

BEACH WOOD VILLAS  
ASSOCIATION, INC.

Financial Statements and  
Supplementary Information

December 31, 2025

Dorco Enterprises, LLC

**Beach Wood Villas Association, Inc.**

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**For the year ended December 31, 2025**

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# Dorco Enterprises, LLC

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of Beach Wood Villas Association, Inc.

### **Opinion**

We have audited the accompanying financial statements of Beach Wood Villas Association, Inc. (the "Association"), which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 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 available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Operating and Replacement Expenses on pages 13 and 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. 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 Supplementary Information**

Accounting principles generally accepted in the United States of America require that the supplementary information about future major repairs and replacements of common property on page 12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Dorco Enterprises, LLC*

Fernandina Beach, Florida

June 3, 2026

**Beach Wood Villas Association, Inc.**  
**Balance Sheet**  
**December 31, 2025**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 592,691	\$ 641,701	\$ 1,234,392
Assessments Receivable	6,033	-	6,033
Prepaid Insurance	115,042	-	115,042
Deposits	24	-	24
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<u>\$ 713,790</u>	<u>\$ 641,701</u>	<u>\$ 1,355,491</u>
<b>Liabilities and Fund Balance</b>			
Accounts Payable	\$ (758)	\$ -	\$ (758)
Other Liabilities	3,100	-	3,100
Contract Liabilities	-	641,701	641,701
Assessments Received in Advance	26,947	-	26,947
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	29,289	641,701	670,990
<b>Fund Balance</b>	<u>684,501</u>	<u>-</u>	<u>684,501</u>
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 713,790</u>	<u>\$ 641,701</u>	<u>\$ 1,355,491</u>

See Independent Auditor's Report and Notes to Financial Statements.

**Beach Wood Villas Association, Inc.**  
**Statement of Revenues, Expenses and Changes in Fund Balances**  
**For the year ended December 31, 2025**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Revenues</b>			
Association Fees	\$ 1,178,504	\$ 222,035	\$ 1,400,539
Interest Income	1,820	4,849	6,669
Other Income	944	-	944
	<hr/>	<hr/>	<hr/>
<b>Total Revenues</b>	1,181,268	226,884	1,408,152
<b>Expenses</b>			
Maintenance	459,776	-	459,776
Utilities	74,237	-	74,237
General and Administrative	577,214	-	577,214
Major Maintenance Expenditures	-	226,884	226,884
	<hr/>	<hr/>	<hr/>
<b>Total Expenses</b>	1,111,227	226,884	1,338,111
<b>Excess of Revenues over Expenses</b>	70,041	-	70,041
<b>Fund Balance, beginning of year</b>	<hr/> 614,460	<hr/> -	<hr/> 614,460
<b>Fund Balance, end of year</b>	<u>\$ 684,501</u>	<u>\$ -</u>	<u>\$ 684,501</u>

See Independent Auditor's Report and Notes to Financial Statements.

**Beach Wood Villas Association, Inc.**  
**Statement of Cash Flows**  
**For the year ended December 31, 2025**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Cash Flows from Operating Activities</b>			
Excess of Revenues over Expenses	\$ 70,041	\$ -	\$ 70,041
Adjustments to reconcile Excess of Revenues over Expenses to Net Cash provided by Operating Activities (Increase) Decrease in Assets:			
Assessments Receivable	23,413	-	23,413
Prepaid Insurance	(7,771)	-	(7,771)
Increase (Decrease) in Liabilities:			
Accounts Payable	(50,818)	(13,891)	(64,709)
Other Liabilities	(500)	-	(500)
Contract Liabilities	-	167,965	167,965
Assessments Received in Advance	2,767	-	2,767
<b>Net cash provided by Operating Activities</b>	<u>37,132</u>	<u>154,074</u>	<u>191,206</u>
<b>Cash Flows from Financing Activities</b>			
Due to / from Funds	<u>20,048</u>	<u>(20,048)</u>	<u>-</u>
<b>Net cash provided by Financing Activities</b>	<u>20,048</u>	<u>(20,048)</u>	<u>-</u>
Net increase (decrease) in Cash and Cash Equivalents	57,180	134,026	191,206
Cash and Cash equivalents, beginning of year	<u>535,511</u>	<u>507,675</u>	<u>1,043,186</u>
Cash and Cash equivalents, end of year	<u><u>\$ 592,691</u></u>	<u><u>\$ 641,701</u></u>	<u><u>\$ 1,234,392</u></u>

See Independent Auditor's Report and Notes to Financial Statements.

