

**MADISON GREEN MASTER
ASSOCIATION, INC.**

Financial Statements

***For the year ended
December 31, 2017***

HAFER

Certified Public Accountants and Consultants

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Madison Green Master Association, Inc.

We have audited the accompanying financial statements of Madison Green Master Association, Inc. ("the Association"), which comprise the balance sheet as of December 31, 2017, and the related statement of revenues and expenses and changes in fund balances and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Madison Green Master Association, Inc. as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Palm Beach, Florida
May 23, 2018

MADISON GREEN MASTER ASSOCIATION, INC.
BALANCE SHEET
December 31, 2017

	Operating Fund	Replacement Fund	Total Funds
Assets			
Cash and cash equivalents	\$ 1,258,768	\$ 689,345	\$ 1,948,113
Certificates of deposit (Note 2)	-	246,042	246,042
Assessments receivable, net (Note 4)	66,519	-	66,519
Prepaid expenses	57,813	-	57,813
Property and equipment, net (Note 2)	8,388	-	8,388
Utility deposits	3,316	-	3,316
Total assets	\$ 1,394,804	\$ 935,387	\$ 2,330,191
 Liabilities and fund balances			
Accounts payable and accrued expenses	\$ 17,219	\$ -	\$ 17,219
Prepaid maintenance fees	104,757	-	104,757
Deferred cable income (Note 9)	195,604	-	195,604
Refundable deposits	13,746	-	13,746
Total liabilities	331,326	-	331,326
Fund balances	1,063,478	935,387	1,998,865
Total liabilities and fund balances	\$ 1,394,804	\$ 935,387	\$ 2,330,191

See notes to financial statements.

MADISON GREEN MASTER ASSOCIATION, INC.
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCES
For the year ended December 31, 2017

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total Funds</u>
Revenues			
Maintenance assessments	\$ 1,642,820	\$ 93,000	\$ 1,735,820
Cable rebate revenue (Note 9)	38,763	-	38,763
Owner interest, legal and late fees	25,514	-	25,514
Interest income	715	2,915	3,630
Other income	53,357	-	53,357
	<u>1,761,169</u>	<u>95,915</u>	<u>1,857,084</u>
Expenses			
Administration	277,239	-	277,239
Common area expenses	615,995	-	615,995
Grounds maintenance	281,622	-	281,622
Recreation expenses	276,411	-	276,411
Major repairs and replacements	-	56,273	56,273
	<u>1,451,267</u>	<u>56,273</u>	<u>1,507,540</u>
Excess of revenues over expenses	309,902	39,642	349,544
Fund balances, beginning of year	<u>753,576</u>	<u>895,745</u>	<u>1,649,321</u>
Fund balances, end of year	<u>\$ 1,063,478</u>	<u>\$ 935,387</u>	<u>\$ 1,998,865</u>

See notes to financial statements.

MADISON GREEN MASTER ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
For the year ended December 31, 2017

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total Funds</u>
Cash flows from operating activities			
Excess of revenues over expenses	\$ 309,902	\$ 39,642	\$ 349,544
<u>Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:</u>			
Provision for bad debts	(57,169)	-	(57,169)
Depreciation expense	5,592	-	5,592
<u>Changes in assets and liabilities:</u>			
Assessments receivable	70,728	-	70,728
Prepaid expenses	1,285	-	1,285
Utility deposits	(1,456)	-	(1,456)
Accounts payable and accrued expenses	(1,325)	(3,857)	(5,182)
Prepaid maintenance fees	(13,909)	-	(13,909)
Deferred cable income	190,237	-	190,237
Refundable deposits	1,604	-	1,604
Net cash provided by operating activities	505,489	35,785	541,274
Cash flows (to) investing activities			
Reinvestment of earnings on certificates of deposit	-	(2,367)	(2,367)
Net increase in cash and cash equivalents	505,489	33,418	538,907
Cash and cash equivalents, beginning of year	753,279	655,927	1,409,206
Cash and cash equivalents, end of year	<u>\$ 1,258,768</u>	<u>\$ 689,345</u>	<u>\$ 1,948,113</u>

See notes to financial statements.

