MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Unit Owners
Mainlands of Tamarac by the Gulf Unit Five Association, Inc.

Dear Members:

Opinion

We have audited the accompanying financial statements of Mainlands of Tamarac by the Gulf Unit Five Association, Inc., which comprise the balance sheet as of December 31, 2024, 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 Mainlands of Tamarac by the Gulf Unit Five Association, Inc. as of December 31, 2024, 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 Mainlands of Tamarac by the Gulf Unit Five Association, Inc. 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.

Future Major Repairs and Replacements

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. We have not applied procedures to determine whether the funds designated for future major repairs and replacements as discussed in Note 4 are adequate to meet such future costs because that determination is outside the scope of our audit. Our opinion is not modified with respect to that matter.

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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 Mainlands of Tamarac by the Gulf Unit Five Association, Inc.'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 Mainlands of Tamarac by the Gulf Unit Five Association, Inc.'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 Mainlands of Tamarac by the Gulf Unit Five Association, Inc.'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 Supplementary Information on Future Major Repairs and Replacements 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.

Report on Supplementary Information

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Detailed Statement of Operating Revenues and Expenses Budget Comparison is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of 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.

Gerstle, Rosen & Goldenberg, P.A.

Gerstle, Rosen & Goldenberg, P.A.
Certified Public Accountants
Hollywood, Florida

August 11, 2025

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

BALANCE SHEET

December 31, 2024

	OPERATING FUND	REPLACEMENT FUND	FIXED ASSETS FUND	TOTAL
ASSETS				
Cash and Cash Equivalents	$ 161,169	$ 402,149	$	$ 563,318
Certificates of Deposit		2,725,000		2,725,000
Unit Owner Receivable - Net of Allowance for Credit Losses	6,043			6,043
Interest Receivable		27,077		27,077
Prepaid Taxes	652			652
Prepaid Insurance	31,756			31,756
Due To/From Funds	3,866	(3,866)		
Fixed Assets - Net of Accumulated Depreciation			36,787	36,787
TOTAL ASSETS	$ 203,486	$ 3,150,360	$ 36,787	$ 3,390,633
LIABILITIES AND FUND BALANCES				
Accounts Payable	$ 34,523	$	$	$ 34,523
Income Tax Payable	17,320			17,320
Prepaid Member Assessments	19,538			19,538
Deferred Cable Income	49,680			49,680
Contract Liability - Deferred Reserves		3,127,150		3,127,150
TOTAL LIABILITIES	121,061	3,127,150		3,248,211
Fund Balances	82,425	23,210	36,787	142,422
TOTAL LIABILITIES AND FUND BALANCES	$ 203,486	$ 3,150,360	$ 36,787	$ 3,390,633

The Accompanying Notes Are An Integral Part Of This Financial Statement.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES

Year Ended December 31, 2024

	OPERATING FUND	REPLACEMENT FUND	FIXED ASSETS FUND	TOTAL
REVENUES				
Member Assessments	$ 875,308	$ 110,744	$	$ 986,052
Interest Income	5,496	135,095		140,591
Late Fees	675			675
Cable Income	12,960			12,960
Insurance Proceeds		10,000		10,000
Miscellaneous Income	8,860			8,860
TOTAL REVENUES	903,299	255,839		1,159,138
EXPENSES				
Depreciation			4,293	4,293
Insurance	28,800			28,800
Administrative	54,797			54,797
Master Association Fees	89,642			89,642
Payroll	11,279			11,279
Reserve Expenditures		120,744		120,744
Repairs and Maintenance	42,297			42,297
Utilities	334,017			334,017
Contracts	356,506			356,506
TOTAL EXPENSES	917,338	120,744	4,293	1,042,375
EXCESS REVENUES (EXPENSES)	(14,039)	135,095	(4,293)	116,763
FUND BALANCES - BEGINNING	96,464	18,630	41,080	156,174
INTEREST TRANSFERS		(130,515)		(130,515)
FUND BALANCES - ENDING	$ 82,425	$ 23,210	$ 36,787	$ 142,422

