
Racquet Club Owner's Association d/b/a
Vail Racquet Club Mountain Resort

Financial Report
with Supplemental Information
May 31, 2022

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

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Independent Auditor's Report

To the Board of Directors
Racquet Club Owner's Association d/b/a
Vail Racquet Club Mountain Resort

Opinion

We have audited the financial statements of Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort (the "Association"), which comprise the balance sheet as of May 31, 2022 and the related statements of revenue and expenses, changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of May 31, 2022 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 (GAAS). 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 the Association and to meet our 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.

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 the Association's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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.

To the Board of Directors
Racquet Club Owner's Association d/b/a
Vail Racquet Club Mountain Resort

In performing an audit in accordance with GAAS, 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 the Association'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 the Association'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 Supplemental Information

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information for the year ended May 31, 2022, consisting of the homeowners' and club combining balance sheet, homeowners' and club combining statement of revenue and expenses, homeowners' operating expenses, rental operating expenses, and club operating expenses, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of 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.

Disclaimer of Opinion on Required Supplemental Information

Accounting principles generally accepted in the United States of America require that information about future major repairs and replacements of common property on page 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with GAAS, 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.

Plante & Moran, PLLC

September 8, 2022

Independent Accountant's Review Report

To the Board of Directors
Racquet Club Owner's Association d/b/a
Vail Racquet Club Mountain Resort

We have reviewed the accompanying financial statements of Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort (the "Association"), which comprise the balance sheet as of May 31, 2021 and the related statements of revenue and expenses, changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 3 to the financial statements, the financial statements as of and for the year ended May 31, 2021 have been restated to correct a misstatement. Our conclusion is not modified with respect to this matter.

To the Board of Directors
Racquet Club Owner's Association d/b/a
Vail Racquet Club Mountain Resort

Report on Supplemental Information

The accompanying supplemental information for the year ended May 31, 2021, consisting of the homeowners' and club combining balance sheet, homeowners' and club combining statement of revenue and expenses, homeowners' operating expenses, rental operating expenses, and club operating expenses, is presented for the purpose of additional and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplemental information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplemental information. We have not audited the supplemental information and do not express an opinion on such information.

Plante & Moran, PLLC

September 8, 2022

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Balance Sheet

	May 31			2021 Total (unaudited and restated)
	2022 Homeowners	Rental	Total	
Current Assets				
Cash and cash equivalents	\$ 1,987,635	\$ 862,182	\$ 2,849,817	\$ 2,414,174
Cash and cash equivalents - Restricted	388,414	721,606	1,110,020	1,509,941
Accounts receivable - Net	291,413	-	291,413	234,847
Inventories	42,799	7,785	50,584	44,712
Prepaid expenses and other	3,923	4,134	8,057	7,785
Total current assets	2,714,184	1,595,707	4,309,891	4,211,459
Property and Equipment				
Land	55,000	-	55,000	55,000
Buildings	6,222,982	450,000	6,672,982	6,672,982
Equipment	1,076,504	180,264	1,256,768	1,256,768
Furniture	15,917	3,489	19,406	19,406
Building improvements	210,316	-	210,316	210,316
	7,580,719	633,753	8,214,472	8,214,472
Less accumulated depreciation	(4,267,779)	(401,252)	(4,669,031)	(4,431,899)
Net property and equipment	3,312,940	232,501	3,545,441	3,782,573
Interfund due from (to)	198,373	(198,373)	-	-
Total assets	<u>\$ 6,225,497</u>	<u>\$ 1,629,835</u>	<u>\$ 7,855,332</u>	<u>\$ 7,994,032</u>
Liabilities and Fund Balances				
Accounts payable				
Trade	\$ 195,051	\$ 6,586	\$ 201,637	\$ 81,861
Owners	-	224,300	224,300	-
Accrued expenses				
Payroll and related	222,365	86,317	308,682	236,579
Other	292,169	42,189	334,358	242,839
Contract liabilities				
Rental deposits	2,326	90,180	92,506	134,778
Special assessments collected in advance	160,588	-	160,588	654,000
Common assessments collected in advance	585,606	-	585,606	505,062
Total current liabilities	1,458,105	449,572	1,907,677	1,855,119
Paycheck Protection Program Loan	-	-	-	283,700
Contract liabilities				
Special assessments collected in advance - Net of current	-	-	-	272,390
Reserve assessments collected in advance	227,826	337,443	565,269	421,584
Rental deposits	23,828	40,869	64,697	65,746
Total liabilities	1,709,759	827,884	2,537,643	2,898,539
Fund Balances				
Operating	4,515,738	417,788	4,933,526	4,933,526
Reserve	-	384,163	384,163	161,967
Total fund balances	4,515,738	801,951	5,317,689	5,095,493
Total liabilities and fund balances	<u>\$ 6,225,497</u>	<u>\$ 1,629,835</u>	<u>\$ 7,855,332</u>	<u>\$ 7,994,032</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Statement of Revenue and Expenses

