

Riviera Dunes Marina Condominium
Association, Inc. & Affiliate
Financial Statements and
Supplementary Information

Year Ended December 31, 2024

Revised Draft #4 7-3-25

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
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AMERICAN INSTITUTE OF CERTIFIED
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Riviera Dunes Marina Condominium Association, Inc. & Affiliate

Opinion

We have audited the accompanying financial statements of Riviera Dunes Marina Condominium Association, Inc. & Affiliate, which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and 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 Riviera Dunes Marina Condominium Association, Inc. & Affiliate as of December 31, 2024, 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 Riviera Dunes Marina Condominium Association, Inc. & Affiliate 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.

To the Board of Directors of
Riviera Dunes Marina Condominium Association, Inc. & Affiliate

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 Riviera Dunes Marina Condominium Association, Inc. & Affiliate'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 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 Riviera Dunes Marina Condominium Association, Inc. & Affiliate'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 Riviera Dunes Marina Condominium Association, Inc. & Affiliate'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.

To the Board of Directors of
Riviera Dunes Marina Condominium Association, Inc. & Affiliate

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require the supplementary information on future major repairs and replacements on pages 16-18 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.

Braxton & Holway, P.A.
Bradenton, Florida
May 19, 2025

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Balance Sheet
December 31, 2024

	Operating Fund	Sales & Leasing LLC	Replacement Fund	Total
Assets				
Cash	\$ 34,924	\$ 150,159	\$ 1,925,419	\$ 2,110,502
Assessments receivable	82,671	35,187	-	117,858
Due from reserve fund	325,805	-	-	325,805
Prepaid expenses	154,073	-	-	154,073
Inventory	19,417	-	-	19,417
Property and equipment, net of accumulated depreciation	2,589,922	-	-	2,589,922
Intangible assets, net of accumulated amortization	14,129	-	-	14,129
Due from affiliate	-	200,000	-	200,000
Deposits	1,675	-	-	1,675
Total Assets	3,222,616	385,346	1,925,419	5,533,381
Liabilities and Fund Balances				
Accounts payable	91,161	7,425	-	98,586
Accrued expenses	94,087	12,745	-	106,832
Due to operating fund	-	-	325,805	325,805
Prepaid member assessments	6,940	32,886	-	39,826
Prepaid rents	-	16,920	-	16,920
Security deposits	1,331	116,799	-	118,130
Notes payable	1,635,505	-	-	1,635,505
Due to affiliate	200,000	-	-	200,000
Deferred revenue (assessments received in advance - replacement fund)	-	-	1,346,446	1,346,446
Total Liabilities	2,029,024	186,775	1,672,251	3,888,050
Fund Balances	1,193,592	198,571	253,168	1,645,331
Total Liabilities and Fund Balances	\$ 3,222,616	\$ 385,346	\$ 1,925,419	\$ 5,533,381

See accompanying notes to the financial statements.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended December 31, 2024

	Operating Fund	Sales & Leasing LLC	Replacement Fund	Total
Revenues				
Member assessments	\$ 763,492	\$ -	\$ -	\$ 763,492
Fuel sales	933,760	-	-	933,760
Slip rent	159,591	145,884	-	305,475
Restaurant rent	158,952	-	-	158,952
Vendor administrative fee	13,375	-	-	13,375
Office rent	13,920	-	-	13,920
CAM	55,701	-	-	55,701
Commissions	-	59,957	-	59,957
Marina operations	15,613	-	-	15,613
Interest income	55,676	-	-	55,676
Other income	30,007	25,803	-	55,810
Total Revenues	2,200,087	231,644	-	2,431,731
Expenses				
Association expenses				
Accounting	89,403	-	-	89,403
Application fee	560	-	-	560
Board expenses	1,331	-	-	1,331
Directors/officers insurance	15,053	-	-	15,053
Automobile	122	-	-	122
Employee training	2,878	-	-	2,878
Master association	59,084	-	-	59,084
Mitigation clean up	33,376	-	-	33,376
Health insurance - employees	34,384	-	-	34,384
Bank service charges	4,711	10,873	-	15,584
Computer and internet	35,001	-	-	35,001
Insurance - marina	415,041	-	-	415,041
Legal and professional fees	3,636	22,200	-	25,836
Reserve study	5,900	-	-	5,900
Quickbook payment fees	5,578	-	-	5,578
Licenses	314	-	-	314
Travel	1,416	-	-	1,416
Office supplies	5,977	-	-	5,977
Wages	81,433	-	-	81,433
Payroll fees	2,163	-	-	2,163
Payroll taxes	6,883	-	-	6,883

