

**WALTON COURT
PROPERTY OWNERS' ASSOCIATION, INC.**

2261 SE BRASHFORD STREET

PORT ST. LUCIE, FL 34952

PHONE: (772) 335-7456

E-Mail: waltoncourtpsl@gmail.com

February 10, 2026

FINANCIAL STATEMENT FOR YEAR ENDING DECEMBER 31, 2025

Dear Walton Court Property Owner:

Enclosed is the Financial Statement for the year ending December 31, 2025, consisting of a Balance Sheet, Statement of Income and Expenses, Reserves Reports, and Notes to the Financial Statement. Also enclosed is the Budget for the Fiscal Year ending December 31, 2025, with no increase, keeping the quarterly assessments at \$600.00.

These statements were prepared for this Association at the direction of the Board of Directors in accordance with our governing documents.

A complete tabulation of all financial transactions is available in the Association Office for examination by any property owner, by appointment. Inquiries regarding the Financial Statement should be directed to the Board of Directors at the address of the Association.

Very truly yours,



BARBARA POHL

FOR THE BOARD OF DIRECTORS OF

WALTON COURT PROPERTY OWNERS' ASSOCIATION, INC.

Walton Court Property Owners' Association, Inc.
Balance Sheet As at 12/31/2025

ASSETS

CURRENT ASSETS

Bank of America - Operating	44,487.71	
PNC Bank - MM Reserves	15,476.35	
Bank of America - Checking Reserves	13,106.06	
Bank Of America -CD Reserves	79,979.59	
Bank of America - CD Reserves	<u>17,970.04</u>	
Cash: Total		171,019.75
Assessments Receivable		1,179.00
Petty Cash		200.00
FPL Deposit -Street Lights		<u>660.20</u>
TOTAL CURRENT ASSETS		<u>173,058.95</u>

TOTAL ASSETS 173,058.95

LIABILITIES

CURRENT LIABILITIES

Accounts Payable		0.00
Prepaid Maintenance		13,550.00
Key/Entry Device Deposits		6,091.53
FIT Payable		0.00
FICA Payable		0.00
FUTA Payable		0.00
SUTA Payable		<u>0.00</u>
TOTAL CURRENT LIABILITIES		<u>19,641.53</u>

TOTAL LIABILITIES 19,641.53

EQUITY

CAPITAL

Operating Capital		0.00
Reserve Capital		126,532.04
Retained Earnings		0.00
Current Earnings		<u>26,885.38</u>
EQUITY		<u>153,417.42</u>

TOTAL EQUITY 153,417.42

LIABILITIES AND EQUITY 173,058.95

Walton Court Property Owners' Association, Inc.
Income Statement Comparison of Actual to Budget January to December for Fiscal End 2025

