THE OCEAN GALLERY VILLAGE LAS PALMAS CONDOMINIUM ASSOCIATION.
FINANCIAL REPORT

Year Ended December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Ocean Gallery Village Las Palmas Condominium Association.

Opinion
We have audited the accompanying financial statements of The Ocean Gallery Village Las Palmas Condominium Association, which comprise the balance sheet as of December 31, 2025, 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 financial statements referred to above present fairly, in all material respects, the financial position of The Ocean Gallery Village Las Palmas Condominium Association as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 Ocean Gallery Village Las Palmas Condominium 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Ocean Gallery Village Las Palmas Condominium Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 Ocean Gallery Village Las Palmas Condominium 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 Ocean Gallery Village Las Palmas Condominium 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.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Future Major Repairs and Replacements on page 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 Revenues and Expenses – Operating Fund for the year ended December 31, 2025, on page 12, as required by Rule 61B-22.006(3), Florida Statutes, is presented for purposes of additional analysis and is not a required part of the basic 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, except for the portion marked "UNAUDITED", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Ahern, Kruge & Associates CPAs, LLC

St. Augustine, FL
May 31, 2026

THE OCEAN GALLERY VILLAGE LAS PALMAS CONDOMINIUM ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2025

	Operating Fund	Replacement Fund	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 66,606	$ 402,081	$ 468,687
Investments	-	26,467	26,467
Fees and assessments receivable	1,357	-	1,357
Due from (to) other fund	1,957	(1,957)	-
Prepaid insurance	14,290	-	14,290
Total current assets	84,210	426,591	510,801
TOTAL ASSETS	$ 84,210	$ 426,591	$ 510,801
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Current liabilities			
Accounts payable and accrued expenses	$ 5,227	$ -	$ 5,227
Income tax payable	1,986	-	1,986
Due to related entity	3,945	-	3,945
Deferred assessment revenue	4,490	-	4,490
Total current liabilities	15,648	-	15,648
Long-term liabilities			
Contract liabilities	-	413,525	413,525
Total long-term liabilities	-	413,525	413,525
TOTAL LIABILITIES	15,648	413,525	429,173
FUND BALANCES	68,562	13,066	81,628
TOTAL LIABILITIES AND FUND BALANCES	$ 84,210	$ 426,591	$ 510,801

See accompanying notes

THE OCEAN GALLERY VILLAGE LAS PALMAS CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2025

	Operating Fund	Replacement Fund	Total
REVENUES			
Maintenance assessments	$ 491,263	$ 24,049	$ 515,312
Capital contributions income	-	7,881	7,881
Interest and other income	9,668	12,625	22,293
Total revenues	500,931	44,555	545,486
EXPENSES			
Major repairs and replacements	-	44,555	44,555
Insurance	120,706	-	120,706
Utilities	149,364	-	149,364
Operating	50,267	-	50,267
Management and maintenance payroll	147,582	-	147,582
Other expenses	16,533	-	16,533
Total expenses	484,452	44,555	529,007
EXCESS OF REVENUES OVER EXPENSES	16,479	-	16,479
FUND BALANCES, BEGINNING	52,083	13,066	65,149
FUND BALANCES, ENDING	$ 68,562	$ 13,066	$ 81,628

See accompanying notes

THE OCEAN GALLERY VILLAGE LAS PALMAS CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

	Operating Fund	Replacement Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over expenses (expenses over revenues)	$ 16,479	$ -	$ 16,479
Adjustments to reconcile excess of revenues over expenses (expenses over revenues) to net cash provided (used) by operating activities:			
Net changes in:			
Fees and assessments receivable	2,097	-	2,097
Due to (from) other fund	(1,956)	1,956	-
Due to (from) related entity	2,717	-	2,717
Prepaid insurance	433	-	433
Accounts payable and accrued expenses	266	-	266
Income tax payable	(203)	-	(203)
Deferred assessment revenue	903	-	903
Contract liabilities	-	66,352	66,352
Net cash provided (used) by operating activities	20,736	68,308	89,044
NET CHANGE IN CASH	20,736	41,841	62,577
CASH, BEGINNING	45,870	360,240	406,110
CASH, ENDING	$ 66,606	$ 402,081	$ 468,687
SUPPLEMENTARY DISCLOSURE			
Cash paid for interest	$ 3,607	$ -	$ 3,607
Cash paid for income taxes	$ 2,189	$ -	$ 2,189