## **Beach Wood Villas Association, Inc.**

### **Notes to Financial Statements**

#### **NOTE A: Nature of Organization**

Beach Wood Villas Association, Inc. (the "Association"), a condominium association having 136 residential units located on Amelia Island Plantation, Amelia Island, Florida was incorporated in 1973, as a not-for-profit corporation in the State of Florida. The legal features of the Association are contained in the Articles of Incorporation, Bylaws and Declaration of Condominium. By the terms of these documents, the Association is governed by the members who are responsible for electing a Board of Directors (the "Board"). Certain Association activities must be approved by membership vote; whereas, other activities may be approved by the Board.

The Association's main purpose is to operate and maintain the common areas such as building exteriors, landscaping and roofing. The common areas are owned by the owners in common. All owners are members of the Association.

#### **NOTE B: Date of Management Review**

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition, or disclosure, through June 3, 2026, the date that the financial statements were available to be issued.

#### **NOTE C: Summary of Significant Accounting Policies**

##### **Basis of Accounting**

The Association maintains its books and prepares its financial statements using the accrual method of accounting. Under this method, revenue is recorded when earned and represents monthly maintenance fees assessed to individual members and interest earned on savings accounts. Other miscellaneous receipts and expenses are recognized when incurred and represent expenses of the Association.

##### **Fund Accounting**

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund reflects the operating assessments paid by unit owners to meet the regular recurring costs of operation. Expenditures of this fund are limited to those connected with the day to day operations.

Replacement Fund - This fund is composed of all capital assessments paid by unit owners to fund future replacements, major repairs and purchases of additional commonly owned assets. Expenditures from this fund are restricted to those items for which assessments were levied.

**Beach Wood Villas Association, Inc.**  
**Notes to Financial Statements**

**NOTE C: Summary of Significant Accounting Policies (continued)**

**Cash, Cash Equivalents and Uninsured Balances**

For the purpose of the balance sheet and statement of cash flows, the Association considers demand deposits, certificates of deposit, money market funds and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of the following accounts:

Lockbox checking	\$ 40,731
Operating fund	112,060
Insurance fund	10,000
Demand Option — insurance fund	424,296
Construction deposit	5,604
Capital reserve	1,000
Savings Option — capital reserve	<u>640,701</u>
	<u>\$ 1,234,392</u>

The Demand and Savings Option accounts participate in insured cash sweep programs.

**Member Assessments**

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements based on an approved budget. Assessments are allocated to the unit owners on a proportional basis. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund and special assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and pursue property liens of members whose assessments are delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year. The balances of assessments receivable as of the beginning and end of the year are \$29,466 and \$6,033, respectively.

The Association treats uncollectible assessments as credit losses. The Association evaluates the collectability of assessments receivable based on current conditions, past experience, and forecasts of future events. Based on these factors, the Association believes that all of its assessments receivable are collectible. Accordingly, no allowance for credit losses at the beginning and end of the year is deemed necessary.

**Property and Equipment**

Real property and common areas acquired from the developer and related improvements to such property are not capitalized on the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association does not capitalize purchases of fixed assets; rather, the assets are expensed in the year of acquisition.

**Beach Wood Villas Association, Inc.**  
**Notes to Financial Statements**

**NOTE C: Summary of Significant Accounting Policies (continued)**

**Assessments Received in Advance—Operating Fund**

Assessments received in advance—operating fund consists of amounts received which are applicable to future assessments. The balances of assessments received in advance—operating fund as of the beginning and end of the year are \$24,180 and \$26,947, respectively.

**Contract Liabilities (Assessments received in advance-replacement fund/Special Assessment)**

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance – replacement fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities (assessments received in advance-replacement fund) as of the beginning and end of year, are \$473,736 and \$641,701, respectively. The balances of contract liabilities—operating fund as of the beginning and end of the year are \$0 and \$0, respectively. See Note G.