MADISON GREEN MASTER ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: Organization

Madison Green Master Association, Inc. ("the Association") was incorporated under the law of the State of Florida as a not-for-profit corporation on December 30, 1999. The Association is responsible for maintaining and preserving the common property of the Association in accordance with the terms of Florida Statutes §720 and the provisions of the Association's governing documents. The Association consists of 1,145 units located in Royal Palm Beach, Florida.

NOTE 2: Summary of significant accounting policies

Fund accounting

The Association prepares its financial statements on the accrual basis of accounting and presents them using fund accounting, using separate funds for operations and future major repairs and replacements. Disbursements from the operating fund are generally for the day-to-day operations and non-recurring unanticipated expenditures of the Association and are made at the discretion of the Board of Directors. Disbursements from the replacement fund generally are made only for designated purposes.

Interest earned

Interest earned by each fund is allocated to the appropriate fund. Income taxes on the interest earned are paid from the operating fund.

Property and depreciation

The Association capitalizes all real property and certain personal property which it purchases. Common areas owned by the Association are reserved for the use of the owners and/or are required to be maintained as common areas under the Declaration and/or governmental restrictions; therefore, the sale of such common areas for revenue is remote. Accordingly, such common areas are not recorded in the financial records of the Association. Capitalized property and equipment are depreciated over the estimated useful lives of the assets using the straight-line and accelerated methods of depreciation. At December 31, 2017, depreciation expense was \$5,592. A schedule of property, equipment, and accumulated depreciation at December 31, 2017 is as follows:

Gym equipment	\$ 40,876
Less: accumulated depreciation	(32,488)
	<u>\$ 8,388</u>

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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include all monies in banks including certificates of deposits and money market funds. Cash equivalents include highly liquid securities with a maturity of 90 days or less.

Short-term financial instruments

The carrying amount of the Association's financial instruments, which include cash and cash equivalents, assessments receivable, accounts payable and accrued expenses and other assets and liabilities, approximate their fair values due to their short-term maturities.

MADISON GREEN MASTER ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
December 31, 2017

NOTE 2: Summary of significant accounting policies (continued)

Compensated absences

Employees of the Association are entitled to paid vacations, sick days, and other time off depending on job classification, length of service, and other factors. The Association policy is that employees must use vacation annually or it is no longer available; accordingly, no liability has been recorded in the accompanying financial statements. The Association's policy is to recognize the costs of compensated absences when paid to employees.

Certificates of deposit

Certificates of deposit consist of those certificates with original maturities of more than 90 days. The certificates are carried at cost plus any interest earned and reinvested. The Association, at least annually, assesses for any other-than-temporary impairment, and as of the date of these financial statements, the Association does not believe any impairment exists. The certificates have varying maturity dates and varying interest rates. At December 31, 2017, certificates of deposit totaled \$246,042.

Utility pass-through

In accordance with FASB ASC 605-45, the Association recognizes utility pass-through assessments using principal agent considerations. The Association is primarily involved in the determination of a specific service, it has the discretion in selecting the suppliers of such services, and it bears the credit risk for the amounts billed for the service; accordingly, the management has determined that the Association is the principal, and, accordingly, recognizes all utility pass-through activities using gross reporting.

