

**2444 Madison Road Condominium
Owners' Association, Inc.**

**Financial Statements and Supplementary
Information for the Years Ended
December 31, 2024 and 2023
and Independent Auditors' Report**



LOCEY, MITCHELL
— & Associates —
CERTIFIED PUBLIC ACCOUNTANTS

Connecting with the Community

**2444 Madison Road Condominium Owners' Association, Inc.
For the Years Ended December 31, 2024 and 2023**

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Independent Auditors' Report

To the Board of Directors
2444 Madison Road Condominium Owners' Association, Inc.
Cincinnati, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of 2444 Madison Road Condominium Owners' Association, Inc., which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of revenues, expenses and accumulated changes of revenues over expenses and cash flows for the years 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 2444 Madison Road Condominium Owners' Association, Inc. as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 2444 Madison Road Condominium Owners' 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.

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 2444 Madison Road Condominium Owners' 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.

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 auditors' 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 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 2444 Madison Road Condominium Owners' 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about 2444 Madison Road Condominium Owners' Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with accounting principles generally accepted in the United States of America to those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Other Expenses and Schedules of Common Area Improvements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted

in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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, 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.

Locey, Mitchell & Associates, Ltd.
Certified Public Accountants
Cincinnati, OH
March 7, 2025

2444 Madison Road Condominium Owners' Association, Inc.

Balance Sheets

December 31, 2024 and 2023

	December 31, 2024					December 31, 2023				
	2024 Operating Funds		2024 Replacement Funds		2024 Total	2023 Operating Funds		2023 Replacement Funds		2023 Total
	Tower	Square	Tower	Square		Tower	Square	Tower	Square	
Assets										
Cash and cash equivalents	\$ 348,122	\$ 35,900	\$ 257,396	\$ 472,431	\$ 1,113,849	\$ 412,862	\$ 23,128	\$ 938,355	\$ 271,764	\$ 1,646,109
Prepaid expenses	177,933	41,894	-	-	219,827	163,483	39,163	-	-	202,646
Due from (to) Tower/Square	87,396	(87,396)	-	-	-	58,689	(58,689)	-	-	-
Certificates of deposit	-	-	-	528,096	528,096	-	-	500,066	757,451	1,257,517
Property and equipment										
Accounting office and multipurpose room	10,000	-	-	-	10,000	10,000	-	-	-	10,000
Beauty parlor	82,000	-	-	-	82,000	82,000	-	-	-	82,000
Equipment	237,502	18,143	-	-	255,645	226,449	18,143	-	-	244,592
Vehicles	39,916	18,784	-	-	58,700	39,916	18,784	-	-	58,700
Cabanas and garages	2,416	-	-	-	2,416	2,416	-	-	-	2,416
Furniture and fixtures	75,912	-	-	-	75,912	75,912	-	-	-	75,912
Improvements-decorating	5,952	-	-	-	5,952	5,952	-	-	-	5,952
Fitness center	163,922	-	-	-	163,922	163,922	-	-	-	163,922
Total property and equipment	617,620	36,927	-	-	654,547	606,567	36,927	-	-	643,494
Less: accumulated depreciation	340,280	27,714	-	-	367,994	311,276	23,360	-	-	334,636
Net property and equipment	277,340	9,213	-	-	286,553	295,291	13,567	-	-	308,858
Other assets										
Liquor license	30,000	-	-	-	30,000	30,000	-	-	-	30,000
Deposits	1,670	-	-	-	1,670	1,670	-	-	-	1,670
Total other assets	31,670	-	-	-	31,670	31,670	-	-	-	31,670
Total Assets	\$ 922,461	\$ (389)	\$ 257,396	\$ 1,000,527	\$ 2,179,995	\$ 961,995	\$ 17,169	\$ 1,438,421	\$ 1,029,215	\$ 3,446,800

See notes to the financial statements.

