



NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of Grand Panama Beach Resort will be held on the following date, time, and location:

Date: Thursday May 21, 2026 // **Time:** 5:00pm CST // **Location:** 11800 Front Beach Rd. Panama City Beach, FL 32407, Tower II Conference Room

Join Zoom Meeting: <https://us06web.zoom.us/j/82502383944?pwd=KOWZv9HwO2qT5c1zyl2ULoMHpa8Whb.1&jst=1>

Meeting ID: 825 0238 3944

Passcode: 898696

One tap mobile:

+13017158592,,82502383944#,,,,*898696# US

AGENDA

1. CALL TO ORDER
2. ESTABLISH QUORUM
3. APPROVAL OF MINUTES 03/19/2026 and 04/16/2026
4. OFFICERS REPORT
5. PROPERTY MANAGER'S REPORT

OLD BUSINESS

6. CENTURY FIRE PROTECTION

NEW BUSINESS

7. 2025 AUDIT DRAFT
8. FNC ACCOUNT
9. T1 & T2 POOL REPAIRS
10. VENDING MACHINES
11. NEW WEBSITE HOST
12. GENERATORS & PREVENTATIVE MAINTENANCE
13. FINE POLICY - FAILURE TO REGISTER / UNIT ACCESS

ON MONDAY MAY 18, 2026, THE NOTICE OF THE GRAND PANAMA BEACH RESORT BOARD OF DIRECTORS MEETING WAS POSTED AT TOWER I AND TOWER II COMMUNICATION BOARDS IN ACCORDANCE WITH FLORIDA STATUTE 718. // **Submitted by: SHELLEY RICHARDS CMCA, CAM**

The Board permits owners up to three minutes to comment on an agenda item after the Board has completed its discussion and after a motion and second have been made.



**Grand Panama Beach Resort
Condominium Association, INC.**

Board of Directors Meeting

Thursday, March 19, 2026, 5:00pm CST 11800
Front Beach Rd | Panama City Beach, FL 32407

MINUTES

Board Members Present (in person):

Henry "Darrell" Caudill – Secretary
Louis "Brad" Coleman – President
Phil Brogan – Treasurer
Gary Middleton – Director

Board Members' Present (VIA ZOOM):

James Eagleson – Vice President
William "Ron" Kibble – Director

FirstService Residential:

Lindsay Williams, Association Manager

Homeowners' Present (in person): 7

Homeowners' Present (VIA ZOOM):

CALL TO ORDER

Mrs. Williams called the meeting to order at 5:05pm CST.

QUORUM

Mrs. Williams stated a quorum was established with six of the seven of the Board members present. Mr. Knoll was absent

PROOF OF NOTICE

Mrs. Williams did post notice on March 16, 2026, at Tower I and Tower II community message boards, as well as sent out a community-wide email on March 16, 2026, to inform the owners about the meeting.

APPROVAL OF PRIOR MINUTES 02.19.2025

Mr. Caudill made a motion to approve the minutes of 02.19.2026 as written. Mr. Eagleson seconded the motion. The motion carried unanimously.

OFFICERS REPORT

There are currently inadequate internal control procedures. Mr. Coleman discussed issues with First Service regarding financial statements, improper collection of assessments, specifically special assessments. Additionally, there are concerns with punctually dispersing payments. There were 5 months or more of missed payments, creating late payment fee and collection fees. Mr. Coleman discussed elevator not working for over 3 weeks because the vendor refused to make repairs due to payment. Mr. Coleman stated there were inadequate internal procedures, specifically unanswered phone calls or emails. Hiring practices are also inadequate due to lack of oversight of team activity or maintenance logs as requested. Additionally, the pool lacks proper maintenance, staff is leaving and no training is taking place. Due to the deficiencies noted, a 30-day deficiency notice was sent to FirstService Residential. Jason Bennett, Andy Sorenson and Lindsay have created a plan to address these issues and make corrections. Mr. Middleton stated he would like to see a better process.

TREASURES REPORT

Mr. Brogan noted the January financials showed 12,280 at front desk for resort fees due to better collection methods as well as using Park N spot. The Special Assessment has been paid off. There is approximately 27,000 out standing from owners for the special assessment. Due to the co-mingling funds, it is hard to determine exactly how much was owed. Owners have been sent to collections and two are in foreclosure due to non-payment. Mr. Coleman noted that the collection practices have been acceptable. Collections have decreased from \$100,000 to just under \$70,000. Mr. Brogan stated contract labor is over for the month of February of approximately \$2,000.

MANAGER'S REPORT

Mrs. Williams stated she would like to decline giving the manager's report.

OLD BUSINESS

EXTERIOR REPAIRS

Tower 1 and Tower 2 columns as well as the sky bridge needs repairs. There are two general contractors for bid, Southern Wall systems and Seashore construction. Mr. Coleman and Mr. Caudill met with both contractors. BECI is managing the project, and they also recommended Seashore Construction. Mr. Kibble made a motion to accept the Seashore bid for exterior repairs. Mr. Caudill seconded the motion and the motion passed unanimously.

TOWER 1 GENERATOR

Tower I Generator bid was approved at the 02/19/2026 board meeting. A 5 year extended warranty needs to be decided on for the new generator. Mr. Kibble made a motion not to accept the extended warranty. Mr. Brogan seconded the motion and the motion passed unanimously.

PRO-COM SOLUTIONS

Pro Comm contract is up for renewal. Mr. Coleman was able to negotiate a lower contract price. Additionally, there is a need for cameras in the hallways. Mr. Brogan made the motion to approve the pro-com contract and add cameras in the hallways. Mr. Caudill seconded the motion and the motion passed.

NEW BUSINESS

BULK ITEM DISPOSAL

A bulk trash plan was discussed. There will be a holding area in the standalone garage storage room for bulk trash items and owners can pay through the Park N Spot system. Mr. Caudill made a motion to approve the bulk trash item policy. Mr. Eagleson seconded the motion and the motion passed unanimously.

FIRE PROTECTION SYSTEMS REPLACEMENT

The board proposed to table this agenda item until next meeting.

ADJOURNMENT

With no further business to come before the board, Mr. Brogan made a motion to adjourn the meeting at 6:38pm CST. The motion was seconded by Mr. Middleton. All were in favor, and the motion carried unanimously.

**Presented by: FirstService Residential
Lindsay Williams,
Association Manager**



**Grand Panama Beach Resort
Condominium Association, INC.**

Board of Directors Meeting

Thursday, April 16, 2026, 5:00pm CST
11800 Front Beach Rd | Panama City Beach, FL 32407

MINUTES

Board Members Present (in person):

Henry "Darrell" Caudill – Secretary
Louis "Brad" Coleman – President
Phil Brogan – Treasurer
William "Ron" Kibble – Director
Gary Middleton – Director

Board Members' Present (VIA ZOOM):

James Eagleson – Vice President
Chuck Knoll - Director

FirstService Residential:

Shelley Richards, Association Manager

Homeowners' Present (in person): 7

Homeowners' Present (VIA ZOOM):

CALL TO ORDER

Mrs. Richards called the meeting to order at 5:12pm CST.