	For the Years Ended May 31			2021 Total (unaudited)
	2022			
	Homeowners	Rental	Total	
Revenue and Assessments				
Club revenue	\$ 1,178,379	\$ -	\$ 1,178,379	\$ 819,733
Short-term rental revenue - Net	-	1,320,949	1,320,949	946,067
Long-term rental commissions	-	57,487	57,487	54,111
Common assessments	1,459,572	-	1,459,572	1,459,572
Repair and replacement assessments	351,705	-	351,705	847,496
Special assessments	765,802	-	765,802	1,300,206
Garden level rental income	304,121	-	304,121	279,356
Maid income	-	109,424	109,424	83,016
Firewood income	-	1,878	1,878	5,086
Interest income	1,701	451	2,152	7,613
Rent deposit forfeitures	-	53,902	53,902	43,788
Other revenues	93,822	173,874	267,696	179,804
Total revenue and assessments	4,155,102	1,717,965	5,873,067	6,025,848
Departmental and Operating Expenses				
Repair and replacement expenditures	799,003	72,368	871,371	1,184,337
Special assessment expenditures	765,802	-	765,802	1,300,206
Cost of club sales	30,485	-	30,485	27,488
Rooms	-	993,581	993,581	761,400
Operating	1,134,164	196,469	1,330,633	1,136,348
Marketing	-	64,184	64,184	46,201
Repairs and maintenance	828,085	50,014	878,099	767,234
Utilities	523,996	21,135	545,131	487,689
Rental club usage fees	-	155,033	155,033	104,358
Total departmental and operating expenses	4,081,535	1,552,784	5,634,319	5,815,261
Excess of Revenue Over Expenses - Before fixed charges and other	73,567	165,181	238,748	210,587
Fixed Charges and Other				
Paycheck Protection Program loan forgiveness	(207,409)	(76,291)	(283,700)	(283,700)
Property taxes	28,474	2,953	31,427	31,313
Insurance expense	27,517	4,176	31,693	31,751
Depreciation and amortization	224,985	12,147	237,132	286,140
Total fixed charges and other	73,567	(57,015)	16,552	65,504
Excess of Revenue over Expenses	\$ -	\$ 222,196	\$ 222,196	\$ 145,083

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Statement of Changes in Fund Balances

Years Ended May 31, 2022 and 2021

	Homeowners		Rental		Total
	Operating Fund	Reserve Fund	Operating Fund	Reserve Fund	
Balance - June 1, 2020 (as restated and unaudited)	\$ 4,515,738	\$ -	\$ 417,788	\$ 16,884	\$ 4,950,410
Excess (deficit) of fund revenue over expenses	303,322	(303,322)	178,602	(33,519)	145,083
Allocation to reserve funds	<u>(303,322)</u>	<u>303,322</u>	<u>(178,602)</u>	<u>178,602</u>	<u>-</u>
Balance - May 31, 2021 (as restated and unaudited)	4,515,738	-	417,788	161,967	5,095,493
Excess (deficit) of fund revenue over expenses	447,298	(447,298)	294,564	(72,368)	222,196
Allocation to reserve funds	<u>(447,298)</u>	<u>447,298</u>	<u>(294,564)</u>	<u>294,564</u>	<u>-</u>
Balance - May 31, 2022	\$ 4,515,738	\$ -	\$ 417,788	\$ 384,163	\$ 5,317,689

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Statement of Cash Flows

	May 31,			2021 Total (unaudited)
	2022	2022		
	Homeowners	Rental	Total	
Cash flows from operating activities				
Excess of revenue over expenses	\$ -	\$ 222,196	\$ 222,196	\$ 145,083
Adjustments to reconcile excess of expenses over revenue to net cash and cash equivalents and restricted cash and cash equivalents (used in) provided by operating fund activities				
Depreciation and amortization	224,985	12,147	237,132	286,140
Forgiveness of Paycheck Protection Program loan	(207,409)	(76,291)	(283,700)	(283,700)
Changes in certain assets and liabilities				
Accounts receivable	(123,233)	66,667	(56,566)	(57,192)
Inventories	(5,872)	-	(5,872)	(1,290)
Prepaid expenses and other	(272)	-	(272)	(17)
Special assessments receivable	-	-	-	312,406
Accounts payable	114,851	229,225	344,076	(8,164)
Accrued expenses	197,583	(33,961)	163,622	(40,858)
Interfund transfers	(393,176)	393,176	-	-
Rental deposits	55	(43,376)	(43,321)	38,506
Assessments and dues collected in advance	(541,573)	-	(541,573)	(1,679,667)
Net cash and cash equivalents and restricted cash and cash equivalents (used in) provided by operating activities	(734,061)	769,783	35,722	(1,288,753)
Cash flows from financing activities				
Proceeds from debt	-	-	-	283,700
Net cash and cash equivalents and restricted cash and cash equivalents provided by financing activities	-	-	-	283,700
Net (decrease) increase in cash and cash equivalents and restricted cash and cash equivalents	(734,061)	769,783	35,722	(1,005,053)
Cash and cash equivalents and restricted cash and cash equivalents - beginning of the year	<u>3,110,110</u>	<u>814,005</u>	<u>3,924,115</u>	<u>4,929,168</u>
Cash and cash equivalents and restricted cash and cash equivalents - end of year	<u>\$ 2,376,049</u>	<u>\$ 1,583,788</u>	<u>\$ 3,959,837</u>	<u>\$ 3,924,115</u>
Classification of cash and cash equivalents and restricted cash and cash equivalents				
Cash and cash equivalents	\$ 1,987,635	\$ 862,182	\$ 2,849,817	\$ 2,414,174
Cash and cash equivalents - Restricted	<u>388,414</u>	<u>721,606</u>	<u>1,110,020</u>	<u>1,509,941</u>
Total cash and cash equivalents and restricted cash and cash equivalents	<u>\$ 2,376,049</u>	<u>\$ 1,583,788</u>	<u>\$ 3,959,837</u>	<u>\$ 3,924,115</u>

May 31, 2022 and 2021

Note 1 - Nature of Business

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort (the "Association"), a nonprofit corporation, was incorporated in 1973 and merged with the Racquet Club Townhomes in 1980. The Association's purpose is to govern and manage the common affairs of owners of condominium and townhouse property located in Vail, Colorado. The Association consists of 311 condominiums and townhomes and related common areas. The Association is responsible for maintaining the common areas and managing the rental operations. On December 18, 1998, the Association purchased Vail Racquet Club (the "Club") and 23 condominium units to be utilized for employee housing from the original developer. In 2003, the deed restriction to these units expired. During 2013, the Racquet Club Owner's Association added "d/b/a Vail Racquet Club Mountain Resort" to its name to better describe the property for marketing purposes.