2444 Madison Road Condominium Owners' Association, Inc.

Balance Sheets (continued)

December 31, 2024 and 2023

	December 31, 2024					December 31, 2023				
	2024 Operating Funds		2024 Replacement Funds		2024	2023 Operating Funds		2023 Replacement Funds		2023
	Tower	Square	Tower	Square	Total	Tower	Square	Tower	Square	Total
Liabilities										
Accounts payable	\$ 169,503	\$ 10,344	\$ 503,778	\$ -	\$ 683,625	\$ 132,898	\$ 7,638	\$ 747,810	\$ -	\$ 888,346
Prepaid assessments	216,248	13,786	-	-	230,034	189,094	8,405	-	-	197,499
Accrued expenses	172	5	2,998	6,990	10,165	1,284	21	8,407	3,272	12,984
Deposits	15,150	810	-	-	15,960	14,430	795	-	-	15,225
Contract liabilities (assessments received in advance-replacement fund)	-	-	-	993,537	993,537	-	-	682,204	1,025,943	1,708,147
Total liabilities	401,073	24,945	506,776	1,000,527	1,933,321	337,706	16,859	1,438,421	1,029,215	2,822,201
Fund Balances										
Accumulated changes of revenues over expenses (expenses over revenues)	521,388	(25,334)	(249,380)	-	246,674	624,289	310	-	-	624,599
	521,388	(25,334)	(249,380)	-	246,674	624,289	310	-	-	624,599
Total Liabilities and Fund Balances	\$ 922,461	\$ (389)	\$ 257,396	\$ 1,000,527	\$ 2,179,995	\$ 961,995	\$ 17,169	\$ 1,438,421	\$ 1,029,215	\$ 3,446,800

See notes to the financial statements.

2444 Madison Road Condominium Owners' Association, Inc.

**Statements of Revenues, Expenses and Accumulated Changes of Revenues over Expenses
For the Years Ended December 31, 2024 and 2023**

	2024 Operating Funds		2024 Replacement Funds		2024	2023 Operating Funds		2023 Replacement Funds		2023
	Tower	Square	Tower	Square	Total	Tower	Square	Tower	Square	Total
Revenues										
Owner assessments	\$ 2,184,515	\$ 268,764	\$ 1,236,192	\$ 209,463	\$ 3,898,934	\$ 2,100,498	\$ 253,842	\$ 851,830	\$ 79,068	\$ 3,285,238
Garage assessments	169,200	-	-	-	169,200	169,200	-	-	-	169,200
Utility assessments	344,296	-	-	-	344,296	337,543	-	-	-	337,543
Cable television assessments	176,292	47,795	-	-	224,087	161,865	43,883	-	-	205,748
Restaurant and beauty shop rental	87,925	-	-	-	87,925	84,435	-	-	-	84,435
Maintenance services	45,946	5,508	-	-	51,454	44,190	6,001	-	-	50,191
Antenna income	46,259	-	-	-	46,259	46,259	-	-	-	46,259
Pool membership	2,938	-	-	-	2,938	2,200	-	-	-	2,200
Interest income	4,483	-	49,455	46,504	100,442	53	-	21,506	26,342	47,901
Late fees	4,779	495	-	-	5,274	3,034	625	-	-	3,659
Vending, miscellaneous and other	42,490	3,898	-	-	46,388	22,163	15,363	-	-	37,526
Total Revenues	3,109,123	326,460	1,285,647	255,967	4,977,197	2,971,440	319,714	873,336	105,410	4,269,900
Expenses										
Payroll and related costs	1,166,419	53,025	-	-	1,219,444	1,056,503	45,944	-	-	1,102,447
Utilities	243,198	4,124	-	-	247,322	191,373	2,977	-	-	194,350
Maintenance	512,540	106,595	-	-	619,135	549,091	97,775	-	-	646,866
Management and administrative	65,359	6,183	201	31	71,774	61,498	10,883	-	-	72,381
Recreational expenses	67,519	-	-	-	67,519	64,974	-	-	-	64,974
Other (see supplemental schedule)	1,068,017	163,784	-	-	1,231,801	996,523	144,161	-	-	1,140,684
Common area improvements (see supplemental schedule)	-	-	1,543,069	264,607	1,807,676	-	-	838,865	121,353	960,218
Depreciation	29,004	4,354	-	-	33,358	33,199	3,714	-	-	36,913
Real estate taxes	23,634	-	-	-	23,634	18,190	-	-	-	18,190
Federal and local income taxes	-	-	28,091	5,368	33,459	-	-	20,454	5,192	25,646
Total Expenses	3,175,690	338,065	1,571,361	270,006	5,355,122	2,971,351	305,454	859,319	126,545	4,262,669
Excess of revenues over expenses (expenses over revenue)	(66,567)	(11,605)	(285,714)	(14,039)	(377,925)	89	14,260	14,017	(21,135)	7,231
Beginning accumulated changes of revenues over expenses (expenses over revenues)	624,289	310	-	-	624,599	610,183	7,185	-	-	617,368
Transfer between funds - fixed assets and other	(36,334)	221	36,334	(221)	-	49,343	(8,154)	(49,343)	8,154	-
Transfer between funds - prior year operating excess	-	(14,260)	-	14,260	-	(35,326)	(12,981)	35,326	12,981	-
Ending Accumulated Changes of (Expenses over Revenues) Revenues over Expenses	\$ 521,388	\$ (25,334)	\$ (249,380)	\$ -	\$ 246,674	\$ 624,289	\$ 310	\$ -	\$ -	\$ 624,599