See accompanying notes

NOTE 1 ORGANIZATION

The Ocean Gallery Village Las Palmas Condominium Association, Inc. (the "Association") was incorporated under the laws of the State of Florida as a not-for-profit corporation for the purpose of administering and operating the property located at 4600 A1A South, St. Augustine, St. Johns County, Florida in accordance with the terms of Florida Statute Chapter 718 and the provisions of the Declaration of Condominium. Operations of the Association commenced effective August of 1982, under the administration of Sun-Mark II Associates, a joint venture of Calmark Communities, Inc. and Sunshine State Mortgage Company (the "Developer"). During July of 1984, the administration of the Association was assumed by its then duly elected Board of Directors. The Ocean Gallery Las Palmas Condominium Association consists of 73 residential units in an area of approximately 5.3 acres. The Association is one of several individual condominium associations within the Ocean Gallery community. There are certain common properties (such as roads and recreational facilities) within Ocean Gallery that require maintenance expenses to be shared by the unit owners of these several condominium associations and the owners of the private homes and lots located within the community. For this purpose, The Ocean Gallery Property Owners Association, Inc. ("OGPOA") was created. Each unit owner of the Association is required to pay an assessment to OGPOA, which for the year 2025 was $1,750 in regular annual assessments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

<u>Financial Statements</u>

The accompanying financial statements were prepared pursuant to the requirements of Florida Statutes and the American Institute of Certified Public Accountants.

<u>Revenue Recognition</u>

The Association recognizes revenue in accordance with FASB ASC 606, Revenue from Contracts with Customers. Under ASC 606, revenue recognition for customer contract related services is required when promised goods or services are transferred to customers in an amount that reflects the consideration to which an Association expects to be entitled in exchange for those goods and services.

<u>Fund Accounting</u>

The Association presents its financial statements on the accrual basis using fund accounting to ensure the observance of limitations and restrictions on the use of financial resources. The financial statements are therefore segregated into funds based upon different funding policies established according to their nature and purpose.

Operating Fund – The Operating Fund reflects the maintenance assessments paid by unit owners to meet the regular, recurring costs of operations. Expenditures from this fund are limited to those connected with daily operations.

Replacement Fund – The Replacement Fund is composed of capital assessments paid by unit owners to fund future major repairs and replacements. Interest earned on replacement funds remains in the Replacement Fund.

Special Assessment Fund - The Special Assessment Fund is used to account for financial resources designated for restoration projects as approved by the membership.

<u>Cash and Cash Equivalents</u>

Cash and cash equivalents includes all cash balances and highly liquid investments with an original maturity of 90 days or less.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are composed of certificates of deposits with maturities of more than 90 days, publicly traded equities, common stock, mutual funds and cash held in brokerage accounts. All investments are carried at fair value.

Fair Value of Financial Instruments

All financial instruments are carried at amounts that approximate estimated fair value. Financial Accounting Standards Board ASC 820, Fair Value Measurement ("ASC 820"), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Association can access at the measurement date.

Level 2

Inputs to the valuation methodology are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as publicly available information about actual events or transactions, and that reflect the assumptions that market participants would use when pricing the asset or liability.

Level 3

Inputs to the valuation methodology are unobservable for the asset or liability. Unobservable inputs are defined as inputs for which market data are not available and that are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.

All financial instruments are considered to be Level 1 inputs in the fair value hierarchy.