	<u>Actual to 12/31/2025</u>	<u>Budget</u>	<u>Difference</u>
REVENUE			
REVENUE			
Assessments - Annual	300,000.00	300,000.00	0.00
Fines And Fees	453.02		
Assessments - New Resident	1,400.00	800.00	600.00
Retained Capital	18,462.07	18,462.07	0.00
Miscellaneous Income	1,500.00	500.00	1,000.00
Capital Contribution	<u>4,500.00</u>	<u>1,000.00</u>	3,500.00
SUB-TOTAL - REVENUE	<u>326,315.09</u>	<u>320,762.07</u>	5,553.02
TOTAL REVENUE	<u>326,315.09</u>	<u>320,762.07</u>	5,553.02
EXPENSE			
BUDGET ALLOCATION			
Bulk TV Cable Contract	95,027.46	95,000.00	27.46
Electric	14,615.00	15,000.00	-385.00
Water & Sewer	587.47	1,100.00	-512.53
Pool Service Contract	5,460.00	5,460.00	0.00
Pool Solar Expenses	600.00	1,200.00	-600.00
Pool Repairs/Permit	2,716.86	3,000.00	-283.14
Pool Supplies	0.00	200.00	-200.00
Gates Maint./Surveillance	2,853.74	4,000.00	-1,146.26
Hurricane Fund Expenses	0.00	2,500.00	-2,500.00
Property Repairs	1,748.60	5,260.07	-3,511.47
Property Supplies	966.70	600.00	366.70
Office Supplies/postage	1,513.60	1,200.00	313.60
Office Telephone	2,825.70	2,800.00	25.70
Office Pest Control	225.00	300.00	-75.00
Cleaning/Fungicide	0.00	5,000.00	-5,000.00
Lawn - Maint. Contract	83,941.40	84,300.00	-358.60
Lawn - Trees, Shrubs	510.00	962.00	-452.00
Lawn - Pond Service	1,800.00	2,000.00	-200.00
Culverts & Swales	19,425.00	19,000.00	425.00
Tax Expense	1,322.25	200.00	1,122.25
Wages	2,772.00	0.00	2,772.00
FICA Expense	211.97	0.00	211.97
FUTA Expense	16.79	0.00	16.79
SUTA Expense	2.77	0.00	2.77
Association Staffing	7,260.00	14,000.00	-6,740.00
Insurance	22,440.57	24,000.00	-1,559.43
Maintenance/Cleaning	2,795.00	2,500.00	295.00
Legal Expense	11.83	2,000.00	-1,988.17
Accounting & Admin.	9,120.00	9,120.00	0.00
Uncollectable Assessments	0.00	1,200.00	-1,200.00
Miscellaneous Expense	0.00	200.00	-200.00
Reserves - Roof Allowance	8,700.00	8,700.00	0.00
Reserves - St. Resurface	8,700.00	8,700.00	0.00
Reserves - Painting	240.00	240.00	0.00
Reserves - Pool Refurbish	<u>1,020.00</u>	<u>1,020.00</u>	0.00
SUB-TOTAL - EXPENSES	<u>299,429.71</u>	<u>320,762.07</u>	-21,332.36
TOTAL EXPENSE	<u>299,429.71</u>	<u>320,762.07</u>	-21,332.36
NET INCOME	<u>26,885.38</u>	<u>0.00</u>	26,885.38

**WALTON COURT PROPERTY OWNERS' ASSOCIATION, INC.
RESERVES REPORT - 2025 ACTIVITY**

CATEGORY BALANCE	JANUARY 1, 2025	CONTRIBUTION FOR 2025	DISBURSEMENTS FOR 2025	INTEREST APPLIED 2025	DEC. 31,2025 BALANCE
ROOF RESHINGLE	\$90,169.45	\$8,700.00	\$18,831.90	0.00	\$80,037.55
STREET RESURFACE	19,877.03	8,700.00	0.00	5,160.01	33,737.04
PAINTING	23,489.06	240.00	21,652.50	0.00	2,076.56
POOL REFURBISH	9,660.89	1,020.00		0.00	10,680.89
TOTAL	\$143,196.43	\$18,660.00	\$40,484.40	\$5,160.01	\$126,532.04

**WALTON COURT PROPERTY OWNERS' ASSOCIATION, INC.
RESERVES SCHEDULE FOR THE YEAR 2026**

CATEGORY	BALANCE DEC. 31, 2025	CONTRIBUTION FOR 2026	MONTHLY CONTRIBUTION
ROOF RESHINGLE	\$80,037.55	\$8,700.00	\$725.00
STREET RESURFACE	33,737.04	8700.00	725.00
COMMON AREAS PAINTING	2,076.56	3,600.00	300.00
POOL REFURBISH	10,680.89	1,200.00	100.00
TOTALS	\$126,532.04	\$22,200.00	\$1,850.00

WALTON COURT PROPERTY OWNERS' ASSOCIATION, INC.
(A HOMEOWNERS ASSOCIATION)
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Association uses the fund method of accounting, pursuant to Florida statutes, which requires that funds, such as Operating Funds and funds for future major repairs and replacements (Reserve Fund), be classified separately for accounting and reporting purposes.