QUORUM

Mrs. Richards stated a quorum was established with all seven of the Board members present.

PROOF OF NOTICE

Mrs. Richards did post notice on April 14, 2026, at Tower I and Tower II community message boards, as well as sent out a community email on April 14, 2026, to inform the owners about the meeting.

APPROVAL OF PRIOR MINUTES 03.19.2025

Due to CAM turnover, the approval of minutes was tabled. Mr. Knoll made a motion to table the approval of 03.19.2026 minutes. Mr. Eagleson seconded the motion. The motion carried unanimously.

OFFICERS REPORT

Mr. Coleman introduced the new CAM. He provided an update on several landscaping changes, including new plants and extended pavers, all of which are being done internally to save costs. Mr. Coleman discussed the boardwalk, which requires immediate repair of a 6-8 foot section due to rotting boards. Plans to replace the entire boardwalk with a "true flow" material in the winter. Regarding parking, owners were reminded to send registration links to guests and ensure vehicle registration, with enforcement of policies planned within 30 days. The board also reported positive progress with First Service, including improved financial statement delivery, timely bill submission, and reimbursement of late fees and charges, with a new system of checks and balances implemented for invoice processing.

TREASURES REPORT

Mr. Brogan reported significant progress on delinquent accounts, with Tanya collecting \$48,000 of \$143,000 in outstanding balances through aggressive pursuit by attorneys. The property generated \$64,049 from front desk operations in February and March, including \$16,500 from 330 pet registrations. Major cost savings were achieved by reducing chlorine usage from 165 to 70 gallons per week, potentially saving \$2,500 monthly in chlorine fees plus thousands in water costs due to fixed water leaks in the pool filter system.

MANAGER'S REPORT

Mrs. Richards introduced herself. She outlined her plans to create a cohesive team that communicates effectively with the board and owners, emphasizing proactive problem-solving and hands-on leadership. Shelley highlighted the progress made under Tanya Russell's assistance in managing over 1,000 unaddressed emails and late fee issues and introduced Tony Hockensmith as the new maintenance supervisor tasked with improving hiring practices and training. The board officers, including Shelley, Daryl, and Phil, have been meeting weekly with Jason and Shelley to review maintenance and cleaning schedules, aiming to address deficiencies and rebuild trust with owners through verification and systematic improvements.

OLD BUSINESS

FIRE PROTECTION SYSTEMS

Fire safety system upgrades were thoroughly discussed with B & C Fire Protection and Century Fire Protection bids for new fire panels, Sprinkler Head replacements, Fire Extinguisher project and BDA (Bio-Directional Amplifier) were presented. Project management, oversight, project installation layering, and the warranty were explained. Mr. Kibble made the motion to approve the fire panels, sprinkler, extinguisher and BDA system replacements. Mr. Eagleson seconded the motion and the motion passed unanimously.

NEW BUSINESS

RECORDS REQUEST RESOLUTION

Records request resolution was discussed. approved with \$20 per hour charge after 30 minutes and 25 cents per copy. Mr. Knoll made a motion to approve and adopt the records request resolution. Mr. Brogan seconded the motion and the motion passed unanimously.

NEW PARKING POLICY

Park N Spot was added to the current parking policy and license plate reader. The board noted that a 30-day enforcement grace period for parking policies once license plate reader is active. Mr. Brogan made a motion to approve the updated parking policy. Mr. Middleton seconded the motion and the motion passed unanimously.

POOL TOWELS DO NOT RESERVE CHAIRS POLICY

New pool towel policy was discussed. The policy outlines that towels cannot reserve chairs, unattended towels will be removed. Mr. Kibble made a motion to approve the policy. Mr. Brogan seconded the motion, and the motion passed unanimously.

WATCHFIRE DIGITAL SIGN

The Watchfire digital sign contract for 5-year renewal was discussed. The board noted that the association is going to regain control of the sign software access, which was previously managed by Woody. Mr. Caudill made a motion to approve the renewal of the contract. Mr. Middleton seconded the motion and the motion passed unanimously.

BECI CHANGE ORDER

A change order for BECI's contract was discussed. The change extended the supervision timeframe for BECI. Mr. Caudill made a motion to approve the change of the contract. Mr. Middleton seconded the motion and the motion passed unanimously

BALCONY RAILING INSPECTION

The balcony and railing inspection was discussed. Bids from Lerch Bates and RJH were presented and reviewed. Mr Caudill made a motion to approve the proposal from RJH for the balcony and railing inspection. Mr. Kibble seconded the motion and the motion passed unanimously.

ADJOURNMENT

With no further business to come before the board, Mr. Brogan made a motion to adjourn the meeting at 6:44 pm CST. The motion was seconded by Mr. Kibble. All were in favor, and the motion carried unanimously.

**Presented by: FirstService Residential
Shelley Richards
Association Manager**

CARTER & COMPANY

Certified Public Accountants, LLC

*Draft
For Discussion Purposes
Only*

Grand Panama Beach Resort Condominium Association, Inc.

Financial Statements
with Supplementary Information and
Independent Auditor's Report

December 31, 2025

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CARTER & COMPANY

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*Draft
For Discussion Purposes
Only*

Independent Auditor's Report

To the Board of Directors and Members of
Grand Panama Beach Resort Condominium Association, Inc.

Opinion

We have audited the accompanying financial statements of Grand Panama Beach Resort Condominium Association, Inc., which comprise the balance sheet as of December 31, 2025 and the related statements of revenue, 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 Grand Panama Beach Resort Condominium Association, Inc. as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Grand Panama Beach Resort Condominium 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 Grand Panama Beach Resort Condominium 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, including omissions, 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.

CARTER & COMPANY

Certified Public Accountants, LLC

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 Grand Panama Beach Resort Condominium 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 Grand Panama Beach Resort Condominium 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 16 and 17 is presented for purposes of additional analysis and is 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 the supplementary information on future major repairs and replacements shown on page 18 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.

Destin, Florida
_____, 2026

Balance Sheet

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

	<u>Assets</u>		
	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Cash	\$ 66,220	\$ 3,373,635	\$ 3,439,855
Assessments receivable, net	121,152	-	121,152
Prepaid expenses	513,450	-	513,450
Utility deposit	9,980	-	9,980
Property and equipment, net	2,005,128	-	2,005,128
Operating lease right of use assets, net	175,177	-	175,177
	<u>2,891,107</u>	<u>3,373,635</u>	<u>6,264,742</u>
Total assets	<u>\$ 2,891,107</u>	<u>\$ 3,373,635</u>	<u>\$ 6,264,742</u>

<u>Liabilities and Fund Balance</u>			
Accounts payable	\$ 216,088	\$ -	\$ 216,088
Prepaid assessments	43,331	-	43,331
Operating lease liabilities	175,177	-	175,177
Performance obligations	-	3,183,350	3,183,350
Interfund balance	531,996	(531,996)	-
Total liabilities	<u>966,592</u>	<u>2,651,354</u>	<u>3,617,946</u>
Fund balance	<u>1,924,515</u>	<u>722,281</u>	<u>2,646,796</u>
Total liabilities and fund balance	<u>\$ 2,891,107</u>	<u>\$ 3,373,635</u>	<u>\$ 6,264,742</u>

The Notes to Financial Statements are an integral part of these Statements.