See accompanying notes to the financial statements.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Statement of Revenues, Expenses and Changes in Fund Balances (continued)
For the Year Ended December 31, 2024

	Operating Fund	Sales & Leasing LLC	Replacement Fund	Total
Association expenses (cont.)				
Workers compensation	908	-	-	908
Storage rent expense	597	-	-	597
Postage and delivery	1,476	-	-	1,476
Total Association expenses	807,225	33,073	-	840,298
Fuel dock expense				
Gasoline	442,417	-	-	442,417
Diesel	206,021	-	-	206,021
Merchant fees	18,585	-	-	18,585
Fuel tank	2,552	-	-	2,552
Other	2,252	-	-	2,252
Total fuel dock expense	671,827	-	-	671,827
Marina operations expense				
Advertising	3,946	-	-	3,946
Aereator	200	-	-	200
Website development	166	-	-	166
Fuel dock	389	-	-	389
Dock tip expense	1,516	-	-	1,516
Food court	1,899	-	-	1,899
Repairs and maintenance	12,836	-	-	12,836
Dock structure	40,839	-	-	40,839
Electrical repairs	14,246	-	-	14,246
Pilings	7,698	-	-	7,698
Electric - net of reimbursements	(31,556)	-	-	(31,556)
Laundry room	61	-	-	61
Gas grills	1,007	-	-	1,007
Pumpout boat	7,791	-	-	7,791
Water lines	8,925	-	-	8,925
Pool	23,988	-	-	23,988
Cleaning and janitorial	19,404	-	-	19,404
Wages - labor	205,721	-	-	205,721
Wages - administrative	75,940	-	-	75,940
Payroll fees	5,617	-	-	5,617
Payroll taxes	22,997	-	-	22,997
Workers compensation	6,483	-	-	6,483
Employee health insurance	4,720	-	-	4,720
Security	5,798	-	-	5,798
Small tools and equipment	966	-	-	966
Telephone	1,859	-	-	1,859
Uniforms	2,199	-	-	2,199

See accompanying notes to the financial statements.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Balance Sheet
December 31, 2024

	Operating Fund	Sales & Leasing LLC	Replacement Fund	Total
Marina operations expense (cont.)				
Wi-fi	10,491	-	-	10,491
Miscellaneous repairs	8,223	-	-	8,223
Water and sewer	21,972	-	-	21,972
Trash removal	16,461	-	-	16,461
Natural gas	1,536	-	-	1,536
Total marina operations expense	504,338	-	-	504,338
Marina building and uplands expense				
Interest	73,480	-	-	73,480
Depreciation and amortization	84,208	-	-	84,208
Landscaping and groundskeeping	8,026	-	-	8,026
Real estate taxes	62,000	-	-	62,000
Building electric	16,950	-	-	16,950
Repairs and maintenance	34,868	-	-	34,868
Insurance - liability lawsuit	26,896	-	-	26,896
Total marina and uplands expense	306,428	-	-	306,428
RDMCA slip expense				
Dues for operating expense	41,859	-	-	41,859
Dues for reserves	10,773	-	-	10,773
Property taxes	22,500	-	-	22,500
Depreciation	14,239	-	-	14,239
Total RDMCA slip expense	89,371	-	-	89,371
Reserve expenses	-	-	65,701	65,701
Total Expenses	2,379,189	33,073	65,701	2,477,963
Excess (deficit) of revenue over expenses	(179,102)	198,571	(65,701)	(46,232)
Fund balance - beginning of year	1,372,694	-	318,869	1,691,563
Fund balance - end of year	\$ 1,193,592	\$ 198,571	\$ 253,168	\$ 1,645,331