The owners of the condominium units may individually elect to offer their units for rent as part of a short-term rental program. Approximately 31 percent of the owners participate in the program. Each owner is credited with 55 percent of the short-term room rental income received from the specific unit being rented. The Association retains 45 percent of room revenue to offset related operations costs, including usage of the Club. Association expenses are allocated between the homeowners' operating fund and the rental operating fund based on percentages reviewed and approved annually by the board of directors (the "Board").

Note 2 - Significant Accounting Policies

Cash and Cash Equivalents

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand and certificates of deposit. Included in restricted cash and cash equivalents are designated restricted funds for repair and replacement reserves. The Association invests a portion of its cash funds in money market funds and bank savings accounts administered by high-quality financial institutions. The Association keeps deposits at several different financial institutions to limit risk associated with exceeding federally insured limits; however, at times deposited amounts do exceed such limits.

Accounts Receivable

Accounts receivable represent amounts due from owners and members. At the time the accounts receivable are originated, the Association considers a reserve for doubtful accounts based on the creditworthiness of the homeowner or member. The provision for uncollectible accounts is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future losses. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Association on an ongoing basis. The losses ultimately incurred could differ materially in the near term from the amounts estimated in determining the allowance. The Association had an allowance of \$38,993 and \$39,610 (unaudited) at May 31, 2022 and 2021, respectively.

Inventories

Inventories consist primarily of maintenance and housekeeping items for owners' units and items available for sale at the Club. Inventories are stated at the lower of cost or net realizable value, determined using the first-in, first-out (FIFO) method.

Recognition of Assets and Depreciation Policy

The policy of the Association is to capitalize real and personal property at cost when the Association has separate title or ownership and that may be sold individually or from which significant cash flows can be derived based on usage by owners and nonowners.

May 31, 2022 and 2021

Note 2 - Significant Accounting Policies (Continued)

These assets are depreciated using the straight-line method over estimated lives ranging from 3 to 39 years. Costs of maintenance are charged to expense as incurred.

Long-lived Assets

The Association reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. The Association looks primarily to the fair value of the underlying assets and secondarily to the discounted future cash flows in its assessment of whether long-lived assets have been impaired. No impairment was recorded for the years ended May 31, 2022 and 2021.

Revenue Recognition

Revenue

Homeowner assessment revenue consists of board-approved assessments for operating purposes or other designated purposes.

All homeowners are required to be club members. The Club also allows for nonhomeowner members.

Rental room revenue is generated when homeowners elect to participate in the rental program, which rents to third-party guests.

Other revenue is for ancillary services offered to homeowners and guests.

Timing and Satisfaction of Performance Obligations

For the homeowners' association common assessment revenue, the Association typically satisfies its performance obligations and recognizes revenue over time on a monthly basis. For assessments for other purposes, such as repair and replacement, the Association satisfies its performance obligations and recognizes revenue as funds are expended for their intended purpose. Until expended, the funds accumulated for these purposes are reflected as contract liabilities on the balance sheet.

For club revenue, the Association typically satisfies its performance obligations and recognizes revenue over time as services are performed on a monthly basis for homeowner and nonhomeowner members and each night for rental guests.

For the rental revenue, the Association typically satisfies its performance obligations and recognizes revenue over time as units are occupied each night by a guest. A significant portion of the rental operation's revenue is derived during the winter months. If the Vail area were to experience a significant decline in snowfall, it could have a significant impact on the rental operation's revenue. The Association acts as the agent on behalf of the owners who elect to participate in the rental program, as described in Note 9.

For ancillary services, revenue is generally recognized at a point in time when the good or service is provided to the customer.

Specific Payment Terms

The Association assesses dues monthly, two months in advance, which are payable by the last day of the month. The assessments are allocated based upon square footage, and certain costs are allocated on a per unit basis. Monthly dues billed but not yet earned are deferred and presented as a liability, common and reserve assessments and dues collected in advance. The Board allocated a predetermined percentage of total assessments to the repair and replacement reserve fund, which was approximately 26 percent and 23 percent for the years ended May 31, 2022 and 2021, respectively.

May 31, 2022 and 2021

Note 2 - Significant Accounting Policies (Continued)

Insurance costs are billed to each owner as a separate assessment semiannually based on actual insurance costs.

At various times, the Association's board may elect to assess or distribute prior year operating deficits or income. Typically, however, income is transferred to the reserve fund.

All homeowners are required to be club members and are billed monthly, two months in advance, for dues. Monthly dues billed but not yet earned are deferred and presented as a liability, common and reserve assessments and dues collected in advance. The Club has nonhomeowner members that are billed in advance and accounted for in the same manner. The Club receives 5 percent of short-term rental revenue, for which association rental guests receive the right to use the Club.

Payments for rental revenue typically align with the timing of when the service is provided. Payments are typically received at checkout primarily by credit card or check for room rental. The payment can include advance deposits received in advance of the guest's stay. Payment received for a future stay is recognized as a rental deposit, which is included in liabilities on the balance sheet. Advance deposits are recognized as revenue when units are occupied. The advanced deposits are generally recognized as revenue within a one-year period.