Recently issued accounting guidance, not yet adopted

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, "Leases". The standard will affect all entities that lease assets and will require lessees to recognize a lease liability and a right-of-use asset for all leases (except short-term leases that have a duration of less than one year) as of the date on which the lessor makes the underlying asset available to the lessee. For non-public entities, such as the Association, the new standard is effective for annual periods beginning after December 15, 2019. While the Association expects the adoption of this standard to result in an increase to its reported assets and liabilities, the Association has not yet determined the full impact that the adoption of this standard will have on its financial statements and related disclosures.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers". This new guidance will replace most existing U.S. GAAP guidance on this topic. The new revenue recognition standard provides a unified model to determine when and how revenue is recognized. The core principle is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration for which the entity expects to be entitled in exchange for those goods or services. In August 2015, the FASB issued ASU No. 2015-14, which deferred, by one year, the effective date for the revenue reporting standard. Additionally, in March 2016, the FASB issued ASU No. 2016-08, "Revenue from Contracts with Customers, Principal versus Agent Considerations (Reporting Revenue Gross versus Net)" clarifying the implementation guidance on principal versus agent considerations. Specifically, an entity is required to determine whether the nature of a promise is to provide the specified good or service itself (that is, the entity is a principal) or to arrange for the good or service to be provided to the customer by the other party (that is, the entity is an agent). The determination influences the timing and amount of revenue recognition. For non-public entities, such as the Association, these new ASUs are effective for annual periods beginning after December 15, 2018. The Association is evaluating the impact that these ASUs will have on its financial statements and related disclosures.

MADISON GREEN MASTER ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
December 31, 2017

NOTE 2: Summary of significant accounting policies (continued)

Subsequent events

Subsequent events have been evaluated through May 23, 2018, the date the financial statements were available to be issued in accordance with FASB ASC 855.

NOTE 3: Concentration of credit risk

The Association maintains its cash in bank at various financial institutions whereby are insured up to \$250,000 by the Federal Deposit Insurance Corporation. At December 31, 2017, the Association has uninsured deposits in the amount of \$859,264.

NOTE 4: Owners' assessments and allowance for uncollectible accounts

Monthly assessments to unit owners are based upon a share of the budgeted operating expenses and future major repairs and replacements. The Association retains excess operating funds at the end of the year for use in future operating periods. Assessments receivable at the balance sheet date represent fees due from unit owners. Assessments paid in advance are included on the balance sheet as prepaid maintenance fees. The Association's policy is to retain legal counsel and place liens or foreclose on units of members whose assessments are delinquent. The Association's estimate of the allowance for uncollectible accounts is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of reported amounts.

The Association's assessments receivable at December 31, 2017 were as follows:

Assessments receivable	\$ 150,605
Less: allowance for doubtful accounts	<u>(84,086)</u>
	<u>\$ 66,519</u>

NOTE 5: Litigation

The Association is a party to various legal actions normally associated with homeowners' associations, such as the collection of delinquent assessments and covenant compliance matters, the aggregate effect of which, in management's opinion, would not be material to the future financial condition of the Association.

NOTE 6: Insurance contingencies

In the event of a loss due to a hurricane the Association would be responsible for a deductible of approximately 3% of the total insured value of the property under the provisions of the hurricane loss insurance contract.

NOTE 7: Other commitments and contingencies

The Association has contracted with various vendors for various services to maintain the common property related to certain administration, common area expenses, grounds maintenance and recreation expenses. These contracts are approved, as necessary, by the Board of Directors and have varying expiration dates and renewal terms.

MADISON GREEN MASTER ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
December 31, 2017

NOTE 8: Income taxes

The Association makes a yearly election to be taxed either under Internal Revenue Code Section 528 as a condominium association or under regular corporate income tax provisions. For the year ended December 31, 2017, the Association was taxed under Section 528. Under this election, the Association is generally taxed only on non-membership income, such as interest earnings, at applicable rates. Additionally, from time to time, certain temporary differences may arise between financial and taxable income, the overall effects of which are not material to the financial statements taken as whole. As such, the Association has not recorded deferred income taxes at December 31, 2017. The Association's policy on income statement classification of interest and penalties related to income tax obligations is to include such items as part of income tax expense. Generally, the Association's federal income tax returns for 2015– 2017 remain subject to possible examination by the Internal Revenue Service.

NOTE 9: Deferred cable revenue

On March 29, 2010, the Association entered into a bulk cable contract with Comcast. The Association engaged Converged Services, Inc. ("Converged") as a consultant to assist in the negotiations with Comcast. As consideration for entering into a seven-year contract, Comcast agreed to pay the Association \$175 per unit, or \$200,375 ("the compensation amount"). As compensation for their services, Converged was paid 25% of the total compensation amount, or \$50,094, resulting in a net amount to the Association totaling \$150,281. For the year ended December 31, 2017, the Association has recognized the remaining \$5,367 as cable rebate revenue.

