

COMMENTS ON THE 2025-12-31 FINANCIAL SUMMARY

BY

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Comments on Income Statement revised
between items 3 & 4, as of 27 Jan. 2026.

Balance Sheet:

- 1) The year end amount in the operating bank account was \$94,613.93. One year ago, the amount was \$34,089.11
- 2) Our reserve funds total \$1,383,547.05 compared to \$1,175,483.07 This represents an increase of \$208,063.98 over last year. We also earned \$42,856.27 on those funds and were still able to contribute \$206,933.38 from the operating funds in 2025. More on what we used some of reserve funds for in the balance sheet discussion.
- 3) Our fixed assets section is now in conformance with Generally Accepted Accounting Principles (GAAP), in that each of the assets is being financially tracked with depreciation expense and accumulated depreciation. We are now reflecting the Controlled Access System, our Roadways and Sidewalks and Well Pump as new additions in 2025.
- 4) Our Accounts Receivable and Allowance for Bad Debt is \$0 at the end of 2025. In 2024, the outstanding accounts receivable had grown to \$10,359.38

Income Statement:

The consolidated net income was positive **\$57,285.54**. Let me help you to understand what drove this number:

- 1) We contributed \$75,066.62 less to the reserve funds than budgeted based on the boards decision to bill up operating cash reserves for the pending 2026 litigation.
- 2) We earned \$42,856.27 in interest income on the reserve accounts.
- 3) Miscellaneous puts and takes \$289.33

The subtotal of lines 1 through 3 would equal net income of **\$118,242.76**. From that we subtract the following:

- 4) Federal and state income taxes paid in advance for 2025 from Reserves: - \$20,251.00
- 5) Legal fees over budget - \$15,981.93
- 6) Depreciation expense - not in the 2025 budget - \$11,406.77
- 7) COS Transponders - \$3,622.90
- 8) Excess funding made into reserve Building funding - \$7,666.69
- 9) Software purchase and Roadway expense - \$2027.93

Subtract items 4 through 9. Those **subtotals are 60,957.22**

\$118,242.76 less 60,957.22 = \$57,285.54

The Peninsula Master Association Inc

Balance Sheet as of 12/31/2025

Assets	Operating	Reserve	Total
Bank			
1015 - First Citizens Bank - Operating 1291	\$94,613.93		\$94,613.93
1025 - First Citizens Bank - Boardwalk Reserve 4220		\$107,857.10	\$107,857.10
1028 - Centennial Bank - Roadway Reserves 6391		\$221,767.56	\$221,767.56
1029 - Centennial Bank - ICS Acct *911		\$1,042,674.63	\$1,042,674.63
1031 - First Citizens Bank - Building Reserves 2064		\$11,247.76	\$11,247.76
Total Bank	\$94,613.93	\$1,383,547.05	\$1,478,160.98
Other Assets			
1800 - Inventory - Transmitters	\$631.47		\$631.47
Total Other Assets	\$631.47		\$631.47
Fixed Assets			
1331 - Controlled Access System	\$84,352.00		\$84,352.00
1340 - Roadways and Sidewalks	\$29,158.25		\$29,158.25
1350 - Front Entr - Landscaping	\$107,282.57		\$107,282.57
1351 - Residential Signage	\$11,240.63		\$11,240.63
1352 - Buildings - Gatehouses	\$144,963.00		\$144,963.00
1353 - Well Pump	\$5,400.00		\$5,400.00
1450 - Accum Depreciation	(\$276,072.43)		(\$276,072.43)
Total Fixed Assets	\$106,324.02		\$106,324.02
Prepaid			
1299 - Utility Deposits	\$540.00		\$540.00
1301 - Insurance Prepaid	\$744.88		\$744.88
Total Prepaid	\$1,284.88		\$1,284.88
Total Assets	\$202,854.30	\$1,383,547.05	\$1,586,401.35

Balance Sheet as of 12/31/2025

Liabilities/ Equity	Operating	Reserve	Total
Liability			
2110 - Prepaid Assessments	\$1,604.02		\$1,604.02
2400 - Accounts Payable	\$600.00		\$600.00
Total Liability	\$2,204.02		\$2,204.02
Reserves			
2600 - Roadway Reserve Fund		\$1,221,757.24	\$1,221,757.24
2601 - Boardwalk Reserve Fund		\$107,694.78	\$107,694.78
2602 - Building Reserve Fund		\$11,238.76	\$11,238.76
2632 - Reserves - Interest Boardwalk		\$162.32	\$162.32
2732 - Reserves - Interest Roadway		\$42,684.95	\$42,684.95
2733 - Reserves - Interest Buildings		\$9.00	\$9.00
Total Reserves		\$1,383,547.05	\$1,383,547.05
Equity			
2810 - Retained Earnings	\$143,364.64		\$143,364.64
2999 - Net Income(Loss)	\$57,285.64		\$57,285.64
Total Equity	\$200,650.28		\$200,650.28
Total Liabilities/ Equity	\$202,854.30	\$1,383,547.05	\$1,586,401.35