The Accompanying Notes Are An Integral Part Of This Financial Statement.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2024

	OPERATING FUND	REPLACEMENT FUND	FIXED ASSETS FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
EXCESS REVENUES (EXPENSES)	$ (14,039)	$ 135,095	$ (4,293)	$ 116,763
ADJUSTMENTS TO RECONCILE EXCESS REVENUES (EXPENSES) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Depreciation			4,293	4,293
DECREASE (INCREASE) IN ASSETS:				
Accounts Receivable	(4,581)	(5,146)		(9,727)
Prepaid Taxes	(652)			(652)
Prepaid Insurance	(4,706)			(4,706)
INCREASE (DECREASE) IN LIABILITIES:				
Accounts Payable	(7,306)			(7,306)
Income Tax Payable	(2,626)			(2,626)
Prepaid Member Assessments	1,353			1,353
Deferred Cable Income	(12,960)			(12,960)
Contract Liability - Deferred Reserves		322,989		322,989
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(45,517)	452,938	0	407,421
CASH FLOWS FROM INVESTING ACTIVITIES:				
Certificates of Deposit		(318,000)		(318,000)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	0	(318,000)	0	(318,000)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Interfund Transfer		(130,515)		(130,515)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	0	(130,515)	0	(130,515)
NET INCREASE (DECREASE) IN CASH	(45,517)	4,423	0	(41,094)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	206,686	397,726	0	604,412
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 161,169	$ 402,149	$ 0	$ 563,318
SUPPLEMENTAL DISCLOSURES:				
Interest Paid	$ 0	$ 0	$ 0	$ 0
Income Tax Paid	$ 34,010	$ 0	$ 0	$ 34,010

The Accompanying Notes Are An Integral Part Of This Financial Statement.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

1. ORGANIZATION

Mainlands of Tamarac by the Gulf Unit Five Association, Inc. is a statutory condominium association incorporated on November 15, 1976, in the State of Florida. The Association is responsible for the operation and maintenance of the common property of Mainlands of Tamarac by the Gulf Unit Five Association, Inc. and consists of 288 residential units located in Pinellas Park, Florida.

2. DATE OF MANAGEMENT'S REVIEW

The Association has evaluated transactions and events that occurred after December 31, 2024 through August 11, 2025, the date the financial statements were available to be issued, and has determined that there were no subsequent transactions or events which would require recognition or disclosure in the financial statements, except as noted herein.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Association uses the accrual method of accounting, i.e., revenues are recognized as earned and expenses are recorded in the period in which they are incurred.

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 is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

Fixed Assets Fund - This fund is used to account for fixed assets capitalized by the Association.

Member Assessments and Allowance for Credit Losses

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. 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 assessments are satisfied when these funds are expended for their designated purpose.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Member Assessments and Allowance for Credit Losses

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments plus late fees and other charges, if applicable, from association members. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent according to its collection policy. The balances of assessments receivable (net of allowance for credit losses) as of the beginning and end of the year are $1,462 and $6,043, respectively.

The Association treats uncollectible assessments and other charges as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include closely monitoring of outstanding assessment balances by management, member payment history of outstanding assessment balances, and susceptibility to factors outside the Association's control. In the event that the Association does not prevail against homeowners with delinquent assessments, an allowance for credit losses of $26,881 has been established as of December 31, 2024.

Contract Liability (Assessments received in advance - Replacement Fund)

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 liability (assessments received in advance – Replacement Fund) as of the beginning and end of the year are $2,804,161 and $3,127,150 respectively.

Cash and Cash Equivalents

For presentation purposes, cash and cash equivalents consists primarily of cash, money market accounts, and other highly liquid investments (not allocated to Investments) that are readily convertible into cash and purchased with original maturities of three months or less.

Investments Carrying Value

The Association holds investments in Certificates of Deposit and Government Securities at various rates. The investments have original maturities greater than 90 days, and may have penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. The Investments have been classified in the Held-To-Maturity category as the Association has the positive intent and ability to hold the Certificates of Deposit and Securities to maturity. Such investments are carried at amortized cost, which approximates fair value. The investments had an aggregate cost basis of $2,725,000 at December 31, 2024.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS
Continued

December 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk

The Association maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to such balances. The Association maintains Insured Cash Sweep accounts which allows the Association, as a depositor, to protect their funds beyond the standard FDIC limits, therefore reducing the risk of cash concentration.

