

**Park Plaza Condominium Association  
(A Colorado Non-Profit Corporation)**

**Financial Statements  
November 30, 2022**

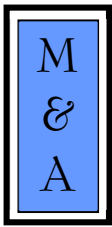


**Park Plaza Condominium Association  
(A Colorado Non-Profit Corporation)**

**November 30, 2022**

**Table of Contents**

	<b>Page(s)</b>
INDEPENDENT AUDITOR'S REPORT	1 – 2
Financial Statements:	
Balance Sheets	3
Statements of Revenues, Expenses and Changes in Fund Balances	4
Statements of Cash Flows	5
Notes to the Financial Statements	6 – 10
Supplemental Information:	
Schedule of Operating Fund – Budget to Actual Comparison	11 – 12
Schedule of Replacement Funds – Revenues and Expenses	13
Schedule of Future Major Repairs and Replacements	14 - 15



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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors  
Park Plaza Condominium Association  
Avon, Colorado**

### ***Opinion***

We have audited the financial statements of Park Plaza Condominium Association (the "Association"), which comprise the balance sheets as of November 30, 2022 and the related statements of revenues, expenses, and changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of November 30, 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 ("U.S. GAAP").

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. 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 other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 for one year after the date that the financial statements are issued.

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**INDEPENDENT AUDITOR'S REPORT**  
**To the Board of Directors**  
**Park Plaza Condominium Association**  
**Avon, Colorado**

***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 U.S. 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.

In performing an audit in accordance with U.S. 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 financial statement audit.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental budgetary comparison schedule on pages 11 - 13 is presented for purposes 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 U.S. GAAS. In our opinion, the information, except for the portion marked "unaudited", on which we express no opinion, is fairly stated in all material respects in relation to the financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT  
To the Board of Directors  
Park Plaza Condominium Association  
Avon, Colorado**

***Required Supplementary Information***

U.S. GAAP requires that the supplementary information on future major repairs and replacements on pages 14 - 15 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 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 U.S. 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.

***Report on Summarized Comparative Information***

We have previously audited the Association's November 30, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 17, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended November 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.  
Avon, Colorado  
January 23, 2023**

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Balance Sheets**  
**November 30, 2022**  
**(With Comparative Totals for 2021)**

	<u>2022</u>			<u>2021</u>	
	<u>Operating Fund</u>	<u>R-LCE Replacement Fund</u>	<u>GCE Replacement Fund</u>	<u>Total</u>	<u>Total</u>
<b>Assets:</b>					
Cash and cash equivalents	3,143,087	-	-	3,143,087	2,092,355
Investments	686,134	-	-	686,134	770,763
Owner receivables, net	3,528	-	-	3,528	22,068
Prepaid expenses	57,647	-	-	57,647	63,414
Inventory	10,000	-	-	10,000	10,000
Other assets	9,135	-	-	9,135	-
Association owned time-span estates	55,000	-	-	55,000	55,000
Due from (to) other fund(s)	(2,928,501)	1,944,155	984,346	-	-
<b>Total Assets</b>	<u>1,036,030</u>	<u>1,944,155</u>	<u>984,346</u>	<u>3,964,531</u>	<u>3,013,600</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	122,130	-	-	122,130	70,664
Accrued payroll	56,798	-	-	56,798	43,461
Other payable	1,880	-	-	1,880	2,205
Advance deposits	611,071	-	-	611,071	563,179
Prepaid assessments	65,601	-	-	65,601	57,560
Property taxes payable	142,509	-	-	142,509	136,071
<b>Total Liabilities</b>	<u>999,989</u>	<u>-</u>	<u>-</u>	<u>999,989</u>	<u>873,140</u>
<b>Fund Balances</b>	<u>36,041</u>	<u>1,944,155</u>	<u>984,346</u>	<u>2,964,542</u>	<u>2,140,460</u>
<b>Total Liabilities and Fund Balances</b>	<u>1,036,030</u>	<u>1,944,155</u>	<u>984,346</u>	<u>3,964,531</u>	<u>3,013,600</u>

The accompanying notes are an integral part of these financial statements.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Statements of Revenues, Expenses and Changes in Fund Balances**  
**For the Year Ended November 30, 2022**  
**(With Comparative Totals for 2021)**