Assessments Receivable

Assessments receivable represent amounts due from owners for monthly maintenance assessments. The budgeted amount of the monthly assessment for the Replacement Fund is funded from monthly cash receipts. All assessments receivable are presented in the Operating Fund. Assessments are recognized initially at fair value. Receivables are considered delinquent when they are thirty days past due. It is the Association's policy to retain legal counsel and place liens on the units of members whose assessments are ninety days or more delinquent. A portion of the receivables which are considered delinquent are charged against the allowance when all collection efforts have been exhausted. Factors which influence management judgment in determining the appropriate allowance for doubtful accounts, and for charging off uncollectable accounts, include past collection experience and industry standards. All accounts receivable were considered collectable by the Association of December 31, 2025, and consequently, no allowance for uncollectable accounts was deemed necessary.

Deferred Assessment Revenue

Deferred assessment revenue consists of 2026 maintenance assessments received by the Association in 2025.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recognition of Assets

The Association's policy for recognizing common property as assets in its balance sheet is to recognize (a) common personal property and (b) real property to which it has title and that it can dispose of for cash while retaining the proceeds. Common property acquired from the developer and others and related improvements to such property are not recognized in the Association's financial statements. Those properties are owned by the individual unit owners in common and not by the Association. Replacements, major repairs and the purchase of additional commonly owned assets are accounted for as expenditures in the Replacement Fund. Real and tangible property acquired for the maintenance and operation of the condominium are capitalized in the Association's financial statements. Repairs and maintenance costs are charged to expense.

Contract Liabilities

The Condominium 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 the replacement reserve assessments. The balances of contract liabilities as of December 31, 2025 and 2024, is $413,525 and $347,173, respectively.

Income taxes

The Association has elected to file its income tax return as a homeowner association in accordance with Internal Revenue Code Section 528 for the year ended December 31, 2025. Under that election, the association is taxed only on its non-exempt function income, such as interest earnings, at a flat rate of 30%. Exempt function income, which consists primarily of members' assessments, is not taxable. For the year ended December 31, 2025, non-exempt income exceeded the related expenses. Accordingly, federal income tax expense of $1,986 has been recorded in other expenses within the operating fund on the statement of revenues and expenses.

Accounting for Uncertain Tax Positions

The Association has adopted FASB ASC 740-10, *Accounting for Income Taxes*, which clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Based on analyses of various federal and state filing positions of the Association, management believes that its income tax filing positions and deductions are well documented and supported.

As of December 31, 2025, the Association had no temporary differences relating to the recognition of income and expenses for financial and tax reporting purposes. Accordingly, no deferred tax assets or liabilities are recorded. Additionally, as of December 31, 2025, the Association had no uncertain tax positions that would qualify for either recognition or disclosure in the financial statements. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to FASB ASC 740-10. In addition, no cumulative effect adjustment related to the adoption of FASB ASC 740-10 was recorded.

There have been no increases or decreases in unrecognized tax benefits for current or prior years since the date of adoption. Furthermore, no interest or penalties have been included since no reserves were recorded and no significant increases or decreases are expected to occur within the next 12 months. When applicable, such interest and penalties will be reported as income tax expense.

Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Association's tax returns will not be challenged by the taxing authorities and that the Association will not be subject to additional tax, penalties, and interest as a result of such challenge. At December 31, 2025, the periods that remain open to examination under federal and state statutes are for the years ended December 31, 2022 through 2024.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Future Major Repairs and Replacements

The Association accumulates funds for future major repairs and replacements based on estimated future costs. Actual future expenditures may vary from the estimated cost.

Interest Income

Interest income earned on interest bearing accounts of the Operating and Replacement Fund are allocated to the respective fund, as appropriate. Any income tax liability arising from interest earned is disbursed from the Operating Fund.

Donated services

The Association's Board of Directors and its officer's serve without compensation. The value of these services is not recorded in the financial statements.

Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts and the variances are held to be immaterial.

NOTE 3 INVESTMENTS

Investments are stated at fair value, as determined by reference to quoted market prices for similar investments, yield curves and other relevant information. The value assigned to investments received by gift is the fair value at the date of donation. The investments all qualify as level one investments within the fair value hierarchy.

