



Principals

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Independent Auditor's Report

To the Board of Directors of
Council of Co-Owners of Fairlington Glen

Opinion

We have audited the accompanying financial statements of Council of Co-Owners of Fairlington Glen, which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, members' equity and cash flows for the years 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 Council of Co-Owners of Fairlington Glen as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Council of Co-Owners of Fairlington Glen and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Council of Co-Owners of Fairlington Glen'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 Responsibility 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 Council of Co-Owners of Fairlington Glen'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 Council of Co-Owners of Fairlington Glen'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.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that information on future major repairs and replacements on page 13 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Budget vs. Actual Comparison on pages 14-16 is presented for purposes of additional analysis and is not a required part of the 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. Except for that portion marked "Unaudited", on which we expressed no opinion, 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.

Goldklang Group CPAs, P.C.

Reston, Virginia
May 19, 2023

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 922,531	\$ 1,073,461
Interest-Bearing Deposits	3,703,000	3,109,000
Assessments Receivable	13,393	8,881
Income Taxes Receivable	3,063	7,263
Accrued Interest Receivable	10,270	3,884
Prepaid Expenses	45,321	43,960
Deferred Tax	<u>12,356</u>	<u>-</u>
Total Assets	<u>\$ 4,709,934</u>	<u>\$ 4,246,449</u>
<u>LIABILITIES AND MEMBERS' EQUITY</u>		
Accounts Payable	\$ 41,421	\$ 61,389
Deferred Cable Fees	45,760	51,040
Income Taxes Payable	2,876	-
Prepaid Assessments	<u>66,859</u>	<u>69,988</u>
Total Liabilities	<u>\$ 156,916</u>	<u>\$ 182,417</u>
Contingency Reserve	<u>\$ 231,007</u>	<u>\$ 218,273</u>
Replacement Reserves	\$ 4,020,100	\$ 3,525,330
Replacement Reserves Unallocated Interest	<u>231,954</u>	<u>195,857</u>
Total Replacement Reserves	<u>\$ 4,252,054</u>	<u>\$ 3,721,187</u>
Prior Year Unappropriated Members' Equity	\$ 111,838	\$ 111,838
Current Year Net Income (Loss)	<u>(41,881)</u>	<u>12,734</u>
Total Unappropriated Members' Equity	<u>\$ 69,957</u>	<u>\$ 124,572</u>
Total Members' Equity	<u>\$ 4,553,018</u>	<u>\$ 4,064,032</u>
Total Liabilities and Members' Equity	<u>\$ 4,709,934</u>	<u>\$ 4,246,449</u>

See Accompanying Notes to Financial Statements

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
<u>INCOME:</u>		
Assessments	\$ 1,779,864	\$ 1,752,084
Interest	45,692	31,918
Cable Marketing Fees	5,280	1,760
Late Fees	1,450	825
Pool	185	-
Total Income	\$ 1,832,471	\$ 1,786,587
<u>EXPENSES:</u>		
Administrative	\$ 112,485	\$ 105,604
Insurance	113,897	103,419
Payroll and Related	233,717	172,127
Utilities	204,272	209,772
Pool Complex	60,092	56,265
Landscaping	113,844	104,338
Repairs and Maintenance	225,160	251,218
Service Contracts	98,640	80,766
Bad Debt	-	52
Income Taxes	10,320	6,437
Total Expenses	\$ 1,172,427	\$ 1,089,998
Net Income before Contribution to Reserves	\$ 660,044	\$ 696,589
Contribution to Reserves	(701,925)	(683,855)
Net Income (Loss)	\$ (41,881)	\$ 12,734