See accompanying notes to the financial statements.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Statement of Cash Flows
For the Year Ended December 31, 2024

	Operating Fund	Sales and Leasing LLC	Replacement Fund	Total
Cash Flows from Operating Activities				
Cash received from:				
Member assessments	\$ 774,033	\$ -	\$ 925,952	\$ 1,699,985
Fuel sales	933,760	-	-	933,760
Slip rent	159,591	140,914	-	300,505
Restaurant rent	158,952	-	-	158,952
Vendor administrative fee	13,375	-	-	13,375
Office rent	13,920	-	-	13,920
CAM	55,701	-	-	55,701
Commissions	-	59,957	-	59,957
Marina operations	15,613	-	-	15,613
Interest income	55,676	-	-	55,676
Other income	30,007	25,803	-	55,810
Total cash received	2,210,628	226,674	925,952	3,363,254
Cash paid for:				
Operating expenses	2,325,901	33,073	-	2,358,974
Interest	73,480	-	-	73,480
Reserve expenses	-	-	65,701	65,701
Total cash paid out	2,399,381	33,073	65,701	2,498,155
Net cash provided (used) by Operating Activities	(188,753)	193,601	860,251	865,099
Cash Flows from Investing Activities				
Purchase of fixed assets, net	(21,652)	-	-	(21,652)
Net cash (used) by Financing Activities	(21,652)	-	-	(21,652)
Cash Flows from Financing Activities				
Repayment of long term debt	(68,938)	-	-	(68,938)
Deferred revenues	-	-	(189,654)	(189,654)
Loan to affiliate	200,000	(200,000)	-	-
Net cash provided (used) by Financing Activities	131,062	(200,000)	(189,654)	(258,592)
Net increase (decrease) in cash	(79,343)	(6,399)	670,597	584,855
Cash - beginning of year	114,267	156,558	1,254,822	1,525,647
Cash - end of year	\$ 34,924	\$ 150,159	\$ 1,925,419	\$ 2,110,502

See accompanying notes to the financial statements.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Statement of Cash Flows (continued)
For the Year Ended December 31, 2024

	Operating Fund	Sales and Leasing LLC	Replacement Fund	Total
Reconciliation of Net Income to				
Net cash provided (used) by				
Operating Activities:				
Excess (deficit) of Revenues				
over Expenses	\$ (179,102)	\$ 198,571	\$ (65,701)	\$ (46,232)
Adjustments to reconcile net income to				
Net cash provided (used) by				
Operating Activities:				
Depreciation and amortization	98,447	-	-	98,447
Decrease (increase) in:				
Assessments receivable	(81,554)	(32,341)	-	(113,895)
Due from	(325,805)	-	94,827	(230,978)
Prepaid expenses	83,173	-	-	83,173
Deposits	(1,050)	-	-	(1,050)
Increase (decrease) in:				
Accounts payable	41,536	4,866	-	46,402
Accrued expenses	82,457	2,868	-	85,325
Due to	94,827	-	325,805	420,632
Prepaid assessments	(1,682)	32,886	-	31,204
Prepaid rents	-	8,815	-	8,815
Security deposits	-	(22,064)	-	(22,064)
Deferred revenues	-	-	505,320	505,320
Net cash provided (used) by				
Operating Activities	<u>\$ (188,753)</u>	<u>\$ 193,601</u>	<u>\$ 860,251</u>	<u>\$ 865,099</u>

See accompanying notes to the financial statements.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Notes to the Financial Statements
December 31, 2024

NOTE 1 – NATURE OF ORGANIZATION

Riviera Dunes Marina Condominium Association, Inc. & Affiliate (“the Association”) is a statutory condominium association organized as a not-for-profit corporation for purposes of maintaining and preserving common property of Riviera Dunes Marina, a Condominium, for two-hundred and nineteen (219) units located in Palmetto, Florida. The Association began its operation on May 22, 2003.