On November 9, 2016, the Association entered into a new bulk cable contract with Comcast. The Association engaged Community Cable Consultants, LLC as a consultant to assist in the negotiations with Comcast. As consideration for entering into an eight-year contract, Comcast agreed to pay the Association \$250 per unit, or \$286,250 ("the compensation amount"). As compensation for their services, Community Cable Consultants, LLC was paid 20% of the total compensation amount, or \$57,250, resulting in a net amount to the Association totaling \$229,000. The Association, in accordance with accounting policies generally accepted in the United States of America, is amortizing the revenue over the life of the contract. Accordingly, for the year ended December 31, 2017, the Association has recognized \$33,396 as cable rebate revenue. At December 31, 2017, the remaining balance of \$195,604 is recorded as deferred cable revenue and will be recognized over the remaining life of the contract.

NOTE 10: Related party transactions

During 2017, the Association reimbursed the property manager for various out-of-pocket expenses. For the year ended December 31, 2017, the Board of Directors approved reimbursements totaling approximately \$20,250 to this individual. At December 31, 2017, the Association is not indebted to this related party.

NOTE 11: Future major repairs and replacements

The Association is accumulating funds for future major repairs and replacements. Accumulated funds are held in separate interest-bearing accounts and are generally not available for operating purposes. During 2013, the Board of Directors contracted with an independent contractor to conduct an independent study to estimate the remaining useful lives and replacement costs of the common property components. The schedule included in the supplementary information on future repairs and replacements is based upon this study. The Association is funding \$84,000 for 2018.

Actual expenditures may vary from the estimated amounts and the variation may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association may increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

MADISON GREEN MASTER ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
December 31, 2017

NOTE 11: Future major repairs and replacements (continued)

Components of the replacement fund are as follows:

	Balance 01/01/17	Additions	Interest Income	Expenses	Transfers	Balance 12/31/17
General reserves	\$ 855,811	\$ 93,000	\$ -	\$ 56,273 ¹	\$ -	\$ 892,538
Interest	39,934	-	2,915	-	-	42,849
	<u>\$ 895,745</u>	<u>\$ 93,000</u>	<u>\$ 2,915</u>	<u>\$ 56,273</u>	<u>\$ -</u>	<u>\$ 935,387</u>

THE BUDGET OF THE ASSOCIATION PROVIDES FOR THE LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

¹ General reserve expenditures of \$56,273 consist of the following: pool \$45,572, security camera \$1,152, and gym equipment \$9,549.

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To The Board of Directors
Madison Green Master Association, Inc.

Report on the Financial Statements

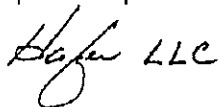
We have audited the financial statements of Madison Green Master Association, Inc. ("the Association") as of and for the year ended December 31, 2017, and our report thereon dated May 23, 2018, which expressed an unmodified opinion on those financial statements, appears on Page 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedule of operating expenses compared to budget on Pages 11 and 12, which is the responsibility of the Association's management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for the portion marked "unaudited," was derived from and related 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 basic 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 assurance on it.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary Schedule of Future Major Repairs and Replacements on Page 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who 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.



Palm Beach, Florida
May 23, 2018

MADISON GREEN MASTER ASSOCIATION, INC.
SCHEDULE OF OPERATING EXPENSES COMPARED TO BUDGET
For the year ended December 31, 2017