Transaction Price

The transaction price of a contract is the amount of consideration to which the Association expects to be entitled in exchange for transferring promised services or goods to a customer. Transaction prices do not include amounts collected on behalf of third parties (e.g., sales taxes).

The Association's contracts with customers have fixed transaction prices that are denominated in U.S. dollars and payable in cash. Refunds related to service are generally recognized as an adjustment to the transaction price at the time the rental program stay occurs or services are rendered.

Other Information

Accounts receivable from contracts with customers at June 1, 2020 were \$490,061 (unaudited).

The assessments received in advance and rental deposits at June 1, 2020 were \$3,657,272 (unaudited) and \$162,018 (unaudited), respectively.

There are no significant economic factors that affect the nature, amount, timing, and uncertainty of the Association's revenue and cash flows, other than the dependency of snowfall each year. Contracts with rental guests are less than one year in duration.

Reserve Fund

The Association generally transfers any excess of revenue over expenses to the reserve fund. Such amounts accumulated in the reserve fund are utilized for expenditures prior to assessments received in advance.

Income Taxes

The Association does not qualify to be treated as an association exempt from income taxes pursuant to Internal Revenue Code Section 528. Although the Association is a not-for-profit corporation, it is subject to income tax, essentially in the same manner as a regular business corporation, with the exception of assessments held as long-term reserves for nonrecurring expenditures.

May 31, 2022 and 2021

Note 2 - Significant Accounting Policies (Continued)

The Association evaluates its tax positions taken or expected to be taken in the course of preparing the Association's tax returns to determine whether the tax positions will more likely than not be sustained by the applicable tax authority. Tax positions not deemed to meet the more likely than not threshold are not recorded as a tax benefit or expense in the current year. Interest and penalties, if applicable, are recorded in the period assessed as general and administrative expenses. However, no interest or penalties have been assessed as of May 31, 2022 and 2021.

Use of 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Advertising Costs

The Club and rental operations expense marketing costs as incurred.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 8, 2022, which is the date the financial statements were available to be issued.

Note 3 - Prior Period Adjustment

The accompanying financial statements for 2021 have been restated to correct overstated accrued liabilities in previous periods. The effect of the restatement was to decrease current liabilities by \$372,744 and increase the fund balances by \$372,744 as of June 1, 2020 and to increase fund balances by \$372,744 as of June 1, 2020 and May 31, 2021 from the amounts previously reported of \$4,577,666 and \$4,722,749, respectively.

Note 4 - Special Assessment

During 2016, the Board special assessed homeowners \$8,635,000 for specific future repairs and replacement projects. As of May 31, 2021, the Association has fully billed and collected special assessments and related fees totaling \$8,793,247. The homeowners were given three different billing options. Plan A allows the homeowner to be billed the full amount; plan B allows the homeowner to be billed for the assessment in four annual installments with a 1 percent fee; and plan C allows the homeowner to be billed monthly over 60 months with a 2 percent fee.

The balances and activities associated with the special assessments as of and for the years ended May 31, 2022 and 2021 are detailed in Note 6. The remaining amount of the assessment is included in special assessment collected in advance on the accompanying balance sheet, as expenditures have not yet been incurred. The assessments will be recognized as special fund assessment revenue as the expenditures occur.

Note 5 - Restricted Cash for Future Major Repairs and Replacements

The Association and rental program accumulate funds for future repairs and replacements in designated restricted accounts, which generally are not available for expenditures for normal operations. The Association held \$1,110,020 and \$1,509,941 (unaudited) in separate designated cash accounts at May 31, 2022 and 2021, respectively, for this purpose.

Notes to Financial Statements

May 31, 2022 and 2021

Note 5 - Restricted Cash for Future Major Repairs and Replacements (Continued)

Actual expenditures may vary from the estimated future expenditures, and the variations 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 Board has the right, subject to the requirements of the bylaws and declarations, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

Note 6 - Assessments Received in Advance

The following tables provide information on the changes in the balances associated with repair and replacement reserves and the special assessment reserves for the years ended May 31:

Repair and Replacement Reserves

	2022			2021 (Unaudited)		
	Homeowners	Rental	Total	Homeowners	Rental	Total
Opening balance	\$ 84,141	\$ 337,443	\$ 421,584	\$ 497,743	\$ 337,443	\$ 835,186
Assessments received	495,390	-	495,390	433,894	-	433,894
Revenue recognized due to satisfaction of performance obligations	(351,705)	-	(351,705)	(847,496)	-	(847,496)
Ending balance	<u>\$ 227,826</u>	<u>\$ 337,443</u>	<u>\$ 565,269</u>	<u>\$ 84,141</u>	<u>\$ 337,443</u>	<u>\$ 421,584</u>

Special Assessment Reserves

	Homeowners	
	2022	2021 (Unaudited)
Opening balance	\$ 926,390	\$ 2,226,596
Revenue recognized due to satisfaction of performance obligations	(765,802)	(1,300,206)
Ending balance	<u>\$ 160,588</u>	<u>\$ 926,390</u>

Note 7 - Line of Credit and Paycheck Protection Program Loan

Under a line of credit agreement with a bank, the Association has available borrowings of approximately \$800,000, which will terminate on April 1, 2023. Interest is payable monthly at *The Wall Street Journal* U.S. prime rate. There is no balance outstanding on the line of credit as of May 31, 2022 and 2021.