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
STATEMENTS OF MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>Contingency Reserve</u>	<u>Replacement Reserves</u>	<u>Unappropriated Members' Equity</u>	<u>Total Members' Equity</u>
Balance as of December 31, 2020	\$ 102,053	\$ 3,406,217	\$ 219,658	\$ 3,727,928
Additions:				
Contribution to Reserves	8,400	673,695		682,095
Contribution from Cable Marketing Fees		1,760		1,760
Net Income			12,734	12,734
Inter-Equity Transfer	107,820		(107,820)	
Deductions:				
Engineering		(10,130)		(10,130)
Asphalt		(232,447)		(232,447)
Tennis and Basketball Court		(87,592)		(87,592)
Electrical		(21,896)		(21,896)
HVAC		(2,200)		(2,200)
French Drain		(2,930)		(2,930)
Landscape		(1,200)		(1,200)
Downspout		(2,090)		(2,090)
Balance as of December 31, 2021	\$ 218,273	\$ 3,721,187	\$ 124,572	\$ 4,064,032
Additions:				
Contribution to Reserves		696,645		696,645
Contribution from Cable Marketing Fees		5,280		5,280
Inter-Equity Transfer	12,734		(12,734)	
Deductions:				
Handicap		(8,600)		(8,600)
Pickleball Court		(5,865)		(5,865)
Tractor		(5,493)		(5,493)
Paver Walkway		(2,285)		(2,285)
Drainage		(12,243)		(12,243)
Masonry Survey		(29,059)		(29,059)
Sign		(574)		(574)
Stoop & Masonry Phase III		(106,939)		(106,939)
Net Loss			(41,881)	(41,881)
Balance as of December 31, 2022	<u>\$ 231,007</u>	<u>\$ 4,252,054</u>	<u>\$ 69,957</u>	<u>\$ 4,553,018</u>

See Accompanying Notes to Financial Statements

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Net Income (Loss)	\$ (41,881)	\$ 12,734
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:		
Bad Debt Expense	-	52
Amortization of Cable Income	(5,280)	(1,760)
Deferred Tax Expense (Benefit)	(12,356)	-
Decrease (Increase) in:		
Assessments Receivable	(4,512)	1,408
Income Taxes Receivable	4,200	(2,000)
Accrued Interest Receivable	(6,386)	2,914
Prepaid Expenses	(1,361)	(6,922)
Increase (Decrease) in:		
Accounts Payable	(15,829)	(11,130)
Deferred Cable Marketing Fees	-	52,800
Income Taxes Payable	2,876	-
Prepaid Assessments	(3,129)	10,621
Net Cash Flows from Operating Activities	<u>\$ (83,658)</u>	<u>\$ 58,717</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Received from Assessments (Reserves)	\$ 660,548	\$ 648,480
Received from Assessments (Contingency)	-	8,400
Received from Cable Marketing Income	5,280	1,760
Received from Interest (Reserves)	36,097	25,215
Current Year Cash Paid for Reserve Expenditures	\$ (171,058)	\$ (360,485)
Less: Prior Year Reserve Expenditures Payable	(15,182)	(286,580)
Add: Current Year Reserve Expenditures Payable	11,043	15,182
Disbursed for Reserve Expenditures	<u>\$ (175,197)</u>	<u>\$ (631,883)</u>

See Accompanying Notes to Financial Statements

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(CONTINUED)

	<u>2022</u>	<u>2021</u>
Received from Interest-Bearing Deposits	\$ 595,000	\$ 835,000
Disbursed for Interest-Bearing Deposits	<u>(1,189,000)</u>	<u>(671,000)</u>
Net Cash Flows from Investing Activities	<u>\$ (67,272)</u>	<u>\$ 215,972</u>
Net Change in Cash and Cash Equivalents	\$ (150,930)	\$ 274,689
Cash and Cash Equivalents at Beginning of Year	<u>1,073,461</u>	<u>798,772</u>
Cash and Cash Equivalents at End of Year	<u>\$ 922,531</u>	<u>\$ 1,073,461</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash Paid For Income Taxes	<u>\$ 19,800</u>	<u>\$ 10,400</u>
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COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 - NATURE OF OPERATIONS:

The Condominium is an association organized under the laws of the Commonwealth of Virginia for the purposes of maintaining and preserving the common property of the Association. The Association is located in Arlington, Virginia and consists of 352 units. The Board of Directors administers the operations of the Condominium.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

A) Method of Accounting - The financial statements are presented on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America

B) Member Assessments - Association members are subject to annual assessments to provide funds for the Association's operating expenses 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 assessments are satisfied over time on a daily pro-rata basis using the input method. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from members. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year. The Association treats uncollectible assessments as credit losses. Methods, 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.