The Peninsula Master Association Inc

	Current Period			Year To Date			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating Income							
Assessment Revenue							
3000 - Annual Assoc Dues	52,299.00	56,160.00	(3,861.00)	650,754.00	673,920.00	(23,166.00)	673,920.00
3020 - Late Fees/Interest				400.00		400.00	
3030 - Interest Income H/O				(38.06)		(38.06)	
3090 - Fines				(250.00)		(250.00)	
Total Assessment Revenue	52,299.00	56,160.00	(3,861.00)	650,865.94	673,920.00	(23,054.06)	673,920.00
Other Revenue							
3130 - ARC Review Fee			-	500.00		500.00	
3240 - Transponder Equipment Sales	416.00	250.00	166.00	5,266.00	3,000.00	2,266.00	3,000.00
3295 - Misc Income	1,237.51	250.00	987.51	4,612.51	3,000.00	1,612.51	3,000.00
3305 - Income from Collections				35.00		35.00	
3900 - Bank Interest Income	3.43		3.43	23.94		23.94	
Total Other Revenue	1,656.94	500.00	1,156.94	10,437.45	6,000.00	4,437.45	6,000.00
Total Operating Income	53,955.94	56,660.00	(2,704.06)	661,303.39	679,920.00	(18,616.61)	679,920.00
Operating Expense							
Administrative							
4010 - Insurance:GL/DO/Prop	744.92		(744.92)	11,858.12	15,000.00	3,141.88	15,000.00
4020 - Management Fees	3,417.00	3,417.00		41,004.00	41,004.00		41,004.00
4030 - Legal Fees	468.00	341.63	(126.37)	20,081.93	4,100.00	(15,981.93)	4,100.00
4040 - Office & Admin-CMA	176.96	250.00	73.04	2,405.46	3,000.00	594.54	3,000.00
4046 - Decals			-	2,070.35		(2,070.35)	
4048 - Offices Supplies/Printing		190.38	190.38	1,593.32	2,285.00	691.68	2,285.00
4055 - Corporate Transparency Act		32.88	32.88		395.00	395.00	395.00
4101 - Taxes - Property		50.00	50.00		600.00	600.00	600.00
4102 - Taxes - Federal	2,400.00		(2,400.00)	2,400.00		(2,400.00)	
4107 - Income Tax		416.63	416.63		5,000.00	5,000.00	5,000.00
4130 - Tax/Audit/License		166.63	166.63	113.52	2,000.00	1,886.48	2,000.00
4155 - Accounting Fees for TRs & 1099s		62.50	62.50	1,050.00	750.00	(300.00)	750.00
4450 - Website		916.63	916.63	4,052.85	11,000.00	6,947.15	11,000.00
4500 - Office Rental	500.00	600.00	100.00	6,000.00	7,200.00	1,200.00	7,200.00
4550 - Office Computer/Software		16.63	16.63		200.00	200.00	200.00
4999 - Provision for Bad Debt Expense	(20,740.00)		20,740.00			-	
Total Administrative	(13,033.12)	6,460.91	19,494.03	92,629.55	92,534.00	(95.55)	92,534.00
Grounds & Landscaping							
4800 - Other Landscaping/Ground Services		188.37	188.37	4,925.00	2,260.00	(2,665.00)	2,260.00
5030 - Landscape - Contract	2,900.00	5,616.63	2,716.63	67,250.00	67,400.00	150.00	67,400.00
5060 - Pine Straw/ Mulch		916.63	916.63	17,260.00	11,000.00	(6,260.00)	11,000.00
5130 - Irrigation - Repairs/Supplies		1,250.00	1,250.00	5,355.00	15,000.00	9,645.00	15,000.00
Total Grounds & Landscaping	2,900.00	7,971.63	5,071.63	94,790.00	95,660.00	870.00	95,660.00