**Interest Income**

Interest income is allocated to the operating and replacement funds in proportion to the interest-bearing deposits of each fund and allocated to replacement fund components based on relative amounts of each component. The Association's policy is to account for fund expenditures using fund interest income before fund assessment income.

**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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accordingly, actual results could differ from those estimates.

**Concentration of Credit Risk**

The Federal Deposit Insurance Corporation insures bank balances in each institution up to \$250,000. There were no uninsured balances as of December 31, 2025. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Association's financial condition, results of operations, and cash flows.

The Association's assessments receivable is related to billed assessments. The Association monitors the collectability of these assessments and provides allowances for credit loss based on this analysis and their assessment.

**NOTE D: Income Taxes**

Condominium associations may be taxed either as homeowners' associations or as regular corporations. For the year ended December 31, 2025, the Association expects to timely file its tax return under Internal

**Beach Wood Villas Association, Inc.**  
**Notes to Financial Statements**

**NOTE D: Income Taxes (continued)**

Revenue Code Section 528. Under that Section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from nonmembers, is taxed.

Accounting principles generally accepted in the United States of America require Association management to evaluate tax positions taken by the Association and recognize a tax liability (or asset) if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Association and has concluded that as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2022.

**NOTE E: Line of Credit**

In February 2018, the Association entered into a secured promissory note agreement for a line of credit up to \$200,000. The line of credit extends in full force and effect until such time as the parties may agree to terminate and is secured by all dues and assessments and accounts, as defined, of the Association. Variable interest is payable monthly at prime rate, as defined in the agreement, and may not be less than 4.5% or more than the lesser of 18.0% or the maximum rate allowed by applicable law. No advances drawn during 2025. No balance is outstanding at December 31, 2025.

**NOTE F: Major Repairs and Replacements**

Florida Statutes and the Association's governing documents require the Association to accumulate funds for future major repairs and replacements. These funds are segregated and held primarily in interest bearing accounts and generally are not available for normal operations. The Board is required annually, under Florida Statutes Chapter 718, to budget structural integrity and general components reserve accounts for capital expenditures and deferred maintenance for the major components of common property. Under Florida Statute 718.112, as of December 31, 2024, the members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not determine to provide no reserves or less reserves than required by the structural integrity reserve study. Members are permitted, by a vote of the majority of the members present, and in accordance with Florida Statutes, to provide no general components reserves, or general components reserves less than adequate than required. In 2024, members voted and passed a special assessment to provide additional reserve funding.

As a part of this review, the Association's Board of Directors engaged a professional reserve specialist to conduct a structural integrity reserve study for fiscal year 2025, to estimate the useful lives and replacement costs of the structural integrity components of common property. The study uses the Cash Flow method and provides for a 3.50% inflation factor and a 3.50% rate of return. Additionally, the Association's Board of Directors engaged a professional reserve specialist to conduct a general components reserve study for fiscal year 2025, to estimate the useful lives and replacement costs of the

**Beach Wood Villas Association, Inc.**  
**Notes to Financial Statements**

**NOTE F: Major Repairs and Replacements (continued)**

general components of common property. The study uses the Cash Flow method and provides for a 3.50% inflation factor and a 3.50% rate of return.

Association Fees assessed for major repairs and replacements in 2024 is \$390,000. In September 2024, the Board levied a special assessment of additional reserve dues of \$448,480. (See Note G.) Association Fees Replacement Fund revenue recognized in 2025 is \$222,035. Accordingly, only \$222,035 of the \$390,000 of replacement contributions assessed in 2025 was recognized as revenue to fund 2025 expenditures, with the remaining \$167,965 recorded as an addition to the contract liabilities balance for the period.

The Association is funding for major repairs and replacements over the remaining useful lives of the components based on estimates of current replacement costs. Amounts previously accumulated are considered in determining the annual funding requirement. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, the amounts accumulated in the Replacement Fund may not be adequate to fund the major repairs or replacements. If additional funds are needed, the Board may increase regular assessments, pass a special assessment, or delay the repairs or replacements pending availability of funds.