Riviera Dunes Marina Condominium Association, Inc. has a wholly owned subsidiary, Riviera Dunes Marina Sales & Leasing, LLC. The subsidiary was established December 13, 2016 for the purpose of assisting members of the Association with renting their slips and assisting in the potential sales of slips.

The Association, organized as a not-for-profit corporation, elects to file Form 1120 under authorized IRS regulations to comply with their income tax reporting. See Note 3 – Income Taxes for further detail.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The Association’s governing documents provide certain guidelines for governing its financial activities. To ensure observance of the 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 resources available for the general operations of the Association.

Replacement Fund – These monies are used to accumulate financial resources designated for future major repairs and replacements and other designated reserves.

Member Assessments

Association members are subject to quarterly assessments to provide funds for the Association’s operating expenses, future capital acquisitions, and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association’s 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, and special assessments (if applicable), 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 outstanding assessments from unit owners. The Association’s policy is to retain legal counsel and place liens on the properties of owners. Any excess assessments at year end are retained by the Association for use in the succeeding year. At December 31, 2024, the Association had assessments receivable of \$117,858.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Notes to the Financial Statements
December 31, 2024

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The balances of electric reimbursements and slip rents as of the beginning, and end, of the year are \$3,963 and \$117,858, respectively.

Deferred Revenues (Assessments Received in Advance – Replacement Fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A deferred revenue (assessments received in advance - replacement fund) is (are) recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to the replacement reserve. The balance of deferred revenues (assessments received in advance – replacement fund) as of the beginning and end of the year are \$841,126 and \$1,346,446.

Inventory

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the first-in first-out method.

Property and Equipment

The Association purchased certain land, a building, fuel dock, and slips. These purchased assets are being depreciated over their estimated remaining lives. The Association's policy is to capitalize personal and real property at cost and depreciate it using the straight-line method. Real property, certain slips, common areas and related improvements to such property, are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association.

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers certificates of deposit to be cash equivalents as the terms of these instruments do not contain significant penalties for early withdrawal. The Association considers all highly liquid investments with an initial maturity of three months or less to be cash.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Notes to the Financial Statements
December 31, 2024

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Date of Management Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through May 19, 2025, the date that the financial statements were available to be issued.

Advertising costs

The Association and Affiliate expense advertising costs as incurred.

Leases

The Association leases out some real and personal property. The Association's lease with the restaurant is in 5-year increments. The restaurant owners used a 5-year renewal option upon the expiration of the prior lease period on October 31, 2023. The brokerage office lease exercised a 2-year renewal option on February 1, 2023.

NOTE 3 – INCOME TAXES

Condominium Associations may be taxed either as homeowners' associations or as regular corporations. For the year ended December 31, 2024, the Association was taxed as a regular corporation and files Form 1120. As a regular corporation, membership income is exempt from taxation if certain elections are made, and the Association is taxed only on its non-membership income, such as interest earnings, at regular federal and state corporate rates.

The Association has adopted Accounting Standards Codification (ASC) 740-10 as it relates to uncertain tax positions. When applicable, any interest and penalties recognized associated with a tax position are classified as current in the Association's financial statements.

The Association's tax filings are subject to audit by various taxing authorities. In evaluating the Association's tax positions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances. Should any area come into question by a taxing authority, it is believed that there is a greater than fifty percent chance that the position taken by the Association would stand up to scrutiny. Therefore, the Association does not believe there is a need to estimate a range of potential charges. As of December 31, 2024 the Association's tax years 2021, 2022 and 2023 remain open to possible examination.