The Operating 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.

The Reserve Fund is composed of assessments paid by unit owners to fund future replacements, major repairs and capital improvements.

Member Assessments: The assessments to owners for 2025 were based upon an equal allocation to each unit owner in the amount of \$2,400.00, payable at \$600.00 per calendar quarter.

The Association's policy is to place liens on the properties of unit owners whose assessments are more than 30 days past due. The Association's policy is to retain legal counsel to foreclose on unpaid liens.

The budget and member assessments are determined and approved by the Board of Directors. The Association retains excess operating funds at the end of each year for use in future operating periods, in accordance with IRS Revenue Ruling 70-604.

Interest Earned: Interest earned on Reserve Funds is allocated to the Reserve Fund. Interest earned on Operating Funds is allocated to the Operating Fund.

Income Tax: The Association is not taxed on amounts received as maintenance assessments.

However, all other amounts received do not qualify as assessment income, and are taxed net of related expenses.

Cash Flow: Cash consists of cash in Bank of America and PNC Banks in Port St. Lucie, FL.

NOTE 2 - ORGANIZATION AND PURPOSE:

Walton Court Property Owners' Association, Inc. a Florida not-for-profit-corporation was formed in 1983 to operate and maintain the common areas, and certain parts of the private living units. The facilities used by the unit owners are comprised of 19 acres of land with 125 individual living units thereon, a lake, a swimming pool, office, and meeting room. The community is gated with camera surveillance at both entrances and at the swimming pool. The Board of Directors forms all day-to-day policy decisions. Major policy decisions requiring any special assessments, authority to borrow or changes to the Association documents may be Amended by concurrence of not less than a majority of the entire Board of Directors, and a majority of the voting interests present in person or by proxy at a meeting. If the amendments were proposed by a written petition signed by the Owners pursuant to Section 16.1, then the concurrence of the Board of Directors shall not be required.

NOTE 3 - CONCENTRATION OF RISK:

The Association maintains cash deposits at Bank of America and PNC Banks. The FDIC up to \$250,000.00 for each account insures the total deposits. Deposits as of December 31, 2025 in any given account did not exceed the insured limit.

NOTE 4 - ASSESSMENTS RECEIVABLE/ACCOUNTS PAYABLE:

**As of December 31, 2025, the Association had (\$1179.00) Assessments Receivable.
As of December 31, 2025, the Association had (\$0.00) Accounts Payable.**

NOTE 5 - FUTURE MAJOR REPAIRS AND REPLACEMENTS:

The Association's governing documents and Florida statutes require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in a separate money market account and certificates of deposit totaling \$126,532.04. Reserve Capital on the Balance Sheet as of December 31, 2025 is recorded in this same amount.

The Board of Directors conducts studies to estimate the remaining useful lives and replacement costs of the components of common property, as well as certain components of the private living units, as defined in the Association Governing Documents. A Reserves Funding activity report for 2025 is submitted as part of this Financial Statement, as well as a schedule for the year 2026 Reserves Funding.

NOTE 6 - ACCOUNTING PRINCIPLES:

The Association practices the application of Generally Accepted Accounting Principles (GAAP), in the day-to-day activities of collecting and reporting financial data.

NOTE 7 - ACCOUNTING SOFTWARE:

The Accountant records all Accounting Data on a computer using Accounting Software licensed from Accpac International, a division of Computer Associates Inc., a leading publisher of accounting software.

This software has integrated modules, which maintain a General Ledger, Accounts Receivable, Accounts Payable, Payroll, Budgeting and Reporting. The software will not allow forced or adjusting entries without creating a journal record to record the transaction, making the financial statements and computer generated reports easy to audit and acceptable to Financial Accounting Standards Board (FASB). Complete printouts of all General Ledger and Journal entries are available for inspection by any unit owner, by appointment in the Association office.