	<u>2022</u>			<u>2021</u>	
	<u>Operating Fund</u>	<u>R-LCE Replacement Fund</u>	<u>GCE Replacement Fund</u>	<u>Total</u>	<u>Total</u>
<b>Revenues:</b>					
Assessments	1,820,902	700,000	425,000	2,945,902	2,499,507
Owner rebill and late charges	7,766	-	-	7,766	10,011
Interest income and realized gain/(loss)	(45,434)	-	-	(45,434)	(14,325)
Bonus night revenue	4,455	-	-	4,455	4,950
Net rental fees	566,713	-	-	566,713	355,641
Locker revenue	44,667	-	-	44,667	32,250
Other income	24,540	-	-	24,540	11,040
PPP loan forgiveness	-	-	-	-	419,600
	-	-	-	-	-
<b>Total Revenues</b>	<u>2,423,609</u>	<u>700,000</u>	<u>425,000</u>	<u>3,548,609</u>	<u>3,318,674</u>
<b>Expenses:</b>					
Employee expenses	1,262,801	-	-	1,262,801	1,105,084
General and administrative	353,392	-	-	353,392	299,811
General maintenance	137,887	-	-	137,887	138,543
Limited common elements	295,818	-	-	295,818	210,078
Professional fees	64,417	-	-	64,417	55,962
Property insurance	47,355	-	-	47,355	38,561
Utilities	225,898	-	-	225,898	187,982
Replacement expenses	-	184,944	152,015	336,959	96,869
	-	-	-	-	-
<b>Total Expenses</b>	<u>2,387,568</u>	<u>184,944</u>	<u>152,015</u>	<u>2,724,527</u>	<u>2,132,890</u>
<b>Excess (Deficiency) of Revenues over Expenses</b>	36,041	515,056	272,985	824,082	1,185,784
<b>Fund Balances - Beginning of Year</b>	601,939	929,490	609,031	2,140,460	954,676
Transfers from (to) other fund(s)	(601,939)	499,609	102,330	-	-
<b>Fund Balances - End of Year</b>	<u>36,041</u>	<u>1,944,155</u>	<u>984,346</u>	<u>2,964,542</u>	<u>2,140,460</u>

The accompanying notes are an integral part of these financial statements.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Statements of Cash Flows**  
**For the Year Ended November 30, 2022**  
**(With Comparative Totals for 2021)**

	2022			2021	
	Operating Fund	R-LCE Replacement Fund	GCE Replacement Fund	Total	Total
<b>Cash Flows From Operating Activities:</b>					
Cash received from residential owners	1,510,462	700,000	425,000	2,635,462	2,147,241
Cash received from commercial assessments	389,457	-	-	389,457	389,457
Cash received from rental operations	619,060	-	-	619,060	791,955
Cash received from interest and dividends	36,952	-	-	36,952	33,392
Other cash receipts	24,540	-	-	24,540	11,040
Cash paid for goods and services	(1,070,555)	(184,944)	(152,015)	(1,407,514)	(1,031,497)
Cash paid for salaries and benefits	(1,249,468)	-	-	(1,249,468)	(1,099,746)
Transfer (to) from other fund(s)	788,041	(515,056)	(272,985)	-	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>1,048,489</u>	<u>-</u>	<u>-</u>	<u>1,048,489</u>	<u>1,241,842</u>
<b>Cash Flows From Investing Activities:</b>					
Proceeds on sale/redemption of investments	185,937	-	-	185,937	318,347
Cash paid to purchase investments	(183,694)	-	-	(183,694)	(397,151)
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>2,243</u>	<u>-</u>	<u>-</u>	<u>2,243</u>	<u>(78,804)</u>
<b>Cash Flows From Financing Activities:</b>					
Cash received as proceeds of notes payable	-	-	-	-	209,800
<b>Net Cash Provided (Used) by Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>209,800</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,050,732	-	-	1,050,732	1,372,838
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>2,092,355</u>	<u>-</u>	<u>-</u>	<u>2,092,355</u>	<u>719,517</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>3,143,087</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>3,143,087</u></u>	<u><u>2,092,355</u></u>
<b>Reconciliation of Excess (Deficiency) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:</b>					
Excess (deficiency) of revenues over expenses	36,041	515,056	272,985	824,082	1,185,784
<b>Adjustments to reconcile:</b>					
Realized (gain)/loss on sales of investments	21,568	-	-	21,568	23,404
Unrealized (gain)/loss on investments	60,821	-	-	60,821	24,313
(Increase) decrease - Owner receivables	18,540	-	-	18,540	(1,586)
(Increase) decrease - Other assets	(9,135)	-	-	(9,135)	8,756
(Increase) decrease - Deposits and prepaids	5,767	-	-	5,767	(33,810)
Increase (decrease)					
- Accounts payable and accrued liabilities	64,475	-	-	64,475	23,759
Increase (decrease) - Accrued property tax	6,438	-	-	6,438	2,942
Increase (decrease) - Prepaid assessments	8,041	-	-	8,041	(3,484)
Increase (decrease) - Advance deposit	47,892	-	-	47,892	431,364
Increase (decrease) - Notes payable	-	-	-	-	(419,600)
Transfer (to) from other fund(s)	788,041	(515,056)	(272,985)	-	-
<b>Total Adjustments</b>	<u>1,012,448</u>	<u>(515,056)</u>	<u>(272,985)</u>	<u>224,407</u>	<u>56,058</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>1,048,489</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,048,489</u></u>	<u><u>1,241,842</u></u>