Property and Equipment

Real property not directly associated with units are recognized as assets by the Association when the Association has title to the property and either the asset can be disposed of by the Board of Directors or generates significant cash flows from members on the basis of usage or from nonmembers. Common personal property purchased with Association funds, with a useful life of more than one year, is recorded at cost on the Association's financial statements.

Depreciation

Capitalized common property is depreciated over its estimated useful life using the accelerated method of depreciation.

Use of Estimates

The Association uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Prepaid Member Assessments

Prepaid Member Assessments consist of amounts received, which are applicable to subsequent years' assessments. The balances of Prepaid Member Assessments as of the beginning and end of the year are $18,185 and $19,538, respectively.

Interest Income

The Association recognizes interest income on the Operating Fund and the Replacement Fund when earned. The Association's policy is to allocate interest income earned on the Replacement Fund to specific replacement components periodically depending on projected requirements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement

Under FASB ASC 820, *Fair Value Measurements and Disclosures*, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Association has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at December 31, 2024; therefore, no adjustment for the effect of FASB ASC 820 was made to the Association's financial statements at December 31, 2024.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS

In accordance with Florida Statutes Chapter 718 § 112(2)(f)(2a), in addition to annual operating expenses, the budget of the Association must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and any other item that has a deferred maintenance expense or replacement cost that exceeds $10,000. The amount to be reserved to the Replacement Fund annually must be computed using a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. These accounts, when adopted, are restricted to their intended purpose unless modified by a qualified membership vote.

The approved budget includes provisions for reserves for capital improvements and deferred maintenance. At a duly constituted meeting, the Association elected to partially waive reserve funding for the current fiscal year based on a study conducted by an independent reserve study specialist in April, 2024 to estimate the remaining useful lives and the replacement costs of the common property components, as disclosed in the Supplementary Information. Actual expenditures, however, may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, the Association has the right to increase regular assessments levy special assessments, or delay major repairs and replacements until funds are available.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

The balance of the Replacement Fund at December 31, 2024, consists of the following:

COMPONENTS	BALANCE 12/31/2023	INTEREST/ ASSESSMENTS/ OWNERS' CONTRIB.	INSURANCE CLAIM	TRANSFERS	EXPENDITURES	BALANCE 12/31/2024
Painting	$ 536,926	$ 114,378	$ -	$ 49,256	$ (27,745)	$ 672,815
Streets	350,591	15,000	-	6,461	-	372,052
Sidewalks Curbs	68,179	-	-	-	(21,428)	46,751
Home Woodwork	36,365	15,140	-	6,460	(29,005)	28,960
Pool & Pool Area	130,985	7,700	-	3,315	(2,242)	139,758
Landscaping Sod	94,875	-	-	-	-	94,875
Recreation Area	26,241	20,000	-	8,614	(14,393)	40,462
Clubhouse Insurance	44,000	-	-	-	-	44,000
Clubhouse	123,584	6,000	10,000	2,584	(1,627)	140,541
Sewer	520,120	30,000	-	12,921	(137)	562,904
Water System	533,022	30,000	-	12,921	(11,142)	564,801
Sprinklers Irrigation	-	45,000	-	14,169	(12,944)	46,225
Storm Drains	302,682	10,000	-	4,307	(81)	316,908
Lakes And Banks	36,591	10,000	-	4,307	-	50,898
Reclaim System	-	-	-	3,000	-	3,000
Trucks Vehicles	-	-	-	2,200	-	2,200
SUB-TOTAL CONTRACT LIABILITY - DEFERRED RESERVES	2,804,161	303,218	10,000	130,515	(120,744)	3,127,150
Fund Balance - Unallocated Interest	18,630	135,095	-	(130,515)	-	23,210
TOTAL LIABILITIES AND FUND BALANCE	$ 2,822,791	$ 438,313	$ 10,000	$ -	$ (120,744)	$ 3,150,360

Reserve Transfers

In the current year, the Association made reserves interest transfers to other reserves component amounting to a total of $130,515. In addition, a transfer was made from Sprinklers/Irrigation to Reclaim System and Trucks/Vehicles amounting to $3,000 and $2,200, respectively.