Statement of Revenues, Expenses and Changes in Fund Balance

Grand Panama Beach Resort Condominium Association, Inc.

For the year ended December 31, 2025

	Operating Fund	Replacement Fund	Total
<u>Revenues</u>			
Assessment fees	\$ 2,505,871	\$ 286,873	\$ 2,792,744
Special assessment	982,844	-	982,844
Security reimbursement	498,531	-	498,531
Beach service	45,000	-	45,000
Rental income	294,680	-	294,680
Other owner income	15,896	-	15,896
Miscellaneous income	7,987	-	7,987
Interest income	2,755	96,522	99,277
Total revenues	<u>4,353,564</u>	<u>383,395</u>	<u>4,736,959</u>
<u>Expenses</u>			
General and administrative expenses	235,608	-	235,608
Depreciation	58,974	-	58,974
Insurance expenses	862,563	-	862,563
Utilities	462,646	-	462,646
Personnel expense	206,919	-	206,919
Contract services	1,115,421	-	1,115,421
Maintenance expenses	434,209	286,873	721,082
Total expenses	<u>3,376,340</u>	<u>286,873</u>	<u>3,663,213</u>
Excess (deficit) of revenues over expenses	977,224	96,522	1,073,746
Capital contributions	150	-	150
Beginning fund balances	<u>947,141</u>	<u>625,759</u>	<u>1,572,900</u>
Ending fund balances	<u>\$ 1,924,515</u>	<u>\$ 722,281</u>	<u>\$ 2,646,796</u>

The Notes to Financial Statements are an integral part of these Statements.

Statement of Cash Flows

Grand Panama Beach Resort Condominium Association, Inc.

For the year ended December 31, 2025

	Operating Fund	Replacement Fund	Total
Cash Flows From Operating Activities:			
Assessment fees	\$ 2,681,867	\$ 548,604	\$ 3,230,471
Special assessment	952,495	-	952,495
Security reimbursement	498,531	-	498,531
Beach service	45,000	-	45,000
Other income	318,563	-	318,563
Interest income	2,755	96,522	99,277
Cash paid for expenses	<u>(3,408,432)</u>	<u>(286,873)</u>	<u>(3,695,305)</u>
Net cash provided by (used in) operating activities	1,090,779	358,253	1,449,032
Cash Flows From Financing Activities:			
Capital contributions received	150	-	150
Payments on note payable	<u>(1,041,936)</u>	<u>-</u>	<u>(1,041,936)</u>
Net cash provided by (used in) financing activities	(1,041,786)	-	(1,041,786)
Net increase (decrease) in cash	48,993	358,253	407,246
Cash, cash equivalents, and restricted cash beginning of year	<u>17,227</u>	<u>3,015,382</u>	<u>3,032,609</u>
Cash, cash equivalents, and restricted cash end of year	<u>\$ 66,220</u>	<u>\$ 3,373,635</u>	<u>\$ 3,439,855</u>

The Notes to Financial Statements are an integral part of these Statements.

Statement of Cash Flows - continued

Grand Panama Beach Resort Condominium Association, Inc.

For the year ended December 31, 2025

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Reconciliation of excess (deficit) of revenues over expenses to net cash provided by (used in) operating activities:			
Excess (deficit) of revenues over expenses	\$ 977,224	\$ 96,522	\$ 1,073,746
Adjustments to reconcile excess (deficit) of revenues over expenses to net cash provided by (used in) operating activities:			
Depreciation	58,974	-	58,974
Decrease (increase) in:			
Receivables, net	(68,207)	-	(68,207)
Prepaid expenses	(99,797)	-	(99,797)
Unbilled special assessments	951,197	-	951,197
Increase (decrease) in:			
Accounts payable	194,757	-	194,757
Prepaid assessments	11,128	-	11,128
Insurance note payable	(184,947)	-	(184,947)
Deferred revenue	(981,546)	-	(981,546)
Performance obligations	-	493,727	493,727
Interfund balance	231,996	(231,996)	-
	<u>113,555</u>	<u>261,731</u>	<u>375,286</u>
Net cash provided by (used in) operating activities	<u>\$ 1,090,779</u>	<u>\$ 358,253</u>	<u>\$ 1,449,032</u>

The Notes to Financial Statements are an integral part of these Statements.

Notes to Financial Statements

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 1 – Organization

Grand Panama Beach Resort Condominium Association, Inc. (the “Association”), a Florida not-for-profit corporation, was formed on July 12, 2004. Membership in the Association consists of 299 residential condominium units and six commercial units. The six commercial units consist of Tiki 1, Tiki 2, Suite 100, Suite 200, Suite 300, and the Front Desk space. As of December 31, 2025, five of six units were leased out to third parties. The condominium is located on approximately 5 acres in Bay County, Florida.

The Association was organized for the purpose of maintaining and protecting the elements owned by the unit owners in common, including swimming pools, roofs, building exteriors, parking garages and areas, elevators, recreation areas, etc. Disposition of common area property is restricted by Florida Statutes. All policy decisions, including the annual budget and owners’ assessments, are formulated by the Board of Directors based on the Association’s governing documents. Major decisions are referred to the general Association membership before action is taken.

Management and accounting services for the year were provided to the Association by First Service Residential. The Association does not operate a rental program; instead, individual unit owners may contract with various real estate companies to lease their individual units, or individual unit owners may manage their individual units themselves.

Note 2 – Significant Accounting Policies

A summary of the Association’s significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fund Accounting

The Association is a not-for-profit organization which employs the fund method of accounting in order to properly account for restrictions on the expenditures resulting from actions of the Board of Directors, the Association voting membership, or Florida Statutes. The financial statements segregate the accounting for such funds as either Operating or Replacement funds. At the end of the year, excess funds are generally retained by the fund generating such excess during the year.

Operating Fund

The operating fund is used to account for financial resources available for the general operation of the Association. Disbursements from the operating fund are generally at the discretion of the Board of Directors.

Replacement Fund

The replacement fund is generally used to account for assessments made for major repair and replacement of common property and related expenses. Disbursements from the replacement fund may only be utilized in accordance with Florida Statutes and the purposes established by the Board of Directors and the Association membership. Interest income earned in the replacement fund is allocated to the pooled reserves.

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 2 – Significant Accounting Policies – continued

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly-liquid debt instruments with an original maturity of 90 days or less.