Statement of Revenues and Expenses 12/1/2025 - 12/31/2025

	Current Period			Year To Date			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating Expense							
Repairs & Maintenance							
7070 - Guardhouse Repair & Maintenance	600.00		(600.00)	2,579.00		(2,579.00)	
7073 - Maintenance - Gate		333.37	333.37	3,336.29	4,000.00	663.71	4,000.00
7074 - Maintenance/Repair- Boardwalk	225.50		(225.50)	802.00		(802.00)	
7089 - Maint - Gen Repair		208.37	208.37	609.99	2,500.00	1,890.01	2,500.00
7305 - Pest Control				240.00		(240.00)	
7369 - Depreciation Expense	330.32		(330.32)	11,406.77		(11,406.77)	
Total Repairs & Maintenance	1,155.82	541.74	(614.08)	18,974.05	6,500.00	(12,474.05)	6,500.00
Access & Monitoring							
7430 - Controlled Access	12,093.58	12,768.87	675.29	153,507.50	153,226.00	(281.50)	153,226.00
7441 - COS - Transponders			-	3,622.90		(3,622.90)	
Total Access & Monitoring	12,093.58	12,768.87	675.29	157,130.40	153,226.00	(3,904.40)	153,226.00
Utilities							
8000 - Utilities - Electricity	2,307.00	2,291.63	(15.37)	25,374.40	27,500.00	2,125.60	27,500.00
8020 - Utilities - Water/Sewer	50.80	83.37	32.57	1,973.40	1,000.00	(973.40)	1,000.00
8050 - Utilities - Internet Service	506.39	458.37	(48.02)	6,212.57	5,500.00	(712.57)	5,500.00
Total Utilities	2,864.19	2,833.37	(30.82)	33,560.37	34,000.00	439.63	34,000.00
Reserve Funding Expense							
9000 - Reserves - Roadway Funding	1,600.00	17,916.63	16,316.63	127,016.69	215,000.00	87,983.31	215,000.00
9001 - Reserves - Boardwalk Funding		4,750.00	4,750.00	52,250.00	57,000.00	4,750.00	57,000.00
9002 - Reserves - Buildings Funding		1,666.63	1,666.63	27,666.69	20,000.00	(7,666.69)	20,000.00
Total Reserve Funding Expense	1,600.00	24,333.26	22,733.26	206,933.38	292,000.00	85,066.62	292,000.00
Total Operating Expense	7,580.47	54,909.78	47,329.31	604,017.75	673,920.00	69,902.25	673,920.00
Net Operating Income (Loss)	46,375.47	1,750.22	44,625.25	57,285.64	6,000.00	51,285.64	6,000.00

The Peninsula Master Association Inc

	Current Period			Year To Date			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Reserve Income							
Other Revenue							
3911 - Bank Interest - Roadway Reserves	42,684.95		42,684.95	42,684.95		42,684.95	
3912 - Bank Interest - Boardwalk Reserves	162.32		162.32	162.32		162.32	
3915 - Bank Interest - Buildings	9.00		9.00	9.00		9.00	
3954 - From Roadway Reserves	12,400.00		12,400.00	30,251.00		30,251.00	
3957 - From Building Reserves				16,465.86		16,465.86	
Total Other Revenue	55,256.27		55,256.27	89,573.13		89,573.13	
Total Reserve Income	55,256.27		55,256.27	89,573.13		89,573.13	
Reserve Expense							
Administrative							
4550 - Office Computer/Software			-	1,227.93		(1,227.93)	
Total Administrative				1,227.93		(1,227.93)	
Repairs & Maintenance							
7070 - Guardhouse Repair & Maintenance			-	437.93		(437.93)	
Total Repairs & Maintenance				437.93		(437.93)	
Reserve Funding Expense							
9000 - Reserves - Roadway Funding	10,000.00		(10,000.00)	10,000.00		(10,000.00)	
Total Reserve Funding Expense	10,000.00		(10,000.00)	10,000.00		(10,000.00)	
Reserves - Roadway Expense							
9008 - Reserves - Interest Allocation	42,856.27		(42,856.27)	42,856.27		(42,856.27)	
9030 - Reserves - Roadway Expense				1,000.00		(1,000.00)	
9103 - Reserves - Federal Income Tax Payment	2,400.00		(2,400.00)	16,616.00		(16,616.00)	
9104 - Reserves - State Income Tax Payment				2,635.00		(2,635.00)	
Total Reserves - Roadway Expense	45,256.27		(45,256.27)	63,107.27		(63,107.27)	
Reserves - Building Expense							
9032 - Reserves - Building Expense			-	14,800.00		(14,800.00)	
Total Reserves - Building Expense				14,800.00		(14,800.00)	
Total Reserve Expense	55,256.27		(55,256.27)	89,573.13		(89,573.13)	
Net Reserve Income (Loss)							
Net Total	46,375.47	1,750.22	44,625.25	57,285.64	6,000.00	51,285.64	6,000.00

Reserve Summary For 1/1/2025 - 12/31/2025

	Beginning Balance	Contributions	Expenditures	Transfers	Ending Balance	Budget	Variance
2600 - Roadway Reserve Fund	1,077,885.74	135,416.69	(29,051.00)	37,505.81	1,221,757.24	215,000.00	(79,583.31)
2601 - Boardwalk Reserve Fund	59,922.72	52,250.00	(4,646.74)	168.80	107,694.78	57,000.00	(4,750.00)
2602 - Building Reserve Fund		27,704.63	(16,465.87)		11,238.76	20,000.00	7,704.63
2632 - Reserves - Interest Boardwalk	168.80	162.32		(168.80)	162.32		162.32
2732 - Reserves - Interest Roadway	37,505.81	42,694.95	(10.00)	(37,505.81)	42,684.95		42,694.95
2733 - Reserves - Interest Buildings		9.00			9.00		9.00
Net Total	\$1,175,483.07	\$258,237.59	(\$50,173.61)		\$1,383,547.05	\$292,000.00	(\$33,762.41)

The Peninsula Master Association Inc

AR Aging - 12/31/2025

SUMMARY

DISTRIBUTION

<u>Charge</u>	<u>Balance</u>					
		Total				
Property		0-30	Over30	Over 60	Over 90	Balance
Total:						
Property Count:		0	0	0	0	

(*** indicates previous owners)