On March 2, 2021 and April 18, 2020, the Association obtained \$283,700 of loans in connection with the Paycheck Protection Program (PPP) in order to fund payroll and ensure stability of the workforce. On November 11, 2021 and February 8, 2021, the full amount of the PPP loans, including accrued interest, was forgiven by the Small Business Administration (SBA) as part of the terms of the program and recognized as Paycheck Protection Program loan forgiveness revenue. The revenue was allocated to the Association, Club, and rental in proportion to total salaries related to each entity submitted on the loan forgiveness application. The SBA has up to six years from the date the loan was forgiven to require additional documentation and conduct an audit of the Association's eligibility for the loan. In the event the SBA subsequently determines the Association did not meet the eligibility requirements for the PPP loan or did not utilize the funds on allowable expenditures, the Association could be required to repay the SBA for the proceeds of the loan plus interest.

May 31, 2022 and 2021

Note 8 - Section 401(k) Plan

The Association has adopted a 401(k) plan (the "Plan") for eligible employees. The Plan provides for discretionary matching contributions by the Association. During fiscal years 2022 and 2021, matching contributions of \$27,763 and \$25,813 (unaudited) were made by the homeowners' operation, \$11,631 and \$10,534 (unaudited) were made by the rental operation, and \$5,870 and \$6,015 (unaudited), respectively, were made by the Club.

Note 9 - Short-term Rental Revenue

Short-term rental revenue reflected in the statement of revenue and expenses represents the retention of 45 percent of the gross rooms revenue. The revenue is net of the distributions to the rental participants. For the year ended May 31, 2022, the board of directors approved that an additional 6 percent of short-term rental revenue be distributed to active rental participants, which is included within owner accounts payable on the balance sheet and will be paid out to owners within the next fiscal year. Short-term rental revenue is recognized at the time the condominium is used by the guests, and any amounts received in advance of guest usage are reflected on the balance sheet as short-term rental deposits.

The gross revenue and distributions to the rental participants are as follows for the years ended May 31:

	2022	2021 (Unaudited)
Short-term room revenue	\$ 3,247,654	\$ 2,132,539
Distributions to rental participants	<u>(1,926,705)</u>	<u>(1,186,472)</u>
Total	<u>\$ 1,320,949</u>	<u>\$ 946,067</u>

Supplemental Information

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Homeowners' and Club Combining Balance Sheet

Assets	May 31, 2022			May 31, 2021
	Homeowners	Club	Total	Total (unaudited and restated)
Current Assets				
Cash and cash equivalents	\$ 1,286,286	\$ 701,349	\$ 1,987,635	\$ 2,099,579
Cash and cash equivalents - Restricted	388,414	-	388,414	1,010,531
Accounts receivable - Net	251,560	39,853	291,413	205,075
Inventories	27,433	15,366	42,799	36,927
Prepaid expenses and other	3,594	329	3,923	3,651
Total current assets	<u>1,957,287</u>	<u>756,897</u>	<u>2,714,184</u>	<u>3,355,763</u>
Property and Equipment				
Land	-	55,000	55,000	55,000
Buildings	1,619,316	4,603,666	6,222,982	6,222,982
Equipment	622,937	453,567	1,076,504	1,076,504
Furniture	15,917	-	15,917	15,917
Building improvements	210,316	-	210,316	210,316
	2,468,486	5,112,233	7,580,719	7,580,719
Less accumulated depreciation	<u>(1,545,770)</u>	<u>(2,722,009)</u>	<u>(4,267,779)</u>	<u>(4,042,794)</u>
Net property and equipment	<u>922,716</u>	<u>2,390,224</u>	<u>3,312,940</u>	<u>3,537,925</u>
Intercompany/due from rental	<u>4,708,627</u>	<u>(4,510,254)</u>	<u>198,373</u>	<u>-</u>
Total assets	<u>\$ 7,588,630</u>	<u>\$ (1,363,133)</u>	<u>\$ 6,225,497</u>	<u>\$ 6,893,688</u>
Liabilities and Fund Balances				
Accounts payable	\$ 195,051	\$ -	\$ 195,051	\$ 80,200
Accrued expenses				
Payroll and related	170,202	52,163	222,365	126,446
Other	239,722	52,447	292,169	227,402
Contract liabilities				
Rental deposits	2,326	-	2,326	2,326
Special assessments collected in advance	160,588	-	160,588	654,000
Common assessments collected in advance	469,942	115,664	585,606	505,062
Due to rental	-	-	-	118,510
Total current liabilities	<u>1,237,831</u>	<u>220,274</u>	<u>1,458,105</u>	<u>1,713,946</u>
Paycheck Protection Program Loan	-	-	-	283,700
Contract liabilities				
Special assessments collected in advance	-	-	-	272,390
Reserve assessments collected in advance	227,826	-	227,826	84,141
Rental deposits	23,828	-	23,828	23,773
Total liabilities	<u>1,489,485</u>	<u>220,274</u>	<u>1,709,759</u>	<u>2,377,950</u>
Operating Fund Balance	<u>6,099,145</u>	<u>(1,583,407)</u>	<u>4,515,738</u>	<u>4,515,738</u>
Total liabilities and fund balances	<u>\$ 7,588,630</u>	<u>\$ (1,363,133)</u>	<u>\$ 6,225,497</u>	<u>\$ 6,893,688</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort
Homeowners' and Club Combining Statement of Revenue
and Expenses