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 \$1,925,419 at December 31, 2024, are held in separate accounts and are generally not available for operating purposes. The Association's policy is to allocate interest earned on such funds to the replacement fund.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Notes to the Financial Statements
December 31, 2024

NOTE 4 – FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)

The Association hired a professional firm in 2024 to conduct a study to estimate the remaining useful lives and the replacement costs of the common property components. These components are updated annually during the budgetary process by the Board of Directors. The Association uses the pooling method of funding major repairs and replacements over the estimated useful lives of components based on the study's estimate of current replacement costs, and by considering amounts previously accumulated within the fund. Actual expenditures, however, may vary from these amounts accumulated and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, the Association has the right to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

The following schedule represents the components of the reserve accounts as of December 31, 2024:

Deferred maintenance & capital acquisition	\$ 1,147,881
Debt service	150,735
Insurance	300,998
Total reserves	<u>\$ 1,599,614</u>

NOTE 5 – PROPERTY & EQUIPMENT

Property and equipment consisted of the following as of December 31, 2024:

Land	\$ 1,000,000
Building	1,200,000
Shed	3,617
Parking lot improvements	665,647
RDMCA slips	253,251
Fuel dock	167,083
Furniture and equipment	64,798
Building improvements	27,520
WiFi network improvements	26,620
Pilings	23,651
Dock structure improvements	25,000
<i>Less: Accumulated Depreciation</i>	<u>(867,265)</u>
Total	<u>\$ 2,589,922</u>

The Association recorded depreciation on their equipment of \$96,730 during 2024.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Notes to the Financial Statements
December 31, 2024

NOTE 6 – INTANGIBLE ASSETS

Intangible assets consisted of the following as of December 31, 2024:

Loan closing costs	\$	14,608
Permits		10,000
<i>Less: Accumulated Amortization</i>		<u>(10,479)</u>
Total	\$	<u>14,129</u>

The Association recorded amortization on their intangible assets of \$1,717 during 2024.

NOTE 7 – INVENTORY

The Association's inventory as of the year ended December 31, 2024 consisted of the following:

Gas	\$	12,543
Diesel		<u>6,874</u>
Total	\$	<u>19,417</u>

NOTE 8 – LONG TERM DEBT

The Association's long-term debt as of December 31, 2024 consisted of the following:

Note payable to Synovus Bank, secured by the assignment of leases, rents, and real property. Payments are due in monthly installments of \$11,956. The note accrues interest at a fixed rate of 3.95% per annum.

\$	1,635,505
\$	<u>1,635,505</u>

Future maturities consist of the following:

2025	\$	76,381
2026		79,690
2027		82,940
2028		86,324
2029		89,689
Thereafter		<u>1,220,481</u>
Total	\$	<u>1,635,505</u>

During the year ended December 31, 2024 the Association paid \$73,480 in interest expense related to its long-term financing.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Notes to the Financial Statements
December 31, 2024

NOTE 9 – CONCENTRATION OF CREDIT RISK

The Association maintains accounts with financial institutions. Accounts at each institution are insured subject to FDIC limits. From time to time the Association's bank accounts may exceed the coverage provided by the FDIC. As of December 31, 2024, the Association had \$49,490 of uninsured cash balances.

NOTE 10 – LOSS CARRYFORWARD

The Association generated a Net Operating Loss carryforward of \$504,683 during the year ended December 31, 2017. The Net Operating Loss will expire on December 31, 2037, if not utilized to offset federal taxable income generated by the Association prior to this date. As of December 31, 2024 the Association had a remaining Net Operating Loss carryforward of \$148,562.

NOTE 11 – MASTER ASSOCIATION ANNUAL ASSESSMENTS

It was determined during the year ended December 31, 2020, that the Master Association had overcharged assessments to the Marina Association. The Association is attempting to recover these overcharged assessments and to reduce proposed increases to their future assessments by the Master Association. As of May 19, 2025, the Association has not resolved this matter with their Master Association.