See notes to the financial statements.

2444 Madison Road Condominium Owners'
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	2024 Operating Funds		2024 Replacement Funds		2024	2023 Operating Funds		2023 Replacement Funds		2023
	Tower	Square	Tower	Square	Total	Tower	Square	Tower	Square	Total
Cash Flows from Operating Activities										
Changes of (expenses over revenue) revenues over expenses	\$ (66,567)	\$ (11,605)	\$ (285,714)	\$ (14,039)	\$ (377,925)	\$ 89	\$ 14,260	\$ 14,017	\$ (21,135)	\$ 7,231
Adjustments to reconcile changes of revenues to net cash and cash equivalents provided by (used for) operating activities:										
Depreciation	29,004	4,354	-	-	33,358	33,199	3,714	-	-	36,913
Change in assets and liabilities										
Assessments receivable	-	-	-	-	-	4,835	691	1,650,000	-	1,655,526
Rents and other receivable	(1,128)	-	-	-	(1,128)	1,128	(3,376)	-	1,402	(846)
Prepaid expenses	(14,450)	(2,731)	-	-	(17,181)	(14,387)	-	-	-	(14,387)
Deposits	-	-	-	-	-	-	3,143	-	-	3,143
Accounts payable	36,605	2,706	(244,032)	-	(204,721)	17,882	(862)	(1,591,190)	-	(1,574,170)
Accrued expenses	16	(16)	-	-	-	(24,675)	2,662	-	-	(22,013)
Prepaid assessments	27,154	5,381	-	-	32,535	23,605	120	-	-	23,725
Deposits held	720	15	-	-	735	540	-	-	86,021	86,561
Contract liabilities	-	-	(682,204)	(32,406)	(714,610)	-	-	(329,203)	3,272	(325,931)
Accrued taxes	-	-	(5,409)	3,718	(1,691)	-	-	5,767	-	5,767
Net cash and cash equivalents provided by (used for) operating activities	11,354	(1,896)	(1,217,359)	(42,727)	(1,250,628)	42,216	20,352	(250,609)	69,560	(118,481)
Cash Flows from Investing Activities										
Purchase of equipment	(11,053)	-	-	-	(11,053)	(35,510)	(11,381)	-	-	(46,891)
Net cash and cash equivalents used for investing activities	(11,053)	-	-	-	(11,053)	(35,510)	(11,381)	-	-	(46,891)
Cash Flows from Financing Activities										
Proceeds from sales of certificates of deposits	-	-	500,066	229,355	729,421	-	-	226,555	(266,306)	(39,751)
Interfund borrowing	-	221	-	(221)	-	73,644	(2,134)	(73,644)	2,134	-
Intercompany borrowing	(28,707)	28,707	-	-	-	(7,454)	7,454	-	-	-
Interfund transfers	(36,334)	(14,260)	36,334	14,260	-	7,997	(12,981)	(7,997)	12,981	-
Net cash and equivalents (used for) provided by financing activities	(65,041)	14,668	536,400	243,394	729,421	74,187	(7,661)	144,914	(251,191)	(39,751)
Net Change in Cash and Cash Equivalents	(64,740)	12,772	(680,959)	200,667	(532,260)	80,893	1,310	(105,695)	(181,631)	(205,123)
Cash and Cash Equivalents - beginning of the year	412,862	23,128	938,355	271,764	1,646,109	331,969	21,818	1,044,050	453,395	1,851,232
Cash and Cash Equivalents - end of the year	\$ 348,122	\$ 35,900	\$ 257,396	\$ 472,431	\$ 1,113,849	\$ 412,862	\$ 23,128	\$ 938,355	\$ 271,764	\$ 1,646,109