	For the Year Ended May 31, 2022			For the Year Ended May 31, 2021
	Homeowners	Club	Total	Total (unaudited)
Revenue and Assessments				
Club revenue	\$ -	\$ 1,178,379	\$ 1,178,379	\$ 819,733
Common assessments	1,459,572	-	1,459,572	1,459,572
Repair and replacement assessments	351,705	-	351,705	847,496
Special assessments	765,802	-	765,802	1,300,206
Garden level rental income	304,121	-	304,121	279,356
Interest income	1,402	299	1,701	5,490
Other revenues	93,822	-	93,822	59,657
Total revenue and assessments	2,976,424	1,178,678	4,155,102	4,771,510
Departmental and Operating Expenses				
Repair and replacement expenditures	727,560	71,443	799,003	1,150,818
Special assessment expenditures	765,802	-	765,802	1,300,206
Cost of club sales	-	30,485	30,485	27,488
Operating	520,123	614,041	1,134,164	988,886
Repairs and maintenance	723,166	104,919	828,085	727,701
Utilities	393,314	130,682	523,996	471,432
Total departmental and operating expenses	3,129,965	951,570	4,081,535	4,666,531
(Deficit) excess of revenue over expenses before fixed charges and other	(153,541)	227,108	73,567	104,979
Fixed Charges and Other				
Paycheck Protection Program loan forgiveness	(153,261)	(54,148)	(207,409)	(207,409)
Property taxes	5,650	22,824	28,474	27,617
Insurance expense	12,517	15,000	27,517	27,419
Depreciation and amortization	58,006	166,979	224,985	257,352
Total fixed charges and other	(77,088)	150,655	73,567	104,979
(Deficit) Excess of Revenue Over Expenses	\$ (76,453)	\$ 76,453	\$ -	\$ -

Homeowners' Operating Expenses

	Year Ended May 31, 2022		
	Actual	Budget	Variance
	(unaudited)		
Administrative Department			
Salaries, payroll taxes and benefits	\$ 179,027	\$ 167,070	\$ 11,957
Dues and publications	630	1,034	(404)
Guest and entertainment	218	960	(742)
Office supplies and miscellaneous	247	600	(353)
Training	-	600	(600)
Postage	32	384	(352)
Travel and transport	-	120	(120)
Total administrative department	<u>\$ 180,154</u>	<u>\$ 170,768</u>	<u>\$ 9,386</u>
Accounting Department			
Salaries, payroll taxes and benefits	\$ 80,134	\$ 73,322	\$ 6,812
Office supplies and miscellaneous	3,891	950	2,941
Postage	877	384	493
Advertising - employees	-	120	(120)
Transportation	188	316	(128)
Guest and entertainment	-	160	(160)
Dues and publications	36	400	(364)
Training	-	1,066	(1,066)
Total accounting department	<u>\$ 85,126</u>	<u>\$ 76,718</u>	<u>\$ 8,408</u>
Maintenance Department			
Salaries, net of Club work orders	\$ 357,261	\$ 365,980	\$ (8,719)
Water and sewer	328,487	329,696	(1,209)
Repairs and maintenance	173,018	164,000	9,018
Payroll taxes and benefits	100,145	106,187	(6,042)
Gas and electric	64,827	59,712	5,115
Lawn care	20,215	20,000	215
Equipment repairs	12,191	15,120	(2,929)
Trash removal	23,103	18,779	4,324
Telephone	15,357	12,000	3,357
Snow removal	7,192	8,500	(1,308)
Supplies	14,583	14,800	(217)
Fire alarm	12,407	12,500	(93)
Uniforms	2,016	4,000	(1,984)
Miscellaneous	-	1,800	(1,800)
Training	1,035	1,000	35
Total maintenance department	<u>\$ 1,131,837</u>	<u>\$ 1,134,074</u>	<u>\$ (2,237)</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Homeowners' Operating Expenses (continued)

	Year Ended May 31, 2022		
	Actual	Budget (unaudited)	Variance
Other Operating Expenses			
Depreciation	\$ 25,747	\$ 25,747	\$ -
Computer expenses	17,504	17,818	(314)
Insurance expense	12,517	14,652	(2,135)
Professional fees	10,464	10,464	-
Director/owner communication and meeting expense	931	5,890	(4,959)
Legal fees	4,714	12,996	(8,282)
Property taxes	5,650	5,650	-
Office supplies	1,527	3,060	(1,533)
Office equipment maintenance	2,892	2,387	505
Miscellaneous	1,982	2,113	(131)
Unemployment tax	-	2,640	(2,640)
Entertainment expense	2,423	2,820	(397)
Postage	-	1,006	(1,006)
Total other operating expenses	<u>\$ 86,351</u>	<u>\$ 107,243</u>	<u>\$ (20,892)</u>
Front Desk Expense - Allocated	<u>\$ 46,628</u>	<u>\$ 46,629</u>	<u>\$ (1)</u>
Garden Level Rental Units			
Commissions	\$ 67,449	\$ 57,640	\$ 9,809
Depreciation	32,259	49,636	(17,377)
Water and sewer	23,639	23,040	599
Television	19,565	17,357	2,209
Property taxes	12,794	12,794	-
Repairs and maintenance	23,086	12,000	11,086
Electricity	3,888	4,224	(336)
Total garden level rental units	<u>\$ 182,680</u>	<u>\$ 176,691</u>	<u>\$ 5,989</u>
Total homeowners' operating expenses	<u>\$ 1,712,776</u>	<u>\$ 1,712,123</u>	<u>\$ 653</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Rental Operating Expenses