Accounts Receivable from Owners and Allowance for Credit Losses

The Association estimates expected credit losses over the contractual term of the financial asset, considering historical experience, current conditions, and reasonable and supportable forecasts, which requires increased judgment and the use of significant estimates, including assumptions about future economic conditions and customer behavior, which may affect the allowance for credit losses recorded in the financial statements. The allowance for credit losses was \$13,921 at December 31, 2025.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items on the Balance Sheet. These items will be expensed over the applicable usage period.

Capitalization and Depreciation

Real property acquired by the Association is capitalized when it (a) is used to generate significant cash flows from members on the basis of usage or from nonmembers or (b) can be disposed of for cash with the Association retaining the proceeds. Real property acquired by the Association that does not meet these guidelines is not capitalized, and accordingly, replacements, major repairs, and improvements to this property are not capitalized; instead, they are reported as expenses in the fund making the expenditure. Real property that has not been capitalized is identified in Note 1. The six commercial units were purchased by the Association in 2020 and are recorded at cost and are depreciated by straight-line methods over thirty-nine years.

Contract Assets and Liabilities

Contract assets represent revenue recognized in excess of amounts billed. No such amounts are reported on the balance sheet as of December 31, 2025. Contract liabilities represent revenue collected in advance of the contract period or amounts billed in excess of revenue recognized. These liabilities are reported on the balance sheet as prepaid assessments and performance obligation liabilities.

Revenue Recognition

The Association recognizes revenue when the performance obligations under the terms of the contracts with customers are satisfied. Revenue is recognized in the amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. For purposes of this Association, the definition of customers includes the Association's members.

Right-of-use Assets and Lease Liabilities

The Association recognizes a right-of-use asset (ROU) and a lease liability based on the present value of the remaining lease payments. The Association determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Association recognizes a lease liability and a right-of-use asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments.

The Association uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Association generally uses its estimated incremental borrowing rate or elects to use the risk-free interest rate as the discount rate for leases of all underlying classes of assets and common property, as applicable. The lease term includes the noncancellable period of the lease, as well as expected renewal terms. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 2 – Significant Accounting Policies – continued

The Association has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Association is reasonably certain to exercise. The Association recognized lease cost associated with its short-term leases on a straight-line basis over the lease term.

The Association has made the accounting policy election to not separate lease components from non-lease components when allocating contract consideration for all underlying classes of assets and common property, as applicable. The Association has elected to use the practical expedient package to carryforward the operating classification from ASC 840 and carryforward previously capitalized initial direct costs under ASC 840, as applicable.

The Association monitors changes in circumstances that would require a remeasurement of its leases and will remeasure right-of-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability.

Note 3 – Owners’ Assessments

Revenue and expenses are allocated to the unit owners based on the ratio of each unit’s square footage to the total square footage of all units and accordingly, assessment fees are established using this formula. The quarterly rates for 2025 ranged from \$2,005 to \$4,928 for residential units and \$433 to \$5,832 for commercial and tiki units. Assessments for the year ended December 31, 2025 totaled \$3,286,471, of which \$780,600 was allocated to the replacement fund.

The following table reconciles budgeted regular assessments to the amounts recognized as assessment revenue in the statement of revenue, expenses and changes in fund balance for the year ended December 31, 2025:

	Operating Fund	Replacement Fund	Total
Budgeted assessments	\$ 2,505,871	\$ 780,600	\$ 3,286,471
Less additions to performance obligation	0	(493,727)	(493,727)
Total assessments	<u>\$ 2,505,871</u>	<u>\$ 286,873</u>	<u>\$ 2,792,744</u>

The Association levied a special assessment totaling \$1,902,394 in February 2024 to repay the non-residential loan (Note 9). The special assessment was due in two lump sums on October 1, 2024 and October 1, 2025, and individual owner assessments ranged from \$4,736 to \$11,886 for the residential units. During the year ended December 31, 2025, the Association recognized special assessment income of \$982,844 and the remaining loan balance was paid in full.

Note 4 – Revenue Recognition

As disclosed in Note 2 to the financial statements, the Association’s customers consist of its members, which are unit owners within the development. The contracts between these customers and the Association primarily relate to maintaining, managing and providing access to the property and amenities owned in common by the unit owners.

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 4 – Revenue Recognition – continued

Performance Obligations

The Association's revenue is derived primarily from assessments to its members. The Association generally recognizes its revenue from contracts with customers over time with the exception of reserve assessments and special assessments, which are being recognized at a point in time. As of December 31, 2025, the Association has reported a performance obligation liability totaling \$3,183,350, relating to the future major repair and/or replacement of specific components of common property. The assessments related to this performance obligation are generally reported in the replacement fund and will be recognized as revenue at the point in time when the funds are expended for their designated purpose.

Significant Judgments

For those revenue items recognized over time, the Association generally utilizes the input method of measurement, where revenue is recognized based on the Association's efforts towards the satisfaction of a performance obligation. For operating fund amounts, excluding special assessments, revenue is recognized as time elapses and the Association performs routine maintenance, protection and management of the common area property. For replacement fund amounts and special assessments, the Association recognizes revenue at the point in time when reserves or special assessment expenses are incurred.

Disaggregated Revenue

The Association derives its revenue from various activities and sources having different qualitative factors that may affect the amount, timing, or uncertainty of revenues and cash flows. The following chart contains disaggregated revenue information that reflects these qualitative factors for the year ended December 31, 2025:

Recognized over time	
Operating assessments	\$ 2,505,871
Beach income	45,000
Rental income	294,680
Recognized at a point in time	
Reserve assessments	286,873
Special assessments	982,844
Not subject to ASC Topic 606	
Security reimbursement	498,531
Miscellaneous income	7,987
Other owner income	15,896
Interest income	99,277
	<hr/>
Total revenue	\$ 4,736,959

The following table presents information about accounts receivable, contract assets, and contract liabilities for the year ended December 31, 2025:

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 4 – Revenue Recognition – continued

Assessments receivable, net – beginning balance	\$	52,945
Assessments receivable, net – ending balance	\$	121,152
Contract assets –beginning balance	\$	951,197
Contract assets –ending balance	\$	0
<u>Contract liabilities</u>		
Prepaid assessments – beginning balance	\$	32,203
Prepaid assessments – ending balance	\$	43,331
Performance obligation liabilities – beginning balance	\$	2,689,623
Performance obligation liabilities – ending balance	\$	3,183,350

Note 5 – Future Major Repairs and Replacements

The Association’s governing documents and Florida Statutes require the Association to accumulate funds for future major repairs and replacements, unless otherwise decided by the voting membership. The Association has adopted a program to accumulate funds for estimated future major repairs and replacements through regular assessments.

The Board of Directors annually reviews the major components of common property. As a part of this review, the Board re-evaluates the estimated remaining useful lives and the estimated replacement costs of each of the components of the Replacement Fund as identified in the Association’s reserve study, including the Structural Integrity Reserve Study (“SIRS”), and the annual budget adopted by the Board of Directors. These estimates are subject to change due to factors such as inflation, changes in material and labor costs, changes in statutory requirements, and variations in the condition or useful lives of the components. The Board of Directors last performed a review of the estimated replacement costs, remaining lives, and funding requirements for the reserve components in 2025.