See notes to the financial statements.

2444 Madison Road Condominium Owners' Association, Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2024 and 2023

1. Organization

2444 Madison Road Condominium Owners' Association, Inc. (the "Association") is a statutory condominium association, located in Cincinnati, Ohio, organized as an Ohio nonprofit corporation in February 1984 for the purpose of maintaining and preserving the common property of its owners. The common property includes the land and all the buildings, improvements, easements, hot water heaters, air-conditioning equipment and gas furnaces serving the units and all pipes, wires and ducts extending from such equipment to each unit, the commercial space, the garage, the pool, the recreation room and two apartments located on the first floor of the high-rise building. The high-rise building (The Tower) consists of 228 residential units and 8 commercial units. The low-rise building (The Square) consists of 61 residential units.

2. Summary of Significant Accounting Policies

Fund Accounting – 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 designed for future major repairs and replacements.

Member Assessments – Association owners are subject to monthly assessments to provide funds for the Association's operating expenses, utility fees, future capital acquisitions, 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 is 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.

Assessments receivable at the balance sheet date represent fees due from unit owners. Prepaid assessments represent assessments paid by the unit owners in advance of their due date. The Association's policy is to assess a late fee of \$25 plus 0.67% interest on delinquent assessments after the assessment is ten days past due. The Association retains legal counsel and places liens on the properties of homeowners whose assessments are seventy days or more delinquent. Any excess operating assessments at year-end are retained by the Association and transferred to the replacement fund for use in the succeeding year to pay for future major repairs and replacements.

Property and Equipment – Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual owners in common and not by the Association. The Association capitalizes real property in which they hold the title, can dispose of the property and retain the proceeds. The Association capitalizes personal property and real property at cost and depreciates property using the straight-line method over its useful life ranging from five to thirty years.

Contract Liabilities (assessments received in advance-replacement fund) – The Association recognizes revenue from owners 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. Reconciliation of reserve assessments recorded in accordance with revenue recognition standards and amount billed to owners are as follows:

	Tower		Square	
	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2024</u>	<u>12/31/2023</u>
Reserve assessments billed to owners	\$ 553,988	\$ 522,627	\$177,057	\$165,089
Adjustment to contract liabilities	<u>682,204</u>	<u>329,203</u>	<u>32,406</u>	<u>(86,021)</u>
Reserve assessments recorded in the Statements of Revenues, Expenses and Accumulated Changes of Revenues over Expenses	<u>\$1,236,192</u>	<u>\$ 851,830</u>	<u>\$209,463</u>	<u>\$ 79,068</u>

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Leases – The Association has elected to apply the short-term lease exception to all leases paid with a term of one year or less.

Cash Equivalents – For the purpose of the statements of cash flows, the Association considers all investment instruments purchased with original maturities of three months or less to be cash equivalents. At December 31, 2024 and 2023, cash equivalents existed in money market accounts of \$428,505 and \$82,627, respectively.

Supplemental Cash Flow Information – Cash paid for taxes for the years ended December 31, 2024 and 2023 are \$33,547 and \$15,110, respectively.

3. Future Major Repairs and Replacements

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in separate savings accounts and certificates of deposits and generally are not available to fund expenditures for normal operations.