The accompanying notes are an integral part of these financial statements.



**Park Plaza Condominium Association  
(A Colorado Non-Profit Corporation)  
Notes to the Financial Statements  
November 30, 2022**

**1. Organization**

Park Plaza Condominium Association (the "Association") was incorporated in the State of Colorado as a non-profit corporation organized for the purpose of maintaining and managing the common areas and facilities of the Association, pursuant to Articles of Incorporation filed January 9, 1985 and amended April 5, 1985. The Association includes nine commercial units and thirty – six residential units. The residential units are further divided into interval ownership units.

Interval owners that elect to participate in the rental program enter into individual rental management agreements with the Association. Rental income collected, net of related rental expenses, is split between the program and owners on a 30%-70% respective basis.

**2. Summary of Significant Accounting Policies**

**A. Basis of Accounting**

These financial statements have been prepared on the accrual basis of accounting which recognizes revenues when earned or assessed, and expenses when incurred.

**B. Recognition of Assets**

Real and personal common property acquired by the original homeowners from the Declarant is not recognized on the financial statements of the Association because it is commonly owned by individual owners and its disposition by the Board is restricted. Such property includes common-use facilities and improvements conveyed to the Association by the Declarant upon recording the Declarations.

The Association does not record replacements and improvements to real and personal common property as capitalized fixed assets because their disposition is restricted. Rather, such replacements and improvements are expensed in the period incurred.

**C. Cash and Cash Equivalents**

The Association considers all checking, money market, and savings accounts to be cash equivalents for the purposes of the Statement of Cash Flows, since all such funds are highly liquid.

**D. Investments**

The Association has invested in federal government agency securities to fund and finance projected repair and replacement projects determined by the Board of Directors. These investments are classified as trading for financial statement presentation purposes. Accordingly, these securities are reported on these financial statements at fair value and all realized and unrealized gains and losses are included in current period earnings.

**E. Allowance for Uncollectible Accounts**

The Association uses the allowance method for recognizing the potential future uncollectibility of delinquent assessments receivable from owners and others. An allowance for doubtful accounts of \$0 has been recorded at November 30, 2022 to provide for the possibility of some balances not being collected.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**November 30, 2022**  
**(Continued)**

**2. Summary of Significant Accounting Policies (continued)**

**F. Inventory**

The Association's inventory includes maintenance supplies for units and is valued at the lower of cost or market using the first in first out method.

**G. Association Owned Time-Span Estates**

The Association has assumed ownership through legal proceedings of an interval unit, and is currently rented through the rental program. The unit was recorded at the fair market value at the time of transfer to the Association.

**H. Prepaid Expenses**

Prepaid expenses represent expenses paid prior to November 30, 2022, which benefit future periods.

**I. Prepaid Assessment Revenue**

Prepaid assessment revenue represents assessments for the next fiscal year, which have collected from owners in advance. The Association bills interval and commercial owners semi-annually.

