	Charges to Fund	Transfers	Balance 12/31/2021
Pooled Reserves	\$ 285,746	\$ 38,245	\$ -	\$ -	\$ 323,991
Concrete Curb / Gutter	-	-	(7,871)	7,871	-
General	-	-	(1,900)	1,900	-
Perimeter Walls	-	-	(1,335)	1,335	-
Infrastructure	-	-	(18,700)	18,700	-
Totals Deferred Liabilities	<u>\$ 285,746</u>	<u>\$ 38,245</u>	<u>\$ (29,806)</u>	<u>\$ 29,806</u>	<u>\$ 323,991</u>
<u>Replacement Fund Balance:</u>	Balance	Additions	Charges	Transfers	Balance
	1/1/2021	To Fund	to Fund	Transfers	12/31/2021
Interest	\$ 29,591	\$ 657	\$ -	\$ (29,806)	\$ 442
Total Replacement Fund Balance	<u>\$ 29,591</u>	<u>\$ 657</u>	<u>\$ -</u>	<u>\$ (29,806)</u>	<u>\$ 442</u>
Total Deferred Liabilities and Replacement Fund Balance	<u><u>\$ 315,337</u></u>	<u><u>\$ 38,902</u></u>	<u><u>\$ (29,806)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 324,433</u></u>

Interest income of \$657 earned on the replacement funds in 2021 is included in the additions to the fund.

**WIGGINS BAY FOUNDATION, INC.**  
**SUPPLEMENTARY INFORMATION**  
**STATEMENT OF REVENUE AND EXPENSES - OPERATING FUND**  
**DECEMBER 31, 2021**

<u>REVENUES</u>	<u>ACTUAL</u>	<u>2021 BUDGET</u>	<u>VARIANCE</u>
Owner Assessments	\$ 912,516	\$ 912,518	\$ (2)
Late Fees	675	-	675
Legal Fee Income	325	-	325
Return Check Fee Income	10	-	10
Undeveloped Property Tract	2,074	2,074	-
Bar Code / Key Access	1,215	-	1,215
Late Fee Interest	981	-	981
Tarpon Club	6,207	6,207	-
Interest Income	583	-	583
Miscellaneous Income	3,678	-	3,678
Dock Owners	1,470	1,470	-
Total Revenues	<u>929,734</u>	<u>922,269</u>	<u>7,465</u>
 <u>EXPENSES</u>			
<u>Administration</u>			
Bank Charges	944	-	944
Legal Fees	839	2,000	(1,161)
Legal Fees - Collections	-	1,000	(1,000)
Licenses, Taxes, Permit	75	250	(175)
Division & Corporate Fees	61	61	-
Office Supplies & Expense	8,748	8,500	248
Website Expense	1,300	1,300	-
Contingency	950	1,245	(295)
Audit	4,000	4,500	(500)
Total Administration Expense	<u>16,917</u>	<u>18,856</u>	<u>(1,939)</u>
 <u>Insurance</u>			
Insurance	9,015	10,000	(985)
Total Insurance Expense	<u>9,015</u>	<u>10,000</u>	<u>(985)</u>
 <u>Utilities</u>			
Electric - Guardhouse	2,146	2,400	(254)
Electric - Irrigation	219	300	(81)
Water & Sewer	923	2,220	(1,297)
Water & Sewer - Irrigation	65,713	66,000	(287)
Telephone	2,590	2,800	(210)
Total Utilities Expense	<u>71,591</u>	<u>73,720</u>	<u>(2,129)</u>

See independent accountant's audit report.

**WIGGINS BAY FOUNDATION, INC.**  
**SUPPLEMENTARY INFORMATION**  
**STATEMENT OF REVENUE AND EXPENSES - OPERATING**  
**(CONTINUED)**  
**DECEMBER 31, 2021**

<b>EXPENSES (continued)</b>	<b><u>ACTUAL</u></b>	<b><u>2021 BUDGET</u></b>	<b><u>VARIANCE</u></b>
<b><u>Contracts</u></b>			
Cable Television	473,351	488,166	(14,815)
Gate Maintenance Contract	2,750	2,750	-
Janitorial Services	3,300	3,300	-
Lake Maintenance	4,828	4,800	28
Lawn Maintenance	34,008	34,008	-
Management Services	27,600	27,600	-
Security Services	194,594	195,543	(949)
Total Contracts Expense	<u>740,431</u>	<u>756,167</u>	<u>(15,736)</u>
<b><u>Property Repairs &amp; Maintenance</u></b>			
Building Maintenance Supplies	-	-	-
Entry & Gate Maintenance	4,647	2,750	1,897
Pavers & Wall Maintenance	750	-	750
Repairs & Maintenance - General	6,668	2,500	4,168
Street / Accent Light Maintenance & Repairs	2,474	3,000	(526)
Fly Treatment	2,115	3,500	(1,385)
Preserve Clean Up	2,200	2,200	-
Landscape Extras	5,955	10,500	(4,545)
Sprinkler Maintenance	2,913	4,500	(1,587)
Tree Trimming	21,689	18,976	2,713
Fountain Pumps	-	500	(500)
Decorations	6,313	7,500	(1,187)
Mulch	11,550	7,600	3,950
Total Property Repairs & Maintenance	<u>67,274</u>	<u>63,526</u>	<u>3,748</u>
Total Expenses	<u>905,228</u>	<u>922,269</u>	<u>(17,041)</u>
Excess of revenues over expenses - operating	<u>24,506</u>	<u>-</u>	<u>24,506</u>

See independent accountant's audit report.

**WIGGINS BAY FOUNDATION, INC.  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL EXPENDITURES AND  
DEFERRED MAINTENANCE FUNDING REQUIREMENTS  
DECEMBER 31, 2021**

The Association had a reserve study performed on October 25, 2017 by Association Reserves, Inc. The reserve study was used to for estimating the remaining useful life and the replacement costs of the components of the common property for the 2022 budget.

<u>Components</u>	<u>Estimated Life</u>	<u>Estimated Remaining Life</u>	<u>Estimated Current Replacement Cost</u>	<u>2022 Statutory Funding</u>
Site & Grounds	4-30 years	0-24 years	\$ 628,392	\$ -
Mechanical / Electrical / Plumbing	10-15 years	0-11 years	40,074	-
Pooled Reserves			-	39,393
Total			<u>\$ 668,466</u>	<u>\$ 39,393</u>

Estimated current replacement costs are based on the assumption that the rate of interest earned on Replacement funds will be equal to the rate of inflation.