As of December 31, 2025, the Association's accumulated reserve balance for SIRS components before spending was \$489,634. The SIRS certified a fully funded balance of \$542,751, resulting in a statutory funding shortfall of \$53,117. This shortfall resulted from reserve dues of only \$87,500 being collected versus the \$140,617 stated goal for the reserve dues from the Structural Integrity Reserve Study report. The general funds had an excess of \$66,396 due to the allocation of excess reserves of \$71,601 and the deficit of dues collected for \$5,205. There are enough general funds to cover the deficit of structural integrity reserves, and it is our recommendation that \$53,117 is transferred from the General Reserves to the Structural Integrity Reserves to maintain funding compliance. This shortfall of structural integrity reserves will need to be addressed and corrected as the current statute does not allow for any shortfalls of reserves less than what is required by the Structural Integrity Reserve Study.

The Association is subject to the requirements of the Florida Statutes under Section 553.899 and Chapter 718 as a condominium association three stories or more in height having reached 30 years of age or older requiring a mandatory milestone inspection. The Association completed the Phase 1 inspection in 2023. The report noted required structural repairs are that are being addressed. The results of the Phase 1 report did not require a Phase 2 inspection.

The Association completed a structural integrity reserve study for its 2025 budget requirements.

**NOTE G: Special Assessments**

In September 2024, the Board levied a special assessment of \$448,480, due November 1, 2024, for additional reserve funding, based on forecasted capital reserve fund balances and forecasted five year capital reserve spending. As of December 31, 2025, all assessments have been collected. Total Replacement Fund fees assessed in 2024 is \$768,480 and includes \$320,000 of budgeted fees and \$448,480 of special assessment fees.

**Beach Wood Villas Association, Inc.**  
**Notes to Financial Statements**

**NOTE G: Special Assessments (continued)**

The performance obligations related to the Replacement Fund assessments, including this special assessment, are satisfied when these funds are expended for their designated purpose. A contract liability is recorded when the Association has received payment in advance of the satisfaction of performance obligations related to Replacement Fund reserve assessments.

**Beach Wood Villas Association, Inc.**  
**Supplementary Information on Future Major Repairs and**  
**Replacements (Unaudited)**  
**December 31, 2025**

The Association's Board of Directors engaged a professional reserve specialist to conduct structural integrity and general components reserve studies in 2024 to estimate the useful lives and replacement costs of the components of common property for fiscal 2025. The studies use the Threshold Funding or Cash Flow method. Estimated current replacement costs take into account the effects of inflation and rate of return between the date of the study and the date that the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property.

<b>Component</b>	<b>Estimated Current Replacement Cost</b>	<b>Estimated Life / Remaining Life in Years</b>	<b>Estimated Annual Reserve Necessary to Fund Replacement</b>	<b>Repair and Replacement Prepayments at 01/01/25</b>	<b>Contribution &amp; Interest</b>	<b>Earned (Covering Expenses) Transfers</b>	<b>Prepayment on Hand at 12/31/25</b>
Pooled Reserves	\$ -			\$ 448,480	\$ (1,092)	\$ 447,388	\$ -
Site Components	23,900	1-15 / 1-12		43,395	1,319	43,074	\$ 1,640
Wood Bulkhead/Stairs	6,000	1 / 0		(263,936)	84,643	(179,705)	\$ 412
Swimming Pools	395,892	12-30 / 6-23		75,810	26,263	74,915	\$ 27,158
Fencing	42,718	15-25 / 0-10		52,372	3,320	52,762	\$ 2,930
Roofs/Building Components	782,720	15-20 / 0-19		(3,436)	37,282	33,270	\$ 576
Asphalt Parking Lots	186,124	20-7 / 2-6		61,063	9,127	57,422	\$ 12,768
Painting / Wood Repair	1,227,416	12-25 / 0-24		114	75,601	(8,484)	\$ 84,199
Elevators	252,000	15-30 / 6-9		67,824	10,632	61,169	\$ 17,287
Site Lighting	104,780	25 / 1-22		1,550	5,761	123	\$ 7,188
Landscape/Irrigation	63,000	25 / 4		(9,500)	54,493	40,674	\$ 4,319
<b>General Reserves</b>	<b>3,084,550</b>		<b>\$ -</b>	<b>473,736</b>	<b>307,349</b>	<b>622,608</b>	<b>\$ 158,477</b>
Roofing	454,416	20 / 9		-	8,032	(168,591)	\$ 176,623
Bldg Components	424,440	30 / 3-11		-	16,405	(98,954)	\$ 115,359
Structural Components	72,000	25 / 4		-	51,898	32,329	\$ 19,569
Waterproofing/Ext	337,338	10 / 2-3		-	5,963	(85,722)	\$ 91,685
Fire Proofing	14,400	20 / 0		-	255	(3,659)	\$ 3,914
Windows/Doors	9,000	20 / 0		-	159	(2,287)	\$ 2,446
Plumbing	219,000	1-20 / 0-2		-	3,871	(55,651)	\$ 59,522
Electrical	51,900	25-40 / 4-19		-	917	(13,189)	\$ 14,106
<b>Structural Integrity Reserves</b>	<b>1,582,494</b>		<b>\$ -</b>	<b>-</b>	<b>87,500</b>	<b>(395,724)</b>	<b>\$ 483,224</b>
<b>Total</b>	<b>\$ 4,667,044</b>		<b>\$ -</b>	<b>\$ 473,736</b>	<b>\$ 394,849</b>	<b>\$ 226,884</b>	<b>\$ 641,701</b>