**J. Revenue and Revenue Recognition**

Assessments are the primary source of revenue for the Association. The Board, together with the Managing Agent, prepares an annual budget to estimate the annual expenses of maintaining the Association's common elements. On an annual basis, members of the Association are assessed for their respective pro-rata share of these estimated expenses, which are payable in semi-annual installments.

The Association has determined that the relationship of the members to the Association is not that of a customer as defined in generally accepted accounting principles, since the members control the governance of the Association, and it is not possible to separate the members from the Association itself. Further, the nature of the Association's governing documents as it relates to the billing and collection of member assessments does not meet the definition of a contract under generally accepted accounting principles. Consequently, all assessment revenues are recognized as revenue by the Association when levied, as determined by the Board-approved annual budget.

The Association also recognizes revenue from various administrative fees and fines as earned upon provisions of the underlying goods or service. All such revenues are non-refundable.

Since the Association is designed only to operate as a conduit to collect assessments and pay operating expenses on behalf of members, any excess or deficiency of revenues over expenses is repaid to or recovered from the members in a subsequent year by reducing or increasing assessments, or, with the approval of the Board, transferred to the Reserve Investment.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**November 30, 2022**  
**(Continued)**

**2. Summary of Significant Accounting Policies (continued)**

**K. Income Taxes**

While the Association has been organized under Colorado non-profit statutes as a corporation without capital stock or shareholders, the Association is not a tax-exempt organization. Consequently, the Association is subject to federal and state income taxes on net income derived from investments and other non-membership sources.

The income tax returns of the Association are subject to examination by the Internal Revenue Service and the Colorado Department of Revenue. The Association's returns are no longer subject to examination for tax years prior to 2019 by the Internal Revenue Service and for tax years prior to 2018 by the Colorado Department of Revenue.

**L. Subsequent Events**

Management has evaluated subsequent event through January 23, 2023; the date these financial statements were available to be issued.

**M. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 that reporting period. Actual results could differ from those estimates.

**N. Comparative Information**

These financial statements include certain prior year comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended November 30, 2021; from which such comparative totals were derived.

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**Park Plaza Condominium Association  
(A Colorado Non-Profit Corporation)  
Notes to the Financial Statements  
November 30, 2022  
(Continued)**

**3. Investments**

The following schedule summarizes the investment income in the Statements of Revenues, Expenses and Changes in Fund balances:

	<b>2022</b>
Interest income	\$ 36,952
Net realized and unrealized gains (losses)	(82,386)
<b>Total</b>	<b>\$ 36,952</b>

The Association measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1*: Quoted prices for identical investments in active markets;
- *Level 2*: Observable inputs other than quoted market prices; and,
- *Level 3*: Unobservable inputs.

At November 30, 2022, the Association had the following recurring fair value measurements:

	<b>Fair Value</b>	<b>Quoted Prices in Active Markets (Level 1)</b>
Government agency securities		
Matures - within one year	-	-
Matures - one to five years	-	-
Matures - greater than five years	686,134	686,134
<b>Total</b>	<b>\$ 686,134</b>	<b>\$ 686,134</b>

**4. Advertising Costs**

Advertising costs are expensed when incurred. The Association had advertising expenses of \$999 related to the rental operations fund for the year ended November 30, 2022.

**5. Ownership Interest Concentration**

A member of the Association owns 9 commercial units with a combined approximate 23.8% interest in the general common elements of the Association. For 2022 the member paid \$418,701 in assessments.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**November 30, 2022**  
**(Continued)**

**6. Replacement Funds and Reserve for Future Major Repairs and Replacements**

As required by the Association's Investment Policy, the Association is accumulating funds for future major repairs and replacement of the Association's common property. Accumulated funds are held in separate investment account and are generally not available for expenditures for normal operations.

The Association commissioned a study to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were made with input from the management company regarding previous experience with the property. The table included in the unaudited supplementary information on future major repairs and replacements is from the study.

In accordance with industry guidelines, it is the Association's primary duty to maintain and preserve the common property of the owners. Therefore, it is the Association's responsibility to determine a method for funding the costs of future major repairs and maintenance by assessing owners when funds are needed or by anticipating costs over extended time periods, assessing owners for the anticipated costs, and accumulating funds in reserves to meet the future funding requirements. The Board has chosen to fund major repairs and replacements over the remaining useful lives of the components, based on the study's estimates of current replacement costs and considering amounts previously accumulated in the Reserve investment.

Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the investment account 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 member approval, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

**7. Concentration of Credit Risk**

The Association has cash balances in financial institutions which are not covered by insurance provided by the federal government. The Federal Deposit Insurance Corporation insures single depositors up to \$250,000. At November 30, 2022, the Association's uninsured cash balance totaled Total.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Schedule of Operating Fund - Budget to Actual Comparison**  
**For the Year Ended November 30, 2022**  
**(With Comparative Actual Amounts for 2021)**

	<u>2022</u>		<b>Variance Positive (Negative)</b>	<u>2021</u>
	<b>Budget (Unaudited)</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>				
Assessments	1,820,500	1,820,902	402	1,674,507
Owner rebill and late charges	2,000	7,766	5,766	10,011
Interest income and realized gain/(loss)	15,000	(45,434)	(60,434)	(14,325)
Bonus night revenue	5,000	4,455	(545)	4,950
Net rental fees	390,000	566,713	176,713	355,641
Locker revenue	42,500	44,667	2,167	32,250
Other income	3,000	24,540	21,540	11,040
PPP loan forgiveness	-	-	-	419,600
<b>Total Revenues</b>	<u>2,278,000</u>	<u>2,423,609</u>	<u>145,609</u>	<u>2,493,674</u>
<b>Expenses:</b>				
<b>Employee expenses:</b>				
Front desk	205,000	193,957	11,043	178,190
Health insurance	80,000	79,977	23	77,316
Housekeeping	560,000	635,880	(75,880)	521,605
Maintenance personnel	125,000	113,468	11,532	113,468
Management	130,000	132,069	(2,069)	120,005
Payroll taxes	78,000	86,856	(8,856)	74,579
Ski Passes	3,500	1,682	1,818	1,566
Workers Compensation Insurance	16,000	13,838	2,162	12,351
<b>Total - Employee expenses</b>	<u>1,197,500</u>	<u>1,257,727</u>	<u>(60,227)</u>	<u>1,099,080</u>
<b>Employee miscellaneous expenses:</b>				
Employee Relations	5,000	3,521	1,479	3,590
Recruiting	2,000	446	1,554	136
Uniforms	1,500	1,107	393	2,278
<b>Total - Employee miscellaneous expense</b>	<u>8,500</u>	<u>5,074</u>	<u>3,426</u>	<u>6,004</u>
<b>General and administrative expenses:</b>				
Computer Expenses	25,000	21,493	3,507	22,163
Office Supplies	8,000	5,652	2,348	6,732
Postage	600	327	273	321
Telephone Charges	7,000	5,572	1,428	6,089
Bank charges and misc.	400	362	38	300
Board expenses	3,000	-	3,000	-
Credit card discount	36,000	65,349	(29,349)	47,506
Marketing and promotion	5,000	999	4,001	355
Real property tax	150,000	161,902	(11,902)	151,382
Travel agent commissions	90,000	91,736	(1,736)	64,963
<b>Total - General and administrative expenses</b>	<u>325,000</u>	<u>353,392</u>	<u>(28,392)</u>	<u>299,811</u>

(continued)

The accompanying notes are an integral part of these financial statements.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Schedule of Operating Fund - Budget to Actual Comparison**  
**For the Year Ended November 30, 2022**  
**(With Comparative Actual Amounts for 2021)**  
**(Continued)**