C) Common Property - Real property and common areas acquired from the declarant and related improvements to such property are not recorded in the Association's financial statements because the property is owed by the individual unit owners in common and not by the Association. Common property includes, but is not limited to, exterior structures, recreational facilities, and other site improvements.

D) 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 and disclosures. Accordingly, actual results could differ from those estimates.

E) Cash Equivalents - For purposes of the statement of cash flows, the Association considers all highly liquid investments and interest-bearing deposits with a maturity date of three months or less to be cash equivalents.

F) Reclassification - Certain amounts have been reclassified in the accompanying 2022 financial statements to conform to the 2021 presentation

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021
(CONTINUED)

NOTE 3 - REPLACEMENT RESERVES:

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are generally not available for expenditures for normal operations.

The Association had a replacement reserve study conducted by Restoration Engineering, Inc. during 2019. The table included in the Supplementary Information on Future Major Repairs and Replacements is based on this study.

The 2019 study does not have a cash flow schedule for the recommended contribution amount. For 2022, the Association budgeted to contribute \$660,548 to replacement reserves. Additionally, the Association elected to contribute interest income of \$36,097 and \$5,280 of cable marketing fees during 2022.

Funds are being accumulated in the replacement reserve based on estimates of future needs for repair and replacement of common property components. Actual expenditures may vary materially from the estimated future expenditures; therefore, amounts accumulated in the replacement reserve may or may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Board of Directors, on behalf of the Association, may increase regular assessments, pass a special assessment, or delay major repairs and replacements until funds are available.

As of December 31, 2022 and 2021, the balance in the replacement reserves account was \$4,252,054 and \$3,721,187, respectively. These designated reserves were funded by cash and interest-bearing deposits.

NOTE 4 - INCOME TAXES:

For income tax purposes, the Association may elect annually to file either as an exempt condominium or as an association taxable as a corporation. As an exempt condominium, the Association's net assessment income would be exempt from income tax, but its interest income would be taxed. Electing to file as a corporation, the Association is taxed on its net income from all sources (to the extent not deferred) at normal corporate rates after corporate exemption, subject to the limitation that operating expenses are deductible only to the extent of income from members. For 2022 and 2021, the Association's income taxes were calculated using the corporate method.

The Association's policy is to recognize any tax penalties and interest as an expense when incurred. The Association's federal and state tax returns for the past three years remain subject to examination by the Internal Revenue Service and the Commonwealth of Virginia.

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021
(CONTINUED)

NOTE 4 - INCOME TAXES: (CONTINUED)

In accordance with accounting standards, a deferred tax asset has been recorded in the financial statements. Deferred assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. That is, the interest expense deductions currently exceed taxable income, and a deferred tax asset will be shown until this excess is applied to future years' taxable income.

During 2022, for tax purposes, the deferred cable income was recognized as taxable income. For financial statement purposes, the cable income was deferred over the term of the contract. As a result, as of December 31, 2022, the Association had a deferred tax asset of \$12,356 related to the taxation of cable income.

NOTE 5 - CASH AND INTEREST-BEARING DEPOSITS:

As of December 31, 2022, the Association maintained its funds in the following manner:

<u>Institution</u>	<u>Cash and Cash Equivalents</u>	<u>Interest- Bearing Deposits</u>
Petty Cash	\$ 600	\$ -
CIT	441,501	
Morgan Stanley (Various Institutions)	480,430	3,703,000
Totals	<u>\$ 922,531</u>	<u>\$ 3,703,000</u>

Balances at banks are insured by the FDIC for up to \$250,000 per financial institution. Amounts in excess of the insured limits were \$723,971 and \$478,731 as of December 31, 2022 and 2021, respectively.

Cash and securities held at a SIPC member brokerage firm are insured by the SIPC for up to \$500,000, which includes \$250,000 limit for cash. The Association maintains funds in a brokerage account which are subject to SIPC limits.