Insurance Claim Proceeds

As a result of damages caused by Hurricane Milton, claims for insurance proceeds of $10,000 were received in the current year for fence repairs.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS
Continued

December 31, 2024

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

Reserve Expenditures

In the current year, the Association incurred reserve expenditures totaling $120,744. Detailed information of the vendors involved are as follow:

Vendors	Amount
Mainlands Master (Payroll and Reimb.)	$ 34,704
The Daily Group, Inc.	27,745
Da Costa Construction	21,428
First National Bank Omaha	9,525
Central Fence Inc.	7,668
Rose Paving LLC	4,576
Others combined	15,098
Total:	$ 120,744

Due to Operating Fund

Florida Statute allows commingling of operating and replacement funds if the replacement funds are accounted for separately and fully funded.

5. FIXED ASSETS / DEPRECIATION

At December 31, 2024, the Association had the following fixed assets capitalized:

Property and equipment - at cost	$ 463,686
Less: Accumulated Depreciation	426,899
Fixed Assets - Net	$ 36,787

The current year depreciation is $4,293, as presented in the accompanying Statement of Revenues, Expenses, and Changes in Fund Balances.

6. INCOME TAXES

The Association is subject to federal and state taxation and has essentially two methods to determine the amount of tax if any it must pay. Under one method, the Association is required to allocate its revenue to member and nonmember sources as applicable in accordance with Section 277 of the Internal Revenue Code. The excess revenues from nonmembers and the excess revenues from members (unless such membership excess is applied to the following year's assessments), is subject to taxation, at the flat Federal and State of Florida rates of 21% and 5.5% (net of Florida exemption), respectively. The other method enables the Association to elect to exclude from taxation exempt function income, in accordance with Section 528 of the Internal Revenue Code, which generally consists of annual revenue from member assessments to maintain the common elements. Consequently, the Association is taxed only on its non-exempt function income at the flat Federal rate of 30%. Under either method, the Association may be subject to tax on investment income and other non-exempt income, but at different rates. When applicable, interest and penalties will be reported as interest expense and administrative expense, respectively.

The Association will elect to file its 2024 federal income tax return on Form 1120 under Section 277 of the Internal Revenue Code.

The current year provision consists of:

Federal	$ 26,852
State of Florida	4,532
Total	$ 31,384

The Association has evaluated its tax positions and concluded that it has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of the Income Taxes Topic of the Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”).

The Association has no income tax returns under examination by the Internal Revenue Service. The Association believes it is no longer subject to income tax examinations for years prior to 2021.

7. COMMITMENTS

The Association has various contract services to maintain the common property including cable television service, common area landscaping, lawn service, pool service, trash service, pest control, and an obligation to the Master Association as a result of mandatory membership. These contracts have different expiration dates and renewal terms.

8. DEFERRED CABLE INCOME

On September 14, 2023, the Association renewed its cable services contract with Spectrum Sunshine State, LLC. In consideration for entering into a 60-month Bulk Service Agreement, the Association received a payment of $64,800 from Spectrum. This payment has been deferred and is being amortized over the service period. As of December 31, 2024, the deferred cable income is $49,680.

9. MASTER ASSOCIATION

The Association is located within Mainlands Master Association, Inc. (the "Master Association"), an entity, which presently and since its inception, has been responsible for the operation and maintenance of the common property of its members. Each member of the Association is required to be a member of the Master Association.

The Association is responsible to pay all Master Association Dues, on behalf of its members, to the Master Association on time and in full regardless of whether the Association received the full amount of dues from its members. Any collection proceedings for a members' failure to pay Master Assessments is the sole responsibility of the Association. During the year ending December 31, 2024, the Association remitted $89,642 to the Master Association for its members' assessments.