	<u>2022</u>		<u>Variance Positive (Negative)</u>	<u>2021</u>
	<u>Budget (Unaudited)</u>	<u>Actual</u>		<u>Actual</u>
<b>Expenses (continued):</b>				
<b>General Maintenance:</b>				
Christmas decorations	500	-	500	-
Elevator	21,000	20,618	382	19,613
GCE repairs and maintenance	140,000	114,364	25,636	116,707
Landscaping	500	-	500	-
Snow removal	5,000	2,906	2,094	2,223
<b>Total - General Maintenance</b>	<u>167,000</u>	<u>137,888</u>	<u>29,112</u>	<u>138,543</u>
<b>Limited common elements:</b>				
Cable television	51,500	48,425	3,075	48,883
Cleaning supplies	20,000	23,978	(3,978)	19,243
Continental breakfast	60,000	55,368	4,632	26,905
Contract cleaning	15,000	7,320	7,680	120
Laundry supplies	12,000	12,673	(673)	12,886
Linen	12,000	34,612	(22,612)	5,853
Pool and spa maintenance	10,000	6,263	3,737	3,617
Res. Repair and maintenance	45,000	48,261	(3,261)	42,540
Res. Replacement items	-	-	-	-
Room amenities	45,000	58,917	(13,917)	50,031
<b>Total - Limited common elements</b>	<u>270,500</u>	<u>295,817</u>	<u>(25,317)</u>	<u>210,078</u>
<b>Professional Fees:</b>				
Legal	8,000	18,642	(10,642)	17,166
Other accounting	38,000	41,703	(3,703)	35,270
Payroll accounting fees	3,500	4,073	(573)	3,526
Other professional fees	10,000	-	10,000	-
<b>Total - Professional fees</b>	<u>59,500</u>	<u>64,418</u>	<u>(4,918)</u>	<u>55,962</u>
<b>Property Insurance</b>	<u>45,000</u>	<u>47,355</u>	<u>(2,355)</u>	<u>38,561</u>
<b>Utilities:</b>				
Electricity	62,000	64,984	(2,984)	60,959
Electricity credit	-	(2,456)	2,456	(2,279)
Fire, life and safety	11,000	8,030	2,970	5,227
Natural gas	65,000	77,441	(12,441)	54,674
Trash removal	9,000	9,804	(804)	8,172
Water and sewer	58,000	68,094	(10,094)	61,229
<b>Total - Utilities</b>	<u>205,000</u>	<u>225,897</u>	<u>(20,897)</u>	<u>187,982</u>
<b>Total Expenses</b>	<u>2,278,000</u>	<u>2,387,568</u>	<u>(109,568)</u>	<u>2,036,021</u>
<b>Excess (Deficiency) of Revenues over Expenses</b>	<u>-</u>	<u>36,041</u>	<u>36,041</u>	<u>457,653</u>

The accompanying notes are an integral part of these financial statements.

**Park Plaza Condominium Association  
(A Colorado Non-Profit Corporation)  
Schedule of Replacement Funds -  
Revenues and Expenses  
For the Year Ended November 30, 2022**

	<b>R-LCE Replacement Fund</b>	<b>GCE Replacement Fund</b>
<b>Revenues:</b>		
Assessments	700,000	425,000
<b>Expenses:</b>		
General common elements:		
Plumbing & mechanical systems replacements	-	114,682
Limited common elements:		
Professional fees	184,944	37,333
<b>Total Expenses</b>	<b>184,944</b>	<b>152,015</b>

The accompanying notes are an integral part of these financial statements.



**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Schedule of Future Major Repairs and Replacements**  
**November 30, 2022**  
**(Unaudited)**

The Association's Board commissioned a study to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were prepared by reserve study engineers, based upon inspection of the property, and input from the Association's Managing Agent. The reserve study engineers updated their study again in 2021.

The Board has elected not to allocate Replacement Fund balances to individual components of common property.

The following table is based on the study performed in 2021 and presents significant information about the components of the Association's common property.