At December 31, 2025, the Association held one certificate of deposit, totaling $26,467 and bearing interest at 3.25%, with a maturity of March 7, 2026.

NOTE 4 CONCENTRATION OF CREDIT RISK

Financial instruments, which potentially subject the Association to concentrations of credit risk, as defined by accounting principles generally accepted in the United States of America, consist primarily of bank accounts with balances in excess of amounts insured by the Federal Deposit Insurance Corporation ("FDIC") and assessments receivable.

The Association maintains its cash balances with high quality financial institutions. Accounts at these institutions currently are insured by the FDIC up to $250,000. At times, such balances may be in excess of FDIC insurance limits. At December 31, 2025, the Association did not maintain any cash balances in excess of FDIC insurance limits.

All of the Association's assessments receivable is related to billed assessments. The Association monitors the collectability of the assessments receivable and pursues collection. Management routinely assesses the collectability of the Association's assessments receivable and has determined them fully collectable.

NOTE 5 OTHER CONCENTRATIONS

The Association's primary source of income is assessments paid by unit owners.

NOTE 6 PROFIT SHARING PLAN

The employees of the Association are covered under a 401(k) profit sharing plan. All employees over 18 years of age and with a year of service (at least 1,000 hours of service in the first 12 months is required) are eligible to participate in the plan. Employees can elect to defer from 1% to 90% of their wages with a maximum of $23,500, which increases to $31,000, if the employee’s age is 50 or over. Under this plan, the Association’s match would be 100% of the first 4% of wages deferred. The Association’s portion of the 401(k) matching contribution expense was $4,535 for the year ended December 31, 2025 and is included in management and maintenance payroll expenses on the statement of revenues, expenses and changes in fund balances.

NOTE 7 OWNERS’ ASSESSMENTS

Association members are subject to equal annual assessments to provide funds for the Association’s operating expenses and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from owners. Prepaid assessments at the balance sheet date represent fees paid in advance by owners. The Association’s policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. The annual budget and assessments of owners are determined by the Board of Directors. The Association retains excess operating funds at the end of the fiscal year, if any, for use in future periods.

Monthly assessments to unit owners were $664 each in 2025. Of that amount, $103 per owner was designated to the replacement fund. There were no delinquent assessments at year end. As of December 31, 2025, no allowance for uncollectable assessments were recorded since management believes the assessments and related fees will be collected.

NOTE 8 FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents and Florida Statutes require that funds be presented in the proposed operating budget for future major repairs and replacements, including roof replacement and building and painting. Pavement resurfacing is the responsibility of the master association. Accumulated funds, which totaled $428,548 at December 31, 2025, are held in separate, income earning accounts, and generally are not available for expenditures for normal operations.

An independent engineer conducted a formal study in 2021 to estimate the remaining useful lives and current replacement costs of the components of common property. The table included in the supplementary information on future major repairs and replacement, which is unaudited, is based on that estimate.

The Association is funding for major repairs and replacements over remaining useful lives of the components based on the estimates of current replacement costs and considering the amounts previously accumulated in the replacement fund. Accordingly, replacement funding in the amount of $90,401 has been included in the 2026 budget.

Funds are being accumulated in the Replacement Fund based on the estimated current cost for repairs and replacements of common property components. Actual expenditures and investment income may vary from the estimated amounts, and the variation may be material. Therefore, amounts accumulated in the Replacement Fund may not be adequate to meet future needs for major repairs and replacements. If additional funds are needed, the Association has the right, subject to membership approval, to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

NOTE 9 CAPITAL CONTRIBUTIONS

At the time of conveyance of a unit, each purchaser is required to pay an amount equal to three times the then current monthly assessment to a working capital fund. These contributions are not restricted. The Board of Directors has elected to contribute all capital contributions to the replacement fund. Capital contributions collected in 2025 totaled $7,881.