10. CONTINGENCIES

Insurance Deductible

The current property insurance policy contains a deductible for hurricane damage. Should the Association incur an uninsured loss, the Association has the right to increase maintenance fees, pass a special assessment or delay repairs until funds are available.

Legal

The Association is from time-to-time subject to complaints and claims, including litigation, arising in the ordinary course of business. As of the date of this report, management believes that there are no claims or complaints of which it is currently aware that will materially affect its business, financial position, or future operating results.

SUPPLEMENTARY INFORMATION

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS

December 31, 2024
(Unaudited)

The Association conducted an independent reserve study in April 2024 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on estimates from historical experience. Actual expenditures may vary from these estimated amounts and the variance may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The following presents significant information about the components of common property:

COMPONENTS	ESTIMATED REMAINING USEFUL LIVES (IN YEARS)	ESTIMATED CURRENT REPLACEMENT COSTS	2025 FUNDING REQUIREMENT
Painting	6	$ 800,000	$ 41,666
Streets	12 - 17	585,629	18,568
Sidewalks Curbs	5 - 15	92,700	25,000
Home Woodwork	1	12,000	-
Pool & Pool Area	8 - 18	217,234	5,301
Landscaping Sod	4	85,000	-
Recreation Area	6	147,900	23,820
Clubhouse	12	267,893	6,443
Sewer	12	1,014,000	38,672
Water System	12	948,291	32,203
Sprinklers / Irrigation	1	18,000	18,222
Storm Drains	11	950,000	57,938
Lakes And Banks	12	222,000	9,463
TOTAL		$ 5,360,647	$ 277,296

See independent auditors' report.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES BUDGET COMPARISON

Year Ended December 31, 2024

	ACTUAL	BUDGET (Unaudited)	VARIANCE
REVENUES:			
Member Assessments	$ 875,308	$ 874,792	$ 516
Interest Income	5,496	-	5,496
Late Fees	675	-	675
Cable Income	12,960	-	12,960
Miscellaneous Income	8,860	-	8,860
Total Revenues	903,299	874,792	28,507
EXPENSES:			
INSURANCE			
Insurance - General	28,800	29,771	971
TOTAL INSURANCE	28,800	29,771	971
ADMINISTRATIVE			
Legal and Professional Fees	7,653	3,980	(3,673)
Audit Fees	6,300	7,200	900
Taxes- Corp Annual	61	70	9
Taxes- Condo Fee	500	1,152	652
Taxes-Federal Income	26,852	18,000	(8,852)
Taxes-FL State	4,532	-	(4,532)
Admin Expenses-General/Office	8,899	2,540	(6,359)
TOTAL ADMINISTRATIVE	54,797	32,942	(21,855)
MASTER ASSOCIATION FEES			
Master Association Fees	89,642	89,642	-
TOTAL MASTER ASSOCIATION FEES	89,642	89,642	-
PAYROLL			
Salaries / Payroll Expense	11,279	10,178	(1,101)
TOTAL PAYROLL	11,279	10,178	(1,101)

See independent auditors' report.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES BUDGET COMPARISON

Year Ended December 31, 2024

	ACTUAL	BUDGET (Unaudited)	VARIANCE
EXPENSES (Continued):			
REPAIRS AND MAINTENANCE			
R&M - Clubhouse / Janitorial Labor	11,447	10,500	(947)
R&M - Rec Area and Gate Project	12,550	3,500	(9,050)
Clubhouse Expenses / Interior	9,459	8,000	(1,459)
Pool Service	8,841	10,000	1,159
TOTAL REPAIRS AND MAINTENANCE	42,297	32,000	(10,297)
UTILITIES			
Electric	37,929	36,927	(1,002)
Telephone	784	800	16
Sewer & Water - General	279,041	288,864	9,823
Reclaimed Water	16,263	23,300	7,037
TOTAL UTILITIES	334,017	349,891	15,874
CONTRACTS			
Grounds - Lawn Service	138,731	136,200	(2,531)
Grounds - Irrigation Repairs	21,777	6,000	(15,777)
Grounds - Lakes / Banks	6,214	5,000	(1,214)
Cable TV	189,784	183,168	(6,616)
TOTAL CONTRACTS	356,506	330,368	(26,138)
Total Operating Expenses	917,338	874,792	(42,546)
Excess Operating Expenses	$ (14,039)	$ -	$ (14,039)

See independent auditors' report.