NOTE 6 - ASSESSMENTS RECEIVABLE:

At December 31, 2022 and 2021, the Association had delinquent assessments of \$13,393 and \$8,881, respectively. It is the opinion of the board of directors that the Association will ultimately prevail against members with delinquent assessments and, accordingly, no allowance for uncollectible accounts is deemed necessary.

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021
(CONTINUED)

NOTE 7 - CONTINGENCY RESERVE:

The Association established a contingency reserve for unexpected operating expenses. During 2022 and 2021, the Association budgeted to contribute \$0 and \$8,400 to this reserve, respectively. During 2022 and 2021, the Association transferred \$12,736 and \$107,820, respectively from unappropriated members' equity to the contingency reserve. As of December 31, 2022 and 2021, the balance in the contingency reserve was \$231,007 and \$218,273, respectively. This reserve was funded by cash and interest-bearing deposits.

NOTE 8 - DEFERRED CABLE FEES:

The Association signed a 10-year cable installation and service agreement with a term beginning September 1, 2021 and ending August 31, 2031. As part of the agreement the Association received \$52,800 as marketing support commission. The proceeds are being amortized over the life of the agreement and were recorded as deferred marketing support commission. For 2022 and 2021, \$5,280 and \$1,760, respectively was recognized as income to the Association. As of December 31, 2022 and 2021, \$45,760 and \$51,040, respectively, remained as deferred cable fees.

NOTE 9 - SUBSEQUENT EVENTS:

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through May 19, 2023, the date the financial statements were available to be issued.

Subsequent to year-end, the Association will continue with the stoop restoration and masonry repair phase III project with approximately \$81,000 to be funded by replacement reserves. The Association incurred additional replacement reserves expenditures of approximately \$40,000 on sewer line repair.

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
REPAIRS AND REPLACEMENTS
DECEMBER 31, 2022
(UNAUDITED)

The Association conducted a replacement reserve study in 2019 by Restoration Engineering, Inc. to estimate the remaining lives and the replacement costs of the common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. The estimated replacement costs presented below do not take into account the effects of inflation between the date of the study and the date the components will require repair or replacement; however, the Association's replacement reserve study does take inflation into consideration when evaluating future expenditures and recommended contributions to reserves.

The following has been extracted from the Association's replacement reserve study and presents significant information about the components of common property.

<u>Component</u>	<u>2019 Estimated Remaining Useful Life (Years)</u>	<u>2019 Estimated Replacement Cost</u>
Hardscape	0-13	\$ 1,266,305
Utilities	10-41	2,582,351
Miscellaneous Site Features	2-30	860,535
Recreational Facilities	2-31	809,889
Building Exteriors	0-66	11,078,858
Building Interiors and Services	3-41	184,792

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
BUDGET VS. ACTUAL COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2022

		<u>"Unaudited"</u> <u>Fairlington</u> <u>Glen Budget</u>	<u>Actual</u> <u>(Post-Audit)</u>
<u>INCOME:</u>			
30100	Assessments	\$ 1,780,290	\$ 1,779,864
30270	Interest	32,808	45,692
30290	Bad Debt Recovery	2,095	-
30171	Late Fees	1,566	1,450
30190	Pool	368	185
30260	Miscellaneous	50	5,280
		<hr/>	<hr/>
	Total Income	<u>\$ 1,817,177</u>	<u>\$ 1,832,471</u>
 <u>EXPENSES:</u>			
Administrative:			
51020	Postage	\$ 115	\$ 201
51030	Office Expenses	4,502	4,663
51031	Copying	1,069	1,064
51050	Training and Education	100	315
51500	Miscellaneous Expenses	1,156	678
51250	Entertainment and Social	100	
51550	Miscellaneous Administrative	5,087	5,156
	Subtotal Miscellaneous Administrative	<u>\$ 12,129</u>	<u>\$ 12,077</u>
51110	Audit, Taxes and Accounting	\$ 7,750	\$ 7,814
51090	Legal	17,000	9,408
51092	Legal Fee Reimbursement	(547)	(1,112)
51120	Management	67,716	69,708
51125	Management Schedule B	8,796	10,974
51000	Telephone and Related	4,020	3,616
	Total Administrative	<u>\$ 116,864</u>	<u>\$ 112,485</u>
71050	Insurance	<u>\$ 112,301</u>	<u>\$ 113,897</u>
Payroll and Related:			
61301	Federal FICA Taxes	\$ 6,450	\$ 6,209
61308	Payroll Taxes Budget	1,525	1,449
	Subtotal Payroll Taxes	<u>\$ 7,975</u>	<u>\$ 7,658</u>
61302	Virginia Unemployment Taxes	\$ 14	\$ 53
61303	Unemployment Taxes Budget	68	84
	Subtotal Unemployment Taxes	<u>\$ 82</u>	<u>\$ 137</u>