<b>Components</b>	<b>Estimated Remaining Useful Lives (Years)</b>	<b>Range of Estimated Current Replacement Costs</b>	<b>Replacement Fund Balances 2022</b>
<b>General Common Elements:</b>			
<b>Sites &amp; Grounds</b>			
Garage Walls - Paint/Seal	7	10,000 -	14,000
Garage Lights (Utility) - Replace	20	15,000 -	18,000
Dock Garage Doors - Replace	5	2,900 -	4,600
Loading Dock Concrete - Repair - 5%	3	720 -	1,200
Entry Drive Pavers - Replace - 10%	0	5,900	7,000
Brick Decking - Repair - 5%	0	3,600 -	4,500
Site Fencing: Metal - Replace	0	3,200 -	4,100
Site Fencing: Wood - Replace	5	2,700 -	3,400
Monument Signs - Refurbish	0	4,600 -	5,900
Drop Ceiling Panels - Replace - 15%	0	12,000 -	21,000
<b>Building Exteriors</b>			
Exterior Wall Lights - Replace	0	2,700 -	3,200
Wood Exterior - Seal/Paint	1	55,000 -	58,000
Stucco/EIFS - Seal/Paint	1	64,000 -	84,000
Wood Siding - Replace	23	110,000 -	150,000
Roof: Tile Underlayment - Replace	22	740,000 -	840,000
Roof: Tile Underlay-Replace (Pool)	0	40,000 -	47,000
Gutters/Downspouts - Replace	22	47,000 -	59,000
Heat Tape - Replace	5	21,000 -	29,000
<b>Building Interiors</b>			
Interior Surface - Repaint	1	210,000 -	230,000
Chandelier - Replace	1	11,000 -	14,000
Interior Wall Lights - Replace	1	22,000 -	27,000
Lobby Lights - Replace	1	5,600 -	8,300
Tile Flooring - Replace	1	40,000 -	58,000
Carpet - Replace	1	130,000 -	160,000
Corridor Decor - Update	1	35,000 -	40,000
Loading Dock Bathrooms - Remodel	1	7,000 -	11,000
Lobby Bathrooms - Remodel	1	35,000 -	40,000
Manager Offices - Refurbish	1	5,400 -	6,600
Guest Bell Carts - Replace	5	4,600 -	7,000
<b>Mechanical Systems</b>			
Keypads - Replace	1	8,000 -	13,000
Door Lock System - Replace	1	15,000 -	22,000
Barrier Arm Operators - Replace	1	8,300 -	9,300
Loop Detectors - Replace	1	4,500 -	5,200
Automatic Door Operators - Replace	9	23,000 -	26,000
Elevator #1 - Modernize	17	150,000 -	190,000
Elevator #2 - Modernize	22	150,000 -	190,000
Elevator #3 - Modernize	16	150,000 -	190,000
Elevator Cabs - Remodel	2	52,000 -	64,000
Air Handler #1 - Replace	19	35,000 -	39,000
Air Handler #2 - Replace	19	35,000 -	39,000
Laundry Make Up Air - Replace	20	7,000 -	9,300
Garage Exhaust Fans - Allowance	3	4,600 -	5,900
Air Compressors - Replace	5	3,500 -	5,200
Boiler Pumps - Replace - 20%	0	5,900 -	7,000
Pressure Reducing Valves - Rebuild	1	13,000 -	16,000
Pumps - Rebuild	0	35,000 -	52,000
Air Handler VFDs - Replace	10	35,000 -	39,000
Variable Frequency Drives - Replace	6	16,000 -	21,000
Sump Pump - Replace - 50%	2	46,000 -	59,000
Trash Compactor - Replace	0	42,000 -	69,000
Mechanical Monitor System - Replace	0	80,000 -	85,000
Generator - Replace	0	24,000 -	35,000
Fire Control Panel - Update/Replace	9	28,000 -	35,000
Exit/Emergency Lights - Replace	9	2,400 -	2,900
CO Monitors - Replace	7	11,000 -	16,000
Boilers - Replace	16	240,000 -	290,000
Glycol Heater/Tank - Replace	12	11,000 -	16,000
Water Softener Tanks - Replace	0	47,000 -	59,000

(continued)

The accompanying notes are an integral part of these financial statements.

**Park Plaza Condominium Association**  
**(A Colorado Non-Profit Corporation)**  
**Schedule of Future Major Repairs and Replacements**  
**November 30, 2022**  
**(Unaudited)**  
**(Continued)**