Supplementary Information

For the year ended December 31, 2024

Revised Draft #4 7-3-25

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Supplementary Information on Future Major
Repairs and Replacements (Unaudited)
For the Year Ended December 31, 2024

The following information is based on a study performed by a professional firm in 2024 as described in the notes to the basic financial statements.

Components	Total Estimated Useful Lives In Years	Estimated Remaining Useful Lives In Years	Estimated Replacement Costs	Estimated Deferred Revenue of Pooled Reserves
Exterior Building Elements				
Gutters and downspouts	30	8	17,600	
Decorative light fixtures	25	3	6,750	
Roof	30	8	192,000	
Walls, paint, capital repairs	5 to 7	1	26,100	
Windows and doors	40	18	109,850	
Total Exterior Building Elements			<u>352,300</u>	
Interior Building Elements				
Lobby	25	3	9,000	
Marina kitchen	10-25	8-18	35,500	
Restrooms	25	3	71,000	
Total Interior Building Components			<u>115,500</u>	
Building Services Elements				
Air handling and condensing units	12 to 18	11-14	91,000	
Laundry equipment	10-15	5	11,200	
Life safety system	25	3	11,000	
Security system	10-15	2-12	46,000	
Walk-in cooler and freezer	5-10	6-9	41,500	
Total of Building Services Elements			<u>200,700</u>	
Property Site Elements				
Asphalt pavement	50	2-12	224,315	
Concrete	65	1-30	342,500	
Gate	10 to 25	4	57,200	
Irrigation system	40	9-30	50,000	
Light poles and fixtures	25	6	82,500	
Pavers	15-25	2-12	355,460	
Railing	50	21	24,650	
Vehicles, electric charging station	15	9	8,000	
Total of Property Site Elements			<u>1,144,625</u>	

See independent auditors' report.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Supplementary Information on Future Major
Repairs and Replacements (Unaudited)(continued)
For the Year Ended December 31, 2024

Components	Total Estimated Useful Lives In Years	Estimated Remaining Useful Lives In Years	Estimated Replacement Costs	Estimated Deferred Revenue of Pooled Reserves
Marina Elements				
Docks, concrete surface	8 to 12	12	258,500	
Docks, float assemblies	25-30	4-5	3,504,000	
Docks, utilities services	15 to 50	1-12	1,148,700	
Finger docks	15 to 20	1 to 18	163,800	
Pilings	20 to 65+	2 to 30+	1,149,000	
Ramps	35	16	50,000	
Social dock	25 to 30	2	25,650	
Vehicles, sanitary pumpout boat	15-50	5-21	57,650	
Total of Marina Elements			<u>6,357,300</u>	
Total of all Pooled Components			<u>\$ 8,170,425</u>	<u>\$ 1,147,881</u>

See independent auditors' report.

Riviera Dunes Marina Condominium Association, Inc. & Affiliate
Supplementary Information on Future Major
Repairs and Replacements (Unaudited)(continued)
For the Year Ended December 31, 2024

The following information is presented in accordance with the State of Florida requirements to disclose activity in the specific reserve accounts.

Components	Fund equity and Deferred Revenue as of Jan. 1, 2024	Receipts	Expenses	Designated Transfers	Fund equity and Deferred Revenue as of Dec. 31, 2024
Deferred maintenance & capital acquisition reserve	\$ 439,393	\$ 774,189	\$ 65,701	\$ -	\$ 1,147,881
Debt service	150,735	-	-	-	150,735
Insurance	250,998	50,000	-	-	300,998
Total reserves	<u>\$ 841,126</u>	<u>\$ 824,189</u>	<u>\$ 65,701</u>	<u>\$ -</u>	<u>\$ 1,599,614</u>

See independent auditors' report.