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.

PROPOSED WORKING TRIAL BALANCE

December 31, 2024

ACCOUNT	CLIENT T/B		ADJUSTMENTS		CPA F/S	
TITLE	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
BALANCE SHEET						
ASSETS			-	-		
			-	-		
CASH - ALLIANCE ASSOC BANK - OPERATING 0.05% 3057	32,264		-	-	32,264	
CASH - STIFEL, NICOLAUS & CO, INC - OPERATING	128,905		-	-	128,905	
A/R - MAINT FEES	30,486		-	-	30,486	
A/R - LATE FEES	1,530		-	-	1,530	
A/R - ADMINISTRATIVE FEES	10		-	-	10	
A/R - PROPERTY CLEAN UP FEES	898		-	-	898	
ALLOWANCE FOR BAD DEBTS		26,881	-	-		26,881
PREPAID INSURANCE	44,210		-	12,454	31,756	
PREPAID EXPENSES	652		-	-	652	
PREPAID FEDERAL INCOME TAX	4,542		-	4,542	0	
			-	-		
CASH - RESERVE - STIFEL, NICOLAUS & CO, INC	2,961,447		-	2,725,000	236,447	
RESERVE - STIFEL, NICOLAUS & CO, INC - CDs	0		2,725,000	-	2,725,000	
CASH - RESERVE - ALLIANCE ASSOC BANK 0.05%	165,702		-	-	165,702	
			-	-		
INTEREST RECEIVABLE - CDs	0		27,077	-	27,077	
			-	-		
PROPERTY & EQUIPMENT	463,686		-	-	463,686	
ACCUMULATED DEPRECIATION		417,812	-	9,087		426,899
			-	-		
LIABILITIES AND FUND BALANCE			-	-		
			-	-		
ACCOUNTS PAYABLE		29,375	-	5,148		34,523
INSURANCE PAYABLE		12,454	12,454	-		0
INCOME TAX PAYABLE		19,946	2,626	-		17,320
UNEARNED REVENUE - PREPAID MEMBER ASSESSMENTS		19,538	-	-		19,538
UNEARNED REVENUE - CABLE REBATE		49,680	-	-		49,680
			-	-		
RESERVE - WASH / PAINT HOMES		672,815	-	-		672,815
RESERVE - STREETS		372,052	-	-		372,052
RESERVE - SIDEWALKS / CURBS		46,751	-	-		46,751
RESERVE - HOME WOODWORK		28,960	-	-		28,960
RESERVE - POOL & POOL AREA		139,758	-	-		139,758
RESERVE - LANDSCAPING SOD		94,875	-	-		94,875
RESERVE - RECREATION AREA		40,462	-	-		40,462
RESERVE - CLUBHOUSE INSUR DEDUCT		44,000	-	-		44,000
RESERVE - CLUBHOUSE		140,541	-	-		140,541
RESERVE - SEWER		562,904	-	-		562,904
RESERVE - WATER SYSTEM		564,801	-	-		564,801
RESERVE - SPRINKLERS / IRRIGATION		46,225	-	-		46,225
RESERVE - STORM DRAINS		316,908	-	-		316,908
RESERVE - LAKES AND BANKS		50,898	-	-		50,898
RESERVE - RECLAIM SYSTEM		3,000	-	-		3,000
RESERVE - TRUCKS / VEHICLES		2,200	-	-		2,200
RESERVE - INTEREST		0	-	23,210		23,210
			-	-		
FUND BALANCE - FIXED ASSETS		0	-	41,080		41,080
CURRENT YEAR DEPRECIATION	0		4,293	-	4,293	
			-	-		
RETAINED EARNINGS (FUND BALANCE)		139,623	43,159	-		96,464
CURRENT YEAR INCOME / LOSS - OPERATING FUND	8,127		5,912	-	14,039	
	$3,842,459	$3,842,459	$2,820,521	$2,820,521	$3,862,745	$3,862,745
	$0		$0		$0	