Pursuant to Florida law, the Association is required to conduct a Structural Integrity Reserve Study for certain structural components of the condominium property. Structural integrity reserves are required to be fully funded and, under Florida Statutes, may not be waived or reduced by a vote of the membership. Funds held in structural integrity reserves may only be used for the repair or replacement of the specific components identified in the SIRS. The Structural Integrity Reserve Study was completed during 2023 and has been incorporated into the Association’s reserve funding plan.

At the Association’s annual meeting, the membership may vote to waive or reduce the funding of non-structural statutory reserves in accordance with Florida Statutes. Any decision to waive or partially fund such reserves, or increases in funding required under the SIRS, may result in the need for future special assessments, increased regular assessments, or borrowing to fund major repairs and replacements. The Association fully funded the reserves in the amount of \$780,600 for the year ended December 31, 2025.

The Association has adopted the pooling method to accumulate funds for estimated future major repairs and replacements through regular assessments. The funding program takes into consideration the estimates of replacement costs, estimated remaining useful lives, amounts already accumulated in the Replacement Fund, and future cash flows of the Replacement Fund. The pooling method allows the accumulated funds to be used for any of the pooled components.

Actual expenditures may vary from the estimated amounts, and variations may be significant. 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, to levy special assessments, or it may delay major repairs and replacements until funds are available.

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 6 – Income Taxes

The Association elected to file its tax return for the year ended December 31, 2025 as a regular corporation on Form 1120. As such, the Association must comply with Internal Revenue Code (IRC) Section 277, which applies to certain membership organizations. Under IRC Section 277, the Association is required to separate membership income and expenses from nonmembership income and expenses. Each component is taxed separately; however, net membership income is exempt from taxation if certain elections are made. For the year ended December 31, 2025, the Association had a net nonmembership loss of \$ _____, which can be carried forward to offset up to 80% of future taxable income annually, if needed. In addition, the Association has a net nonmembership loss carryforward from years prior to 2025 totaling \$ _____. No federal or state taxes are due for 2025.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Association and has concluded that as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association's policy is to record interest expense or penalties related to income tax in operating expense. For the year ended December 31, 2025, no interest or penalties were paid or accrued. Income tax returns filed by the Association are subject to examination by the Internal Revenue Service for a period of three years.

Note 7 – Leases – lessors

Leases as lessor

The Association has 5 operating leases regarding its commercial units, which generate rental income from tenants and operating cash flows for the Association. Tenant leases generally have lease terms of 3 years or less, with one or more renewal options available upon expiration of the initial lease term. Contractual rent increases for the renewal options are often fixed at the time of the initial lease agreement which may result in tenants being able to exercise their renewal options at amounts that are less than the fair value of the rent at the date of renewal.

The components of rental revenue for the year ended December 31, 2025 were as follows:

Rental revenue:	
Fixed lease revenue	\$ 222,400
Non lease rental revenue	<u>72,280</u>
Total rental revenue	<u>\$ 294,680</u>

Property and equipment under operating leases as lessor

As of December 31, 2025, substantially all of the Association's real estate assets are subject to operating leases.

Maturity analysis of lease payments as lessor

The Association's operating leases are disclosed in the aggregate due to their consistent nature as real estate leases. As of December 31, 2025, the undiscounted cash flows to be received from lease payments of the operating leases on an annual basis for the next five years and thereafter are as follows:

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 7 – Leases – lessors – continued

Year ending December 31,	
2026	\$ 310,700
2027	310,700
2028	310,700
2029	116,700
2030	44,100
Total undiscounted cash flows	<u>\$ 1,092,900</u>

Note 8 – Leases – Lessees

The Association leases security camera equipment from ProComm Solutions, LLC. The lease is billed based on the number of security cameras in use and expires in August of 2026, with an automatic renewal of 5 years unless either party is notified in writing at least ninety days prior to the ending date of the initial term. At December 31, 2025, 74 cameras were in use.

The following summarized the line items in the balance sheet which include amounts for operating leases as of December 31, 2025:

Operating lease right-of-use assets, net	<u>\$ 175,177</u>
Current maturities of operating lease liabilities	\$ 27,896
Operating lease liabilities, net of current maturities	<u>147,281</u>
Total operating lease liabilities	<u>\$ 175,177</u>

The future minimum lease payment for the following succeeding years, remaining under noncancelable operating leases with initial or remaining lease terms in excess of one year consists of the following:

Year ending December 31,	
2026	\$ 31,084
2027	31,084
2028	31,084
2029	31,084
2030	31,084
Thereafter	31,084
Total minimum lease payments	<u>\$ 186,504</u>

Note 9 – Note Payable

In December 2020, the Association obtained a loan from BancorpSouth Bank to fund the purchase of the six commercial units in the amount of \$2,300,000. The Association was required to make monthly payments in the amount of \$14,318 until the maturity on December 28, 2025, when the final principal payment together with accrued interest was to be paid in full. The Association incurred debt issuance costs of \$36,784 which was being amortized over the life of the loan. The loan was repaid in full in October 2025 from the levied special assessment (Note 3).

Notes to Financial Statements - continued

Grand Panama Beach Resort Condominium Association, Inc.

December 31, 2025

Note 10 – Credit Risk

The Association assesses regular and special assessments to its members. It is the Association's policy to turn over significantly past due accounts for collection and to file liens against the individual condominium units. Should the collection of any such liens be enforced by the sale of the unit, the collectability of the receivable is dependent on the quick sale market value of the unit, and the amount of any such other liens that have priority. Market value may be influenced by the real estate market in Panama City Beach, Florida.

Note 11 – Contingencies

Insurance Deductibles

The insurance policies for windstorm coverage renewed in December 2025. The deductible amount for named hurricane storms is \$2,284,892 which represents 3% of the insured value of the residential buildings.

Note 12 – Interfund Balance

As of December 31, 2025, the operating fund owed \$531,996 to the replacement fund. The Board of Directors intends to repay the entire amount during 2026.

Note 13 - Subsequent Event

In preparing the financial statements, the Association's management has evaluated subsequent events and transactions for potential recognition or disclosure through _____, 2026, which is the date the financial statements were available to be issued.

Supplementary Information

Schedule of Changes in Accumulated Funds for Future Major Repairs and Replacements

Grand Panama Beach Resort Condominium Association, Inc.

For the year ended December 31, 2025

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balance</u>
Pooled components	\$ 3,315,382	\$ 877,122	\$ 286,873	\$ 3,905,631
	<u>\$ 3,315,382</u>	<u>\$ 877,122</u>	<u>\$ 286,873</u>	<u>\$ 3,905,631</u>
Replacement fund cash reconciliation				
Performance obligation	\$ 3,183,350			
Replacement fund balance	722,281			
Due to (from) operating	<u>(531,996)</u>			
Total replacement fund cash	<u>\$ 3,373,635</u>			

Schedule of Operating Fund Revenues and Expenses - Budget and Actual

Grand Panama Beach Resort Condominium Association, Inc.