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
BUDGET VS. ACTUAL COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

		<u>"Unaudited"</u> <u>Fairlington</u> <u>Glen Budget</u>	<u>Actual</u> <u>(Post-Audit)</u>
71070	Group Insurance	\$ 21,104	\$ 23,388
51137	Management On-Site	75,442	91,017
61420	Maintenance Payroll	103,100	102,664
61431	Temporary Help	6,000	-
61360	Uniforms	367	553
61300	Payroll Administrative	7,486	8,300
	Total Payroll and Related	<u>\$ 221,556</u>	<u>\$ 233,717</u>
	Utilities:		
71030	Electricity	\$ 11,282	\$ 10,749
71010	Water and Sewer	200,245	193,523
	Total Utilities	<u>\$ 211,527</u>	<u>\$ 204,272</u>
	Pool Complex:		
61150	Pool Contract	\$ 47,850	\$ 47,850
61145	Pool Repair and Maintenance	8,564	9,238
61156	Pool Furniture	400	2,776
51258	Pool Committee	2,141	228
	Total Pool Complex	<u>\$ 58,955</u>	<u>\$ 60,092</u>
	Landscaping:		
61180	Grounds Contract	\$ 88,208	\$ 93,108
61188	Tree Service	\$ 3,000	\$ -
61557	Landscape Non-Contract	15,000	15,675
61570	Landscape Replacement	3,752	5,061
	Subtotal Tree Services and Landscape Improvements	<u>\$ 21,752</u>	<u>\$ 20,736</u>
	Total Landscaping	<u>\$ 109,960</u>	<u>\$ 113,844</u>
	Repairs and Maintenance:		
61200	Property Repairs	\$ 35,127	\$ 25,909
61284	Carpentry	30,788	25,585
61310	Exterior Painting	87,965	77,275
61460	Roofing	26,966	73,231
61010	Vehicle Expenses	876	546
61247	Playground Equipment	5,455	5,400
51106	Professional Fees	8,000	21,788
61370	Damage Claims	12,359	(4,574)
	Total Repairs and Maintenance	<u>\$ 207,536</u>	<u>\$ 225,160</u>

COUNCIL OF CO-OWNERS OF FAIRLINGTON GLEN
BUDGET VS. ACTUAL COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

		<u>"Unaudited"</u> <u>Fairlington</u> <u>Glen Budget</u>	<u>Actual</u> <u>(Post-Audit)</u>
	Service Contracts:		
61240	Extermination	\$ 3,607	\$ 3,904
61250	Trash Removal	69,643	71,677
61581	Snow Removal	9,047	23,059
	Total Service Contracts	<u>\$ 82,297</u>	<u>\$ 98,640</u>
50400	Bad Debt	<u>\$ 2,825</u>	<u>\$ -</u>
71140	Income Taxes	<u>\$ 6,889</u>	<u>\$ 10,320</u>
	Total Expenses	<u>\$ 1,130,710</u>	<u>\$ 1,172,427</u>
	Net Income before Contribution to Reserves	\$ 686,467	\$ 660,044
90000	Replacement Reserves	\$ (660,548)	\$ (660,548)
90005	Replacement Reserves Interest	(25,919)	(36,097)
90062	Cable Marketing Reserves	-	(5,280)
	Total Reserve Contribution	<u>\$ (686,467)</u>	<u>\$ (701,925)</u>
	Net Income (Loss)	<u>\$ -</u>	<u>\$ (41,881)</u>