	<u>Actual</u>	<u>Budget (Unaudited)</u>	<u>Variance Favorable (Unfavorable)</u>
Administration			
Accounting service	\$ 30,325	\$ 30,000	\$ (325)
Bad debt expense	-	48,000	48,000
Bank charges	2,712	800	(1,912)
Depreciation expense	5,592	-	(5,592)
Insurance expenses	59,927	72,000	12,073
Legal fees	21,852	5,000	(16,852)
Legal fees - collections	5,761	10,000	4,239
Licenses and permit fees	1,029	5,000	3,971
Office equipment	3,149	3,200	51
Office supplies and printing	11,248	10,000	(1,248)
Postage	2,679	3,000	321
Professional fees	8,900	6,000	(2,900)
Salaries	118,837	115,000	(3,837)
Telephone	5,228	3,900	(1,328)
	<u>277,239</u>	<u>311,900</u>	<u>34,661</u>
Common area maintenance			
Cable TV	615,464	906,774	291,310
Channel 63 and website	531	400	(131)
	<u>615,995</u>	<u>907,174</u>	<u>291,179</u>
Grounds maintenance			
Fertilizer and pest control	13,500	21,500	8,000
Irrigation repairs and maintenance	23,005	30,000	6,995
Lakes and preserves	41,126	41,336	210
Lakes and preserves - extras	2,580	2,000	(580)
Landscape extras	937	15,000	14,063
Lawn and landscape maintenance	138,000	138,000	-
Mulch	20,875	23,000	2,125
Palm tree replacement	-	2,000	2,000
Seasonal flowers	10,424	8,500	(1,924)
Trees and palms trimming	31,175	30,000	(1,175)
	<u>\$ 281,622</u>	<u>\$ 311,336</u>	<u>\$ 29,714</u>

See auditors' report on supplementary information.

MADISON GREEN MASTER ASSOCIATION, INC.
SCHEDULE OF OPERATING EXPENSES COMPARED TO BUDGET (CONT'D)
For the year ended December 31, 2017

	<u>Actual</u>	<u>Budget (Unaudited)</u>	<u>Variance Favorable (Unfavorable)</u>
Recreation expenses			
Alarm system	\$ 3,548	\$ 3,000	\$ (548)
Clubhouse functions	3,494	3,500	6
Electricity	69,914	63,800	(6,114)
Golf cart and minor equipment	276	700	424
Gym maintenance	2,701	2,800	99
ID system and doors	3,420	1,500	(1,920)
Janitorial supplies	3,406	4,000	594
License and permit fees	2,917	-	(2,917)
Pest control	1,320	1,320	-
Pool maintenance	17,140	18,000	860
Pool repairs and upgrade	4,770	10,000	5,230
Receivership MG275 saratoga	-	600	600
Repairs and maintenance	19,004	25,000	5,996
Special projects	13,079	33,000	19,921
Tennis and basketball courts	1,850	2,500	650
Trash removal	3,260	3,300	40
Uniforms	590	750	160
Wages	117,436	122,000	4,564
Water and sewer	8,286	6,000	(2,286)
	<u>276,411</u>	<u>301,770</u>	<u>25,359</u>
Total budgeted expenses	<u>\$ 1,451,267</u>	<u>\$ 1,832,180</u>	<u>\$ 380,913</u>

See auditors' report on supplementary information.

MADISON GREEN MASTER ASSOCIATION, INC.
SCHEDULE OF FUTURE MAJOR REPAIRS AND REPLACEMENTS (UNAUDITED)
December 31, 2017

The following schedule is based upon a study conducted by an independent consultant in 2013 to estimate the remaining useful lives and replacement costs of the components of common property. The schedule provides information about components of common property.

<u>Component</u>	<u>Estimated Useful Life (years)</u>	<u>Estimated Remaining Life (years)</u>	<u>Estimated Replacement Cost</u>	<u>Fund Balance 12/31/17</u>	<u>Approved Budgeted Funding 12/31/18</u>
Roofing	12-25	1-7	\$ 163,476	\$ -	\$ -
Painting	8-16	0-3	26,219	-	-
Paving	20-50	3-33	247,948	-	-
Interiors	6-30	0-15	362,410	-	-
Restoration	10-36	0-20	108,246	-	-
Pool area	5-32	0-25	250,437	-	-
Sports courts	8-28	0-11	145,940	-	-
General reserves	-	-	-	892,538	84,000
Interest	-	-	-	42,849	-
			<u>\$ 1,304,676</u>	<u>\$ 935,387</u>	<u>\$ 84,000</u>

See auditors' report on supplementary information.