The Association's management and board conduct ongoing studies to determine the remaining useful lives of the components of common property and estimates of the cost of major repairs and

replacements that may be required in the future. They have developed a plan to fund future needs based on these studies and ongoing evaluations of common property components. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts designated for future repairs and replacements may not be adequate to meet the future needs. If additional funds are needed, however, the Association has the right, subject to owner approval, to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

4. Concentration of Credit Risk

The Association maintains its cash in financial institutions insured by Federal Deposit Insurance Company. Deposit accounts, 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 on cash and cash equivalents.

5. Federal Taxes

Condominium associations may be taxed either as homeowners' associations or as regular corporations. For the years ended December 31, 2024 and 2023, the Association filed its income tax return as a regular corporation. As a regular corporation, membership income is exempt from taxation if certain elections are made, and the Association is taxed only on its non-membership income, such as interest earnings or commercial rental income, at regular federal corporate rates. For the year ended December 31, 2024 and 2023, the Association has excess income over expenses for the maintenance of common property of approximately \$26,000 and \$60,000, respectively. The deficit each year will be carried forward and used to offset future expenses when the Association files as a regular corporation. The accumulated net deficit available to carryforward to 2025 is approximately \$827,000.

The Association is required to file and does file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Association has no other tax positions which must be considered for disclosure. The Association holds no uncertain tax positions and, therefore, has no policy for evaluating them.

6. Certificates of Deposit

The Association holds the following certificates of deposit:

<u>Term</u>	<u>Interest Rate</u>	<u>Balance at 12/31/2024</u>	<u>Balance at 12/31/2023</u>
February 2023 – January 2024	4.10%	-	250,000
August 2023 – January 2024	4.98%	-	250,066
August 2023 – March 2024	5.00%	-	245,644
December 2023 – May 2025	5.15%	-	258,944
December 2023 – December 2024	5.25%	-	252,863
September 2024 – June 2025	3.50%	261,731	-
December 2024 – December 2025	3.87%	<u>266,365</u>	-
Total certificates of deposit		<u>\$ 528,096</u>	<u>\$1,257,517</u>

7. Commercial Leases

The Association is the lessor of commercial and rooftop spaces under various operating leases. Minimum future rentals to be received for the next five years and in the aggregate, recognized under a method which approximates straight-line, is as follows:

2025	\$ 130,967
2026	105,672
2027	93,627
2028	65,286
2029	23,759
Thereafter	<u>456,289</u>
Total minimum future rental	<u>\$ 875,600</u>

8. Insurance Loss

In July 2022, the Tower sustained an estimated \$4,750,000 in damages due to a water main break in the building. The Association recognized a loss of approximately \$100,000 as a result of the damage and disruptions, representing, in the aggregate, the property damage insurance deductible. This amount has been recorded as an expense in major repairs and improvements on the December 31, 2022 financial statements. At December 31, 2024 and 2023 all insurance proceeds have been received and the remaining balance of the insurance loss accrual of approximately \$208,000 and \$615,000, respectively, is recorded in accounts payable on the balance sheets.

9. Date of Management's Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through March 7, 2025, the date that the financial statements were available to be issued.

**Supplementary
Information**

2444 Madison Road Condominium Owners' Association, Inc.

Schedules of Other Expenses

For the Years Ended December 31, 2024 and 2023

	2024 Operating Funds			2023 Operating Funds		
	Tower	Square	Total	Tower	Square	Total
Doorman service	\$ 190,018	\$ -	\$ 190,018	\$ 182,679	\$ -	\$ 182,679
Valet service	216,656	-	216,656	197,188	-	197,188
Patrol service	30,412	11,839	42,251	26,228	8,905	35,133
Water and sewer	143,758	35,942	179,700	119,734	30,030	149,764
Insurance	242,500	59,171	301,671	224,103	54,698	278,801
Decorating expense	7,004	-	7,004	6,159	-	6,159
Cable television	156,561	48,275	204,836	149,172	42,733	191,905
Trash removal	19,521	5,121	24,642	19,909	4,740	24,649
Social activities	11,350	445	11,795	6,765	-	6,765
Water treatment	17,748	-	17,748	12,677	-	12,677
Vehicle and maintenance equipment	4,429	997	5,426	3,531	980	4,511
Fire protection	17,479	1,994	19,473	21,372	2,079	23,451
Beauty parlor expenses	10,581	-	10,581	14,506	-	14,506
Bad debts	-	-	-	12,500	-	12,500
Miscellaneous operating/maintenance	-	-	-	-	(4)	(4)
Total	\$ 1,068,017	\$ 163,784	\$ 1,231,801	\$ 996,523	\$ 144,161	\$ 1,140,684