NOTE 8 - ACCOUNTABILITY:

The Association Board of Directors is responsible for implementing safeguards for the receipt and disbursements of Association funds. To this effort three Directors review a periodic assessments receivable aging report individually. The Accountant prepares disbursements checks. Two signatures are required on each check by two Directors. Financial Statements are available at the office for inspection each month. These reports include, in addition to the above, a Balance Sheet, Income Statement and Budget Allocation Report. The Board of Directors is covered by a Surety Bond underwritten by the Association's Insurance Company, a CAM license (Community Association Manager) is held by the individual who handles the bookkeeping and accounting tasks for the Association as required by Florida statutes.

NOTE 9 - TAXES:

The Association is not taxed on maintenance assessment income. The 2025 Budget provided for adequate funds to cover the tax on other income of the Association. Federal and State tax reports were filed in a timely manner. The Association, meeting the requirements of IRS Revenue Service Section 528, has elected to file Federal Corporation Taxes using IRS Form 1120-H.

NOTE 10 - ASSOCIATION BUDGET:

A compilation of 2025 Income and Expenses showing Budget Amounts, Actual Amounts and Differences are submitted to owner members as part of this report, in accordance with the Association's governing documents.

The Board of Directors approved a new Budget for 2026, and it was distributed to the member owners in December 2025, also as required by the Association's governing documents. An amended 2026 Budget includes adjusted Capital excess from 2025, and is enclosed with this Financial Statement.

NOTE 11 - INSURANCE:

Association common property and liability is covered by a Condominium fire and extended coverage policy. This classification of policy also covers "Homeowner Associations", such as Walton Court Property Owners' Association, Inc. The Association is also covered under an Excess Liability policy, also known as an Umbrella policy, and a Workmen's Compensation policy, with a Volunteer Endorsement. The Board of Directors believes that the policy limits are adequate to cover replacements of any lost or damaged peril, and to adequately protect the Association from reasonable liability claims. The Association also carries Officers and Directors Liability Policy, as well as a Fiduciary Bond covering the Officers, Directors and Employees of the Association. The Association has no coverage for rising waters; also know as Flood Insurance. We are no longer considered in a flood zone.

**WALTON COURT PROPERTY OWNERS' ASSOCIATION, INC.
2026 REVISED BUDGET**

INCOME

MAINTENANCE ASSESSMENTS	300,000
NEW RESIDENT ASSESSMENTS	1,000
RETAINED CAPITAL	26,885
MISCELLANEOUS INCOME	600
CAPITAL CONTRIBUTION	3,000

TOTAL INCOME **\$331,485**

EXPENSE

BULK CABLE TV CONTRACT	100,000
ELECTRIC	16,000
WATER & SEWER	1,000
POOL - SERVICE CONTRACT	6,000
POOL SOLAR EXPENSES	1,200
POOL - REPAIRS	4,000
POOL - SUPPLIES	200
GATES MAINT./SECURITY	3,200
HURRICANE FUND EXPENSES	3,000
PROPERTY REPAIRS	5,000
PROPERTY SUPPLIES	1,000
OFFICE SUPPLIES/POSTAGE	1,500
OFFICE TELEPHONE	3,000
OFFICE PEST CONTROL	300
CLEANING/FUNGICIDE	4,500
LAWN - MAINTENANCE CONTRACT	87,000
LAWN - TREES, SHRUBS	3,000
POND SERVICE	2,000
CULVERTS & SWALES	13,685
TAX EXPENSE	1,400
ASSOCIATION STAFFING	9,360
INSURANCE	24,000
MAINTENANCE/CLEANING	2,500
LEGAL	3,000
ACCOUNTING & ADMINISTRATION	12,000
UNCOLLECTIBLE ASSESSMENTS	1,200
MISCELLANEOUS	240
RESERVES - ROOF RESHINGLE	8,700
RESERVES - STREET RESURFACE	8,700
RESERVES - PAINTING	3,600
RESERVES - POOL REFURBISH	1,200

TOTAL EXPENSES **\$ 331,485**

**QUARTER
\$ 600**