For the year ended December 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues</u>			
Assessment fees	\$ 2,505,871	\$ 2,505,874	\$ (3)
Special assessment	982,844	-	982,844
Security reimbursement	498,531	425,000	73,531
Beach service	45,000	90,000	(45,000)
Rental income	294,680	249,420	45,260
Other owner income	15,896	-	15,896
Miscellaneous income	7,987	-	7,987
Interest income	2,755	-	2,755
Total revenues	<u>4,353,564</u>	<u>3,270,294</u>	<u>1,083,270</u>
<u>Expenses</u>			
General and administrative expenses	235,608	286,125	50,517
Depreciation	58,974	-	(58,974)
Insurance expenses	862,563	869,831	7,268
Utilities	462,646	459,014	(3,632)
Personnel expense	206,919	134,035	(72,884)
Contract services	1,115,421	1,124,432	9,011
Maintenance expenses	434,209	393,405	(40,804)
Total expenses	<u>3,376,340</u>	<u>3,266,842</u>	<u>(109,498)</u>
Excess (deficit) of revenues over expenses	<u>\$ 977,224</u>	<u>\$ 3,452</u>	<u>\$ 980,676</u>

Supplementary Information on Future Major Repairs and Replacements

Grand Panama Beach Resort Condominium Association, Inc.

The following table is based on a professional study obtained in 2023 and presents significant information about the components of common property.

Components	Estimated Remaining Useful Life (Years)	Estimated Replacement Cost
SIRS components		
Balconies, Concrete, Repairs and Waterproof Coating Applications	9	\$ 579,800
Balconies and Breezeways, Railings, Aluminum, Capital Repairs	9	206,250
Balconies and Breezeways, Railings, Aluminum, Replacement	19	1,023,000
Breezeways, Concrete, Repairs and Waterproof Coating Applications	1	930,050
Doors, Metal, Common, Phased	3 - 7	516,000
Roofs, Metal	11	1,241,000
Roofs, Thermoplastic	17	102,000
Skywalk, Metal Components, Paint Finishes	1	15,000
Structural Members, Inspection, Milestone	8	25,000
Walls, Stucco, Paint Finishes and Capital Repairs	9	1,208,160
Waterproof Membrane, Inspection and Capital Repairs, Plaza Deck	3	109,600
Waterproof Membrane, Replacement and Concrete Structure Repairs, Plaza Deck	16	1,164,500
Windows and Doors, Aluminum Frames, Common	26	368,000
Generators, Emergency, 400-kW	11	420,000
Life Safety System, Control Panels	4	40,000
Life Safety System, Emergency Devices	4	166,500
Pump, Fire Suppression, 125-HP	26	127,000
Concrete, Elevated Floors, Inspections and Capital Repairs	5	233,750
Concrete, On-grade, Partial	5 - 30+	241,200
Fire Suppression System, Phased	6 - 26	227,200
Non-SIRS components		
Exterior Building Elements	13	59,540
Interior Building Elements	1 - 28	434,400
Building Services Elements	0 - 26	2,091,000
Property Site Elements	3 - 30+	354,365
Tower 1 Pool Elements	1 - 13	518,300
Tower 2 Pool Elements	1 - 5	50,463
Garage Elements	5 - 30+	358,550
Total		\$ 12,810,628
Replacement fund cash balance at December 31, 2025		\$ 3,373,635



Fw: [FirstService Residential] Re: Banking Analysis

From Jason Bennett <jason.bennett@fsresidential.com>
Date Tue 2026-05-05 6:23 PM
To Shelley Richards <shelley.richards@fsresidential.com>

See below

Jason

Get [Outlook for iOS](#)

From: Mitchell Torres (FirstService Residential Florida) <support@fsresidentialsouth.zendesk.com>
Sent: Tuesday, May 5, 2026 6:21:45 PM
To: Jason Bennett <jason.bennett@fsresidential.com>
Subject: [FirstService Residential] Re: Banking Analysis

##- Please type your reply above this line -##

Your request (5398498) has been updated. To add additional comments, reply to this email.



Mitchell Torres (FirstService Residential South Internal)

May 5, 2026, 7:21 PM EDT

Hello,

Attached is the bank analysis for Grand Panama Beach 7DCY (scroll to the bottom of email). The top section shows how the funds are placed at the moment. The bottom section shows how the funds should be placed.

We recommend the following:

Reserves:

- Re-invest the matured \$2Million at FNC into a new 12 months T-Bill. Note, T-Bills at FNC do not roll over automatically and they are placed into a temporary money market once matured until the board makes a decision.
- Keep Metropolitan Bank RSV4 account as the recipient of the monthly reserves transfers.

If this recommendation is approved, the association will increase their annual interest from \$102K to \$109K a year.

Thank you,

MITCHELL TORRES-BANEGAS

(FFI) FirstService Financial Inc. Banking Analyst

1601 S.W. 80TH Terrace, Suite 300

Plantation, FL 33324

Direct 954-926-1836

Email Mitchell.Torres@FirstServiceFinancial.com

Attachment(s)

[GRAND PANAMA BEACH RESORT CONDOMINIUM 7DCY Banking Analysis 5.5.26.pdf](#)



Mitchell Torres (FirstService Residential South Internal)

Apr 30, 2026, 11:50 AM EDT

Hello,

I will run the analysis.

Thank you,

MITCHELL TORRES-BANEGAS

(FFI) FirstService Financial Inc. Banking Analyst

1601 S.W. 80TH Terrace, Suite 300

Plantation, FL 33324

Direct 954-926-1836

Email Mitchell.Torres@FirstServiceFinancial.com



Charles Bennett

Apr 30, 2026, 10:28 AM EDT

Wish to see if the Association can receive better interest rates for its reserve accounts.

This email is a service from FirstService Residential South Internal.

[P4XK9Z-RJGN]

Coastal Kenny's Pool Repair

Titus Booth

Property: Grand Panama Beach Resort

Front Beach Road

Panama City Beach, FL 32407

Proposal – Pool Repairs (Tower 1 & Tower 2)

Tower 1 Repairs

1. TR140 Sand Filter – Sand Replacement

Replace sand in the TR140 sand filter (only one of three units not replaced in recent years).

- Sand: \$1.00 per pound
- Estimated total: \$1,100.00
- Dump/disposal fee: \$0.00

2. Chlorinator Replacement

Replace chlorinator to restore proper system flow.

- Total: \$300.00

3. Cartridge System Leak Repairs

Repair two leaks in the cartridge section of the system.

- Total: \$300.00

Tower 1 Subtotal: \$1,700.00

Tower 2 Repairs

1. TR100 Sand Filter – Sand Replacement (2 Units)

Replace sand in two TR100 filters.