	Year Ended May 31, 2022		
	Actual	Budget (unaudited)	Variance
Administrative Department			
Salaries, payroll taxes and benefits	\$ 65,234	\$ 66,169	\$ (935)
Office supplies and miscellaneous	239	900	(661)
Dues and publications	217	400	(183)
Postage	47	576	(529)
Training	-	900	(900)
Guest and entertainment	-	1,440	(1,440)
Travel and transport	-	180	(180)
Total administrative department	<u>\$ 65,737</u>	<u>\$ 70,565</u>	<u>\$ (4,828)</u>
Accounting Department			
Salaries, payroll taxes and benefits	\$ 81,710	\$ 73,540	\$ 8,170
Postage	877	440	437
Office supplies	1,388	950	438
Transportation	188	316	(128)
Guest and entertainment	-	160	(160)
Dues and publications	7	400	(393)
Training	-	1,066	(1,066)
Advertising - employees	-	120	(120)
Total accounting department	<u>\$ 84,170</u>	<u>\$ 76,992</u>	<u>\$ 7,178</u>
Maintenance Department			
Repairs and maintenance	\$ 46,269	\$ 38,499	\$ 7,770
Gas and electric	12,606	9,697	2,909
Water and sewer	3,314	5,096	(1,782)
Telephone	5,144	6,120	(976)
Trash removal	5,215	2,820	2,395
Firewood	3,740	2,450	1,290
Supplies	-	600	(600)
Total maintenance department	<u>\$ 76,288</u>	<u>\$ 65,282</u>	<u>\$ 11,006</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Rental Operating Expenses (continued)

	Year Ended May 31, 2022		
	Actual	Budget (unaudited)	Variance
Other Operating Expenses			
Computer expenses	\$ 22,134	\$ 26,727	\$ (4,593)
Depreciation	12,147	26,642	(14,495)
Accounting and legal	10,788	10,788	-
Insurance expense	4,176	4,326	(150)
Taxes - other	1,865	5,573	(3,708)
Property taxes	2,953	3,700	(747)
Miscellaneous	2,377	2,113	264
Office equipment maintenance	2,892	2,437	455
Office supplies	373	2,970	(2,597)
Entertainment expense	2,400	2,811	(411)
Postage	-	1,009	(1,009)
Total other operating expenses	<u>\$ 62,105</u>	<u>\$ 89,096</u>	<u>\$ (26,991)</u>
Front Desk Expenses			
Salaries, payroll taxes and benefits	\$ 263,209	\$ 290,870	\$ (27,661)
HOA long-term rent	21,192	21,197	(5)
Office supplies	5,400	5,400	-
Key blank expense	6,122	5,000	1,122
Telephone	1,900	1,800	100
Miscellaneous	(103)	300	(403)
Advertising	1,055	2,400	(1,345)
Uniforms	1,182	2,400	(1,218)
Postage	87	600	(513)
Transportation	-	240	(240)
Training	-	600	(600)
Front desk expenses related to HOA	(46,628)	(46,629)	1
Pro shop front desk expense - Allocated Club	(99,474)	(99,476)	2
Total front desk expenses	<u>\$ 153,942</u>	<u>\$ 184,703</u>	<u>\$ (30,761)</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Rental Operating Expenses (continued)

	Year Ended May 31, 2022		
	Actual	Budget (unaudited)	Variance
Sales and Marketing Department			
Salaries, payroll taxes and benefits	\$ 150,780	\$ 203,017	\$ (52,237)
Advertising	52,372	73,500	(21,128)
Dues	9,844	10,800	(956)
Travel and transport	-	5,000	(5,000)
Promotion	590	1,500	(910)
Contract services	525	1,000	(475)
Training	-	900	(900)
Office supplies	722	750	(28)
Advertising - employees	-	-	-
Postage	131	75	56
Advertising - brochures	-	-	-
Guest and entertainment	-	200	(200)
Total sales and marketing department	<u>\$ 214,964</u>	<u>\$ 296,742</u>	<u>\$ (81,778)</u>
Reservations Department			
Credit card commissions	\$ 100,241	\$ 59,482	\$ 40,759
Travel agent commissions	106,506	55,300	51,206
Adjustments	269	600	(331)
Total reservations department	<u>\$ 207,016</u>	<u>\$ 115,382</u>	<u>\$ 91,634</u>
Housekeeping Department			
Housekeeping - Non-billable	\$ 187,808	\$ 200,284	\$ (12,476)
Housekeeping - Billable	78,159	96,283	(18,124)
Contract labor	123,494	100,200	23,294
Guest supplies	30,729	21,797	8,932
Laundry supplies	4,324	8,250	(3,926)
Guest amenities	20,595	15,478	5,117
Linen replacement	22,325	20,200	2,125
Glass, china, silver	-	1,500	(1,500)
Cleaning expenses	6,920	3,000	3,920
Office supplies	999	360	639
Repairs/supplies - Machinery	5,084	1,440	3,644
Postage	-	180	(180)
Travel and transport	-	360	(360)
Training	-	400	(400)
Total housekeeping department	<u>\$ 480,437</u>	<u>\$ 469,731</u>	<u>\$ 10,706</u>
Total rental operating expenses exclusive of Club fees	<u>\$ 1,344,659</u>	<u>\$ 1,368,492</u>	<u>\$ (23,833)</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort

Club Operating Expenses

	Year Ended May 31, 2022		
	Actual	Budget (unaudited)	Variance
Cost of sales	\$ 30,485	\$ 25,840	\$ 4,645
Payroll and Employee Expenses			
Club administration	\$ 111,602	\$ 100,550	\$ 11,052
Pro shop front desk - Allocated	99,474	99,476	(2)
Contract labor - Housekeeping and laundry	117,307	86,000	31,307
Accounting salaries	68,698	59,766	8,932
Payroll taxes and benefits	36,054	47,822	(11,768)
Class instructions	12,133	24,010	(11,877)
Housekeeping	-	-	-
Massage therapists salaries	23,417	13,580	9,837
Fitness salaries	7,224	21,960	(14,736)
Personal trainers	3,400	5,775	(2,375)
Tennis pro	5,000	6,000	(1,000)
Swim instructor/lifeguard salaries	1,570	4,500	(2,930)
Taxes - Other	590	1,750	(1,160)
Uniforms	25	1,000	(975)
Maintenance salaries	875	1,000	(125)
Training	-	1,548	(1,548)
Total payroll and employee expenses	<u>\$ 487,369</u>	<u>\$ 474,737</u>	<u>\$ 12,632</u>
Office Expenses			
Computer expenses	\$ 17,467	\$ 22,535	\$ (5,068)
Office supplies and miscellaneous	3,531	4,000	(469)
Office equipment maintenance	2,892	2,437	455
Printing	2,101	1,200	901
Postage	401	735	(334)
Total accounting department	<u>\$ 26,392</u>	<u>\$ 30,907</u>	<u>\$ (4,515)</u>
Maintenance Department			
Gas and electric	\$ 101,423	\$ 80,675	\$ 20,748
Association repairs and maintenance	59,778	56,524	3,254
Water and sewer	26,509	40,769	(14,260)
Repairs and maintenance	27,934	30,300	(2,366)
Trash removal	2,720	2,821	(101)
Telephone	2,750	2,221	529
Fire alarm expense	4,212	1,800	2,412
Supplies	489	-	489
Landscaping	1,601	3,500	(1,899)
Equipment repairs and fuels	6,481	2,100	4,381
Total maintenance department	<u>\$ 233,897</u>	<u>\$ 220,709</u>	<u>\$ 13,188</u>

Racquet Club Owner's Association d/b/a Vail Racquet Club Mountain Resort
Club Operating Expenses (continued)

	Year Ended May 31, 2022		
	Actual	Budget (unaudited)	Variance
Other Operating Expenses			
Tennis court supplies	\$ 3,712	\$ 4,000	\$ (288)
Exercise equipment	-		-
Massage room expense	792	1,300	(508)
Supplies	1,704	480	1,224
Rental equipment	-	1,000	(1,000)
Total other operating expenses	<u>\$ 6,208</u>	<u>\$ 6,780</u>	<u>\$ (572)</u>
Supplies			
Swimming pool	\$ 20,771	\$ 12,000	\$ 8,771
Locker room	6,487	9,000	(2,513)
Linen	15,661	4,400	11,261
Supplies	8,351	6,000	2,351
Laundry	1,081	2,750	(1,669)
Weight room	324	1,000	(676)
Total supplies	<u>\$ 52,675</u>	<u>\$ 35,150</u>	<u>\$ 17,525</u>
Taxes and Business Licenses			
Property	\$ 22,358	\$ 23,310	\$ (952)
License fees	466	450	16
Total taxes and business licenses	<u>\$ 22,824</u>	<u>\$ 23,760</u>	<u>\$ (936)</u>
General Expenses			
Depreciation	\$ 166,979	\$ 182,000	\$ (15,021)
Insurance property and liability	15,000	15,000	-
Commissions	22,618	13,200	9,418
Accounting and legal	10,468	10,464	4
Advertising	-		-
Music, television, and internet	3,749	4,392	(643)
Entertainment/travel	2,426	3,646	(1,220)
Miscellaneous expense	3,206	2,113	1,093
Club activities	-	1,000	(1,000)
Promotions	-	600	(600)
Dues and publications	634	920	(286)
Advertising	-	12,600	(12,600)
Adjustments	-	300	(300)
Total general expenses	<u>\$ 225,080</u>	<u>\$ 246,236</u>	<u>\$ (21,156)</u>
Total Club operating expenses	<u>\$ 1,084,930</u>	<u>\$ 1,064,118</u>	<u>\$ 20,812</u>

Supplementary Information on Major Repairs and Replacements (Unaudited)

Year Ended May 31, 2022

The Board estimates the remaining useful lives and the replacement costs of the components of common property based on estimated replacement dates and lives of common property. The following table is based on management's estimates and presents significant information about the components of common property. The estimates were derived by management. Actual expenditures may vary from the estimated amounts and the variations could be material.

Components	Estimated Remaining Useful Lives	Total Estimated Replacement Costs	Amount Funded	
Roofs	Townhomes	30 - 50	\$ 1,200,000	\$ -
	Condos	2 - 35	1,500,000	-
	Club	8	250,000	-
		<u>2 - 50</u>	<u>2,950,000</u>	-
Pools and spas	Pool-side hot tub	15	50,000	-
	Adult hot tub	4	200,000	-
	Pool	20	300,000	-
		<u>4 - 20</u>	<u>550,000</u>	-
Tennis courts	Hard courts	20	400,000	-
	Clay courts	12	250,000	-
	Fencing	12	50,000	-
		<u>12 - 20</u>	<u>700,000</u>	-
Exterior siding and trim	Townhomes	10 - 20	600,000	-
	Condos	5 - 25	300,000	-
	Club	8	120,000	-
		<u>8 - 25</u>	<u>1,020,000</u>	-
Mechanical equipment	Boilers	1 - 20	132,000	-
	HVAC	5 - 25	108,000	-
	Water heaters	2 - 15	110,000	-
		<u>1 - 25</u>	<u>350,000</u>	-
Streets and parking	All	1 - 20	1,500,000	-
Decks	All	1 - 25	3,150,000	-
Vehicles	All	3 - 12	300,000	-
Sidewalks and patios	All	3 - 25	1,200,000	-
Other	All	1 - 40	2,600,000	-
Unallocated		-	-	949,432
		<u>\$ 14,320,000</u>	<u>\$ 949,432</u>	