See notes to the financial statements and independent auditors' report.

2444 Madison Road Condominium Owners' Association, Inc.

Schedules of Common Area Improvements

For the Years Ended December 31, 2024 and 2023

	2024 Replacement Funds			2023 Replacement Funds		
	Tower	Square	Total	Tower	Square	Total
Concrete/asphalt	\$ 27,901	\$ 154,624	\$ 182,525	\$ -	\$ -	\$ -
Landscape improvements	-	17,460	17,460	18,085	6,747	24,832
Garage	-	-	-	81,203	-	81,203
Elevator modifications	5,000	-	5,000	-	-	-
Vinyl siding - windows	-	2,882	2,882	-	-	-
Awnings	24,784	-	24,784	-	-	-
Balcony repair	1,032,775	-	1,032,775	-	-	-
Building exterior	-	-	-	14,350	-	14,350
Furnace - A/C replacement	-	8,022	8,022	-	48,050	48,050
Spandels	367,910	-	367,910	-	-	-
Camera system	26,436	-	26,436	-	-	-
Lot #2 repair	-	-	-	342,685	-	342,685
Painting and headers	-	32,756	32,756	-	-	-
Lot #1 Boardwalk	-	-	-	59,663	-	59,663
Brick	-	3,000	3,000	-	-	-
Signs	-	5,376	5,376	-	-	-
Roofs/decks	-	-	-	-	25,891	25,891
Street light replacements	43,010	-	43,010	3,149	-	3,149
Patios	-	200	200	-	-	-
Outside lights and cameras	-	40,143	40,143	-	-	-
Domestic hot water heater	-	144	144	-	1,620	1,620
Lobby, hall, mailroom upgrade	15,253	-	15,253	319,730	-	319,730
Foundation	-	-	-	-	39,045	39,045
Total	\$ 1,543,069	\$ 264,607	\$ 1,807,676	\$ 838,865	\$ 121,353	\$ 960,218

See notes to the financial statements and independent auditors' report.

2444 Madison Road Condominium Owners' Association, Inc.

Supplementary Information on Future Major Repairs and Replacements (Unaudited)

December 31, 2024

The Association's board of directors conducts an ongoing study throughout the year 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 end of their useful lives. Estimated current replacement costs do not take into account the effects of inflation between the current date and the date that the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property. (Amounts are rounded to the nearest hundred dollar).

ITEMS	ESTIMATED REMAINING USEFUL LIFE (YEARS)	ESTIMATED FUTURE REPLACEMENT COST	ESTIMATED 2025 FUNDING REQUIREMENTS
TOWER			
HVAC Equipment	1 to 12	\$ 6,654,000	\$ 247,200
Plumbing and electrical	1 to 11	2,095,000	68,900
Pool equipment	1 to 17	207,000	8,500
Fire equipment	1 to 31	460,000	22,200
Building exterior	1 to 21	7,828,500	299,300
Building interior	1 to 14	4,330,500	180,300
		<u>21,575,000</u>	<u>826,400</u>
SQUARE			
Exterior of buildings	1 to 19	2,637,200	118,100
HVAC equipment	1 to 11	1,228,300	51,500
Miscellaneous	1 to 19	1,539,700	74,300
		<u>5,405,200</u>	<u>243,900</u>
Total		<u>\$ 26,980,200</u>	<u>\$ 1,070,300</u>

See notes to the financial statements and independent auditors' report.



LOCEY, MITCHELL

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make communities thrive!

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