- (2) Units at \$500.00 each: \$1,000.00
- Dump/disposal fee: \$375.00

2. Plumbing & Flow System Improvements

Redo inlet and outlet lines to the heater, repair active leak, reduce approximately 70% of elbows to improve flow, and install proper pressure gauges, flow meters, and valves.

- Total: \$1,100.00

3. Pool Lighting Replacement

Install new 12-volt corded Intelli pool light including labor.

- Total: \$1,525.00

4. Spa Light & Gasket Replacement

Install new 12V LED spa light and replace gasket.

- Total: \$350.00

Tower 2 Subtotal: \$4,350.00

Total Project Cost

Grand Total (Tower 1 + Tower 2): \$6,050.00



NxtLevelVENN

Smart Vending Markets

A New Modern Amenity for Everyone

By: NxtLevelVENN, LLC

Panama City Beach, Florida

www.NxtLevelVENN.com

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Proposal Overview

A New Modern Amenity

NxtLevelVENN offers AI-powered micro markets that enhance guest, resident, and staff experiences on property! Our smart vending solutions offer 24/7 access to everyday essentials with a modern experience that feels like an amenity. This proposal introduces how our system works, the value it adds for you, and why our locally operated model will consistently deliver a smoother process and better performance than other vending companies.

Give People What They Want

Our technology is designed to be effortless for everyone! Simply tap or swipe a card, select items, then walk away. Checkout is automatically calculated with our AI detection software. And, we remotely monitor machines in real time to troubleshoot any potential issues. We're nimble and flexible, so we make sure each machine serves the specific preferences of those using it. While drinks and snacks are available, our highest-performing items are personal hygiene and everyday products that people want immediately. Product selection is continuously tested and refined with feedback and usage patterns. We adapt inventory quickly to ensure each machine reflects actual demand instead of fixed product lists. Just some of the benefits of working with us are:

- Transparent reporting
- A new modern amenity
- We manage it all, end-to-end
- Convenient access to everyday essentials
- Enhanced guest, resident, and staff experience
- Dedicated team with real-world, and local experience

Have Modern Equipment

We tailor solutions for your property's layout and traffic patterns. Some examples include:

- Single-Door Refrigerators are available in multiple sizes.
- Double-Door Refrigerators are better for higher-traffic locations with higher volume requirements.
- Single-Door Freezers handle frozen and perishable items such as ice cream and specialty frozen products.
- Single-Door Ambient-Temperature Units are best for shelf-stable items.
- Open-Air Micro Marts are self-service kiosks, providing a retail-style experience with broader product assortments.
- Automatic Ice Machines from all different sizes.

Each placement is designed to balance guest experience with strong performance. We work with each property to identify placement locations that maximize convenience and usage, such as:

- Lobbies and check-in areas
- Elevator lobbies
- Pool and recreation areas

- Fitness centers
- Common areas and event spaces
- Other high-traffic corridors



Offer Customizable Inventories

Depending on your location's available spaces and traffic patterns, we'll customize inventory to include products like:

- Souvenirs
- Specialty items
- Personal hygiene
- Seasonal products
- Everyday essentials
- Premium energy drinks
- Guest-suggested products
- Coffee and café-style items
- Ice cream and frozen treats



Partner with Experts

We are a group of locals who live and work locally full time with several complementary businesses. We run multiple beach bars, concession stands/restaurants, and an information technology company. We invite you to visit one of our other locations. Just reach out and schedule an appointment at your convenience. Additionally, we are happy to provide as many references as necessary. Our hands-on optimization process is the secret to our success. For years we have built up a team of dependable staff with real world experience. Both to maintain stocking and to respond to feedback. Our team handles everything:

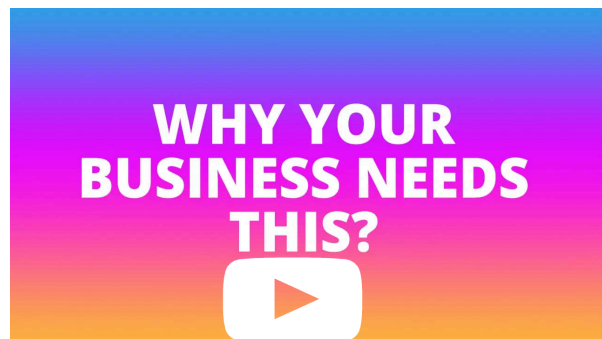
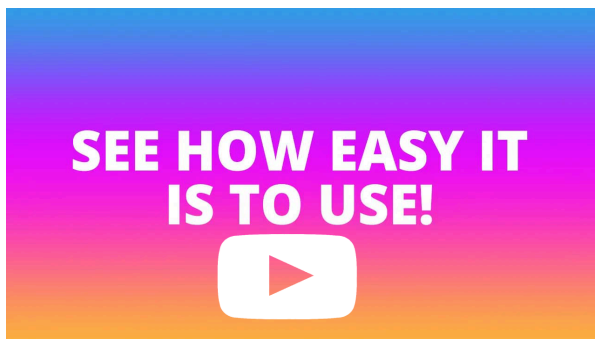
- Rapid restocking and inventory adjustments
- Real-time guest support and remote troubleshooting
- Immediate testing and rollout of newly suggested products
- Continuous monitoring, maintenance, and performance optimization

How To Get Started

Step #1: Schedule a call with us [by clicking here](#).

Step #2: We can show you one of our current properties and then meet at yours to plan the best machines and placements.

Step #3: We'll agree on a service agreement and get started. Launch time is about 2-4 weeks.



Master Service Agreement

This document is a Vending Machine Placement Agreement (“Agreement”). It is entered into by and between NxtLevelVenn (the “Provider”) and the property identified and signed below (the “Property”). This Agreement shall become effective as of the date it is executed by both parties. The Provider and the Property may be referred to individually as a “Party” and collectively as the “Parties.”

Purpose

The Property grants the Provider exclusive rights to install, operate, and maintain vending machines located at the Property.

Placement of Equipment

The Provider’s goal is to maximize usage by improving convenience for guests, owners, and employees at the Property. The Property and Provider will agree to designated locations for each machine. The Provider may move machines to different locations, with the Property’s approval. The Provider may replace or swap machines at existing designated locations. The Provider may add or subtract machines from existing locations.

Terms

The term of this Agreement shall be three (3) years, commencing on the date of execution by both parties. Thereafter, this Agreement shall automatically renew for successive one (1) year terms unless either party provides written notice of non-renewal at least sixty (60) days prior to the expiration of the then-current term.

Compensation

The Provider will issue payments and corresponding sales reports to the Property at least each quarter for the activity during the previous period. Commissions are calculated based on total sales from products sold through machines, minus costs of goods, refunds, processing fees, and sales taxes. Ice commissions will be fifteen percent (15%) and other vending will be as follows:

1. The first year, the commission will be five percent (5%).
2. The second year, the commission will be six percent (6%).
3. In the third year, the commission will be seven percent (7%).