ENDING FUND BALANCE PER CPA F/S SHOULD EQUAL: $82,425

MAINLANDS OF TAMARAC BY THE GULF UNIT FIVE ASSOCIATION, INC.			
PROPOSED ADJUSTING JOURNAL ENTRIES			
December 31, 2024			
	CLIENT ACCOUNT NUMBER	DEBIT	CREDIT
1.1			
FUND BALANCE - OPERATING	4999-000	45,874	
ACCUMULATED DEPRECIATION	1890-000		4,794
FUND BALANCE - FIXED ASSETS	NEW		41,080
[To reconcile beginning fund balance - fixed asset]			
1.2			
INTEREST RECEIVABLE	1094-000	21,931	
FUND BALANCE - RESERVE INTEREST INCOME	3080-000		18,064
FUND BALANCE - OPERATING	4999-000		2,715
FUND BALANCE - ADMINISTRATIVE - CONDO FEES	4999-000		1,152
[To reconcile beginning fund balance - operating]			
2			
ACCRUED EXPENSE	2010-000	29,375	
FUND BALANCE - UTILITIES - SEWER & WATER	4999-000		23,458
FUND BALANCE - UTILITIES - RECLAIMED WATER	4999-000		855
FUND BALANCE - UTILITIES - ELECTRIC LIGHTS	4999-000		1,062
FUND BALANCE - ADMINISTRATIVE - AUDIT FEE	4999-000		4,000
[To eliminate accounts payable from prior year expenses]			
3			
FUND BALANCE - ADMINISTRATIVE - AUDIT FEE	4999-000	6,300	
ACCRUED EXPENSE	2010-000		6,300
[To accrue 2024 audit fee]			
4			
FUND BALANCE - CONTRACTS - CABLE TV	4999-000	12,960	
FUND BALANCE - CABLE INCOME	4999-000		12,960
[To reclass cable income out of cable expense] [Do not post - no effect]			
5			
INTEREST RECEIVABLE	1094-000	5,146	
FUND BALANCE - RESERVE INTEREST INCOME	3080-000		5,146
[To adjust accrued interest income to bring to portfolio statement balance]			
6			
CERTIFICATES OF DEPOSIT	1080-000	2,725,000	
CASH - RESERVE - STIFEL, NICOLAUS & CO, INC	1080-000		2,725,000
[To reclassify Certificates of Deposit] [Do not post - For presentation only]			
7			
FUND BALANCE - FIXED ASSETS - DEPRECIATION	NEW	4,293	
ACCUMULATED DEPRECIATION	1890-000		4,293
[To record estimated depreciation for the current year]			
8			
INSURANCE PAYABLE	2015-000	12,454	
PREPAID INSURANCE	1410-000		12,454
[To adjust insurance payable and prepaid insurance]			
9			
INCOME TAX PAYABLE	2010-000	19,946	
FUND BALANCE - ADMINISTRATIVE - TAXES FEDERAL INCOME	4999-000		19,946
[To eliminate paid 2023 income tax payable]			
10			
FUND BALANCE - ADMINISTRATIVE - TAXES FEDERAL INCOME	4999-000	17,330	
FUND BALANCE - ADMINISTRATIVE - TAXES STATE OF FL	4999-000	4,532	
INCOME TAX PAYABLE	2020-000		17,320
PREPAID FEDERAL INCOME TAX	1430-000		4,542
[To record estimated 2024 taxes]			
11			
FUND BALANCE - UTILITIES - SEWER & WATER GENERAL	4999-000	24,299	
FUND BALANCE - UTILITIES - RECLAIMED WATER	4999-000	2,568	
FUND BALANCE - UTILITIES - ELECTRIC	4999-000	1,356	
ACCRUED EXPENSE	2010-000		28,223
[To accrue 2024 expenses paid in 2025]			
		$2,933,364	$2,933,364