Components	Estimated Remaining Useful Lives (Years)	Range of Estimated Current Replacement Costs		Replacement Fund Balances 2022
<b>General Common Elements (continued):</b>				
<b>Mechanical Systems (continued)</b>				
Water Storage Tanks - Replace	25	80,000	93,000	
Heat Exchanger - Replace	9	29,000	40,000	
Heat Exchanger - Replace	15	29,000	40,000	
Expansion Tank - Replace	25	15,000	22,000	
<b>Total - General Common Elements</b>		<b>3,081,120</b>	<b>3,760,600</b>	<b>984,346</b>
<b>Residential Limited Common Elements:</b>				
<b>Building Interiors</b>				
Ski Lockers - Replace	1	26,000	34,000	
Breakfast Room Furnishings - Update	1	12,000	33,000	
Lobby Furniture and Décor - Update	1	16,000	24,000	
Breakfast Kitchen - Remodel	1	24,000	46,000	
Kitchen Appliances - Replace	1	8,000	11,000	
<b>Mechanical</b>				
Door Lock System - Replace	0	69,000	96,000	
Flatwork Ironer - Replace	5	22,000	26,000	
Laundry Machines - Replace	1	42,000	49,000	
<b>Amenities</b>				
Fitness Equipment - Replace	3	9,300	13,000	
Steam Generator - Replace	5	10,000	11,000	
Sauna Heater - Replace	0	3,500	5,900	
Steam Room - Refurbish	1	13,000	24,000	
Sauna Room - Refurbish	1	11,000	24,000	
<b>Pool / Spa</b>				
Bathroom - Refurbish	1	11,000	16,000	
Shower - Refurbish	1	2,400	5,900	
Patio Furniture - Replace	0	7,000	11,000	
Tile Deck - Replace	3	59,000	87,000	
Pool - Resurface	1	29,000	40,000	
Spa - Resurface	0	4,600	7,000	
Pool Heat Exchanger - Replace	8	1,100	2,400	
Spa Heat Exchanger - Replace	8	1,100	1,300	
Pool Filter - Replace	15	29,000	4,600	
Spa Filter - Replace	15	1,600	3,500	
Pumps - Replace	5	2,400	4,600	
<b>Building exteriors</b>				
Windows replace	6	2,700,000	3,700,000	
Balcony doors - replace	6	96,000	120,000	
<b>Unit Interiors</b>				
Balcony Deck Brick - Repair - 5%	0	5,600	7,000	
Balcony Rails - Paint	1	4,800	7,000	
Balcony Rails - Replace	5	42,000	56,000	
Interior Surfaces - Repaint	4	720,000	720,000	
Tile Flooring - Replace	12	730,000	1,000,000	
Carpeting - Replace	1	520,000	610,000	
Lighting: Wall Fixtures - Replace	2	36,000	39,000	
Lighting: Floor Lamps - Replace	5	28,000	34,000	
Lighting: Table Lamps - Replace	5	100,000	110,000	
Ceiling Fans - Replace	1	32,000	37,000	
Artwork/Décor - Replace	1	37,000	55,000	
Window Shades - Replace	2	120,000	130,000	
Window Blinds - Replace	2	230,000	260,000	
Mattresses - Replace	3	87,000	99,000	
Furniture: Fold Out Sofa - Replace	7	99,000	100,000	
Furniture: Loveseats - Replace	7	97,000	100,000	
Furniture: Lounges - Replace	7	110,000	130,000	
Furniture: Bar Stools - Replace	13	27,000	28,000	
Furniture: Dining Chairs - Replace	5	90,000	92,000	
Furniture: Dining Table - Replace	5	100,000	120,000	
Furniture: Coffee Table - Replace	5	48,000	71,000	
Furniture: Side Table - Replace	5	39,000	83,000	
Furniture: Night Stand - Replace	5	330,000	400,000	
Furniture: Buffet/Side Board - Replace	5	54,000	79,000	
Furniture: Large Dresser - Replace	5	130,000	140,000	
Guest Bath (Final Phase) - Remodel	27	580,000	600,000	
Master Bathrooms - Remodel	22	1,000,000	1,300,000	
Kitchens - Remodel/Refurbish	12	1,100,000	1,400,000	
Kitchen Appliances - Annual Replace	0	15,000	19,000	
Telephones - Replace	1	6,100	9,100	
Bedroom TVs - Replace	4	34,000	35,000	
Living Room TV's - Replace	2	80,000	87,000	
Fireplace - Replace	16	270,000	270,000	
Laundry Machines - Replace - 10%	0	6,700	7,500	
Furniture: Patio Cushions - Replace	2	9,300	13,000	
Furniture: Patio - Replace	2	56,000	76,000	
<b>Total - Residential Common Elements</b>		<b>10,183,500</b>	<b>12,723,800</b>	<b>1,944,155</b>

The accompanying notes are an integral part of these financial statements.