See Independent Auditor's Report and Notes to Financial Statements.

**Beach Wood Villas Association, Inc.**  
**Schedule of Operating and Replacement Expenses**  
**For the year ended December 31, 2025**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Maintenance</b>			
Janitorial	\$ 36,175	\$ -	\$ 36,175
Pest Control	14,349	-	14,349
Tree Maintenance	3,330	-	3,330
Refuse Collection Expense	62,915	-	62,915
Building Repair and Maintenance	57,957	-	57,957
Plumbing Repairs	15,283	-	15,283
Consultant Fees	35,293	-	35,293
Pressure Washing	1,275	-	1,275
Pool Contract	53,745	-	53,745
Pool Area Expense	19,723	-	19,723
Sprinkler Parts and Supplies	808	-	808
Walkways/Bulkheads/Sidewalks	2,428	-	2,428
Fire Protection Contract	3,189	-	3,189
Fire Protection Repairs	5,136	-	5,136
Landscape Contract	100,480	-	100,480
Landscape Improvements	25,912	-	25,912
Elevator Contract	10,047	-	10,047
Light Maintenance	10,461	-	10,461
Emergency Fund Expense	1,270	-	1,270
	<u>459,776</u>	<u>-</u>	<u>459,776</u>
<b>Utilities</b>			
Electricity	18,869	-	18,869
Water and Sewer	1,898	-	1,898
Water Mid Rise	41,768	-	41,768
Telephone Fire Panel	11,702	-	11,702
	<u>74,237</u>	<u>-</u>	<u>74,237</u>

See Independent Auditor's Report and Notes to Financial Statements.

**Beach Wood Villas Association, Inc.**  
**Schedule of Operating and Replacement Expenses**  
**For the year ended December 31, 2025**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>General and Administrative</b>			
Website	6,073	-	6,073
Copies/Postage	1,500	-	1,500
Corporate Filing Fees	61	-	61
Division Fees	544	-	544
Insurance	462,503	-	462,503
Accounting and Audit Fees	7,445	-	7,445
Legal Fees	4,407	-	4,407
Management Fees	93,352	-	93,352
Miscellaneous	1,054	-	1,054
Meeting Expenses	275	-	275
	<u>577,214</u>	<u>-</u>	<u>577,214</u>
<b>Major Maintenance</b>			
General Reserves (Pooled)	-	6,000	6,000
Wood Bulkhead/Stairs	-	98,797	98,797
Fencing	-	1,218	1,218
Roofs/Building Components	-	1,642	1,642
Painting / Wood Repair	-	6,002	6,002
Landscape/Irrigation	-	53,697	53,697
Structural Integrity - Bldg Components	-	8,903	8,903
Structural Integrity - Structural Compone	-	50,625	50,625
	<u>-</u>	<u>226,884</u>	<u>226,884</u>
<b>Total Expenses</b>	<u><u>\$ 1,111,227</u></u>	<u><u>\$ 226,884</u></u>	<u><u>\$ 1,338,111</u></u>

See Independent Auditor's Report and Notes to Financial Statements.