NOTE 10 RELATED PARTY TRANSACTIONS

The Association is related to OGPOA through common membership of its owners. Every owner of the Association is also a member of OGPOA. Payroll and related expenses of the Association are paid through a common checking account which is funded by the individual associations. At December 31, 2025 the Association owed a total of $3,945 to related associations for reimbursed expenses.

NOTE 11 COMMITMENTS AND CONTINGENCIES

Insurance

In the event of the disaster, the Associations could be exposed to losses for damages in excess of insurance coverage limits. The Association is responsible for losses incurred by a named hurricane based upon a 5.00% deductible per building per calendar year as defined in its property insurance policy.

Litigation

During the course of its normal operations, the Association may become subject to various claims, torts and actions. Management reviews the validity of such actions and acts accordingly. Management does not believe the outcome of any current actions will result in material loss to the Association. As a result, the financial statements do not include any adjustments for such actions.

Contracts

The Association also has entered into various contracts for services and major repairs and replacements.

NOTE 12 SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 31, 2026. No events were identified as necessary to be disclosed to keep these financial statements from being misleading or that provide additional evidence about conditions that existed at December 31, 2025, including estimates inherent in the process of preparing these financial statements.

SUPPLEMENTAL INFORMATION

THE OCEAN GALLERY VILLAGE LAS PALMAS CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF REVENUES AND EXPENSES - OPERATING FUND
YEAR ENDED DECEMBER 31, 2025

	Actual	(UNAUDITED) Budget	Variance Favorable (Unfavorable)
REVENUES			
Maintenance assessments	$ 491,263	$ 491,263	$ -
Interest and other income	9,668	60	9,608
Total revenues	500,931	491,323	9,608
EXPENSES			
Insurance			
General	102,029	105,438	3,409
Flood	18,677	18,677	-
Total insurance	120,706	124,115	3,409
Utilities			
Cable	86,787	93,187	6,400
Electric	12,216	12,847	631
Sewer	23,028	24,195	1,167
Trash	9,498	8,869	(629)
Water	17,835	19,221	1,386
Total utilities	149,364	158,319	8,955
Operating			
Grounds-replace/upkeep	3,760	5,000	1,240
Irrigation	497	750	253
Pool/spa repair and supply	12,065	13,800	1,735
Repairs/maintenance - buildings	15,067	2,200	(12,867)
Maintenance supplies	-	300	300
Landscape contract	18,878	18,326	(552)
Total operating	50,267	40,376	(9,891)
Management and maintenance payroll			
Management fees for maintenance labor	142,693	146,646	3,953
Maintenance uniforms	354	230	(124)
Maintenance 401K match	4,535	-	(4,535)
Total management and maintenance payroll	147,582	146,876	(706)
Other expenses			
Accounting outside services	6,850	14,047	7,197
Bank charges	124	500	376
Insurance loan interest	3,607	4,870	1,263
Licenses/taxes	5,422	2,220	(3,202)
Office supplies	530	-	(530)
Total other expenses	16,533	21,637	5,104
Total expenses	484,452	491,323	6,871
Excess of revenues over expenses	$ 16,479	$ -	$ 16,479

THE OCEAN GALLERY VILLAGE LAS PALMAS CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF FUTURE MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 2025

An independent engineer conducted a formal study in 2021 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated replacement costs do not take into account the effects of inflation between the date of the study and the date the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property at December 31, 2025:

Components	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Cost	Fund Balance Contract Liabilities 12/31/2024	Additions and Transfers	Net Interest and Capital Contributions Allocation	Expenditures and Transfers	Fund Balance Contract Liabilities 12/31/2025	2026 Approved Funding
Buildings and painting	0 - 16	$ 425,700						
Roofs	11 - 15	346,400						
Pool	0 -11	77,150						
Pooled fund			$ 360,239	$ 90,401	$ 20,506	$ (44,555)	$ 426,591	$ 90,401
Total		$ 849,250	$ 360,239	$ 90,401	$ 20,506	$ (44,555)	$ 426,591	$ 90,401