Except where otherwise stated in the “Liability and Force Majeure” section of this Agreement, the Provider will ensure Property receives no less than \$5,000 each year, with \$2,500 payable by June 1 and \$2,500 payable by November 1.

Confidentiality

1. The Provider agrees to share transparent reports with the Property about specific sales, which contains very important information about the Provider's business.
2. And the Property agrees that all reports, data, and information provided under this Agreement (collectively, the "Confidential Information") shall be treated as confidential.
3. Neither Party shall disclose, share, distribute, or otherwise make available any confidential information to any third party without the prior written consent of the disclosing party, except as required by law.

Provider Responsibilities

The Provider agrees to perform the following duties in a professional manner:

- Be responsible for the delivery and installation of all vending machines at its own expense.
- Service, maintain, and operate all equipment in a professional manner at all times.
- Machines will be kept clean, fully operational, and stocked with quality products.
- Give reasonable consideration to product suggestions from guests, property owners, and employees.
- Perform all necessary maintenance and repairs promptly and at its own expense to ensure proper functionality of the machines.
- Adjust product selection, inventory levels, and/or the number and type of machines in operation to support efficient operations and ongoing maintenance.

Property Responsibilities

The Property agrees to perform the following duties in a professional and cooperative manner:

- Provide the Provider with reasonable access to the vending machines as needed for installation, stocking, maintenance, cleaning, removal, and replacement.
- Provide and maintain designated space for the placement of the machines.
- Supply standard electrical power for the machines at no cost to the Provider.
- Provide Wi-Fi or internet access, at no cost to the Provider, to support machine connectivity, monitoring, and payment processing.
- Take reasonable measures to ensure that the machines are not moved, unplugged, damaged, or otherwise tampered with, be responsible for any damage caused by its employees, contractors, or vendors, coordinate with the Provider for any relocation related to on-site work, and promptly notify the Provider of any issues, vandalism, or security concerns.
- Refrain from installing or permitting competing vending machines of a similar type on the premises without the Provider's prior written consent.

Performance and Termination

Both Parties agree to perform their respective responsibilities in good faith and in a timely, professional manner. If either Party believes the other is not meeting its obligations under this Agreement, they shall provide written notice outlining the specific concern(s).

Upon receiving notice, the receiving Party will be given a reasonable opportunity to address and correct the issue within a mutually agreed-upon timeframe; or 30 days in the event the Parties cannot agree on a timeframe. Both Parties agree to work in good faith to resolve any concerns before pursuing termination.

If a major issue outlined in the Provider Responsibilities or Property Responsibilities is not resolved within the agreed timeframe, either Party may terminate this Agreement upon written notice to the other.

Equipment Ownership

All vending equipment, including but not limited to machines, contents, components, inventory, software, systems, processes, and accessories, shall remain the sole and exclusive property of the Provider (NxtLevelVenn). Nothing in this Agreement shall be construed to grant the Property any ownership interest in such equipment or related assets.

Liability and Force Majeure

Neither Party shall be held liable to the other for any losses, business interruption, or damages resulting from circumstances beyond their reasonable control. Examples include but are not limited to: adverse weather, storms or hurricanes, power outages, vandalism, equipment failure, construction activities, property damage, acts of God, restricted access or other unforeseen situations. Each Party acknowledges that such conditions may impact vending operations and agrees to bear its own associated risks and losses. Both Parties agree to hold each other harmless and not responsible for legal action, loss of revenues, reduced performance, or minimum payment expectations.

Amendments

Material changes to this Agreement must be made in writing and require the mutual written consent of both Parties. No amendment, modification, or waiver of any provision will be valid unless signed by authorized representatives of both Parties.

Governing Law

This Agreement is governed by the laws of the State of Florida. Any disputes will be resolved through binding arbitration in Panama City Beach, Florida, following the rules of the American Arbitration Association.

Acceptance


Provider:

Name 1: Brian Campbell

Signature 1: _____

Date 1: April 30, 2026

Name 2: Donald Cooper


Signature 2: 

Date 2: April 30, 2026

Property:

Property: Grand Panama Beach Resort

Authorized Contact: Brad Coleman

Signature: 

Date: 04/30/2026



BEACHY MARKETING DIGITAL AGENCY

grandpanamacoa.com

May 2026 by Donnie Cooper, 850-625-6891

The development and management of a professional website to serve as a reliable digital home for COA members, providing timely updates and secure access to documents.

Website Development Scope

- Fully branded design your colors, logo, and identity
- Mobile-friendly and ADA-aware layout
- Clean navigation for both residents and the public
- Secure Owner Login Area: For private HOA documents, meeting minutes, and notices
- Vendor & Partner Links: Organized access to external service providers
- Optional tools: Photo galleries, community calendar, emergency alerts

Monthly Website Management & Digital IT Support

We provide reliable and responsive support to ensure the site stays functional, secure, and up to date:

- Unlimited Website Changes: All content, links, and file updates included
- Secure Hosting & SSL Certificate Management
- Timely Content Updates from CAM or board requests
- Technology Upgrades to keep the website modern and compatible
- Performance Monitoring with uptime tracking and reporting
- Dedicated IT Support: For troubleshooting and digital infrastructure needs

Optional Email Setup, Hosting, and Support

- SMTP email accounts = up to 10GB of data for \$15 per month per inbox (that needs ability to send FROM) and \$5 per month per forwarding email address (no ability to reply FROM).
- Google hosted email accounts = up to 30GB of data with all the bells and whistles at \$20 per month.

Investment & Launch

- Website Build Fee: \$1,500
- Monthly Website Management: \$150/month
- *We do not have hidden fees, hourly billing, or random costs. But we do charge a 3% processing fee. Thanks for understanding.*



BEACHY MARKETING
DIGITAL AGENCY

Getting Started

1. To begin, enter any payment information here stripe.BeachyMarketing.com
2. Then schedule a kick-off meeting here BeachyMarketing.com/meeting

Contact: Donnie Cooper - donnie@beachymarketing.com

Support: support@beachymarketing.com



Sudden Service, Inc. • 3416 W Hwy 98 • Panama City, Florida 32401 • (850) 807-0559 • www.taylorbigred.com

**STANDBY GENERATOR
INDUSTRIAL MAINTENANCE SERVICE AGREEMENT
05/01/2026**

Billing Address:

Grand Panama
11807 Front Beach Rd.
Panama City Beach, FL 32407
816-785-9083
Customer # 25685900

Site Address:

Grand Panama
11807 Front Beach Rd.
Panama City Beach, FL 32407
POC: Shelley Richards
Shelley.Richards@fsresidential.com

I. Agreement Period: May 1, 2026, to April 30, 2027

II. Equipment:

- **Gillette SPVD-400-3-2-2 (400KW) Diesel Serial Number: XC-16-300 (Tower 1)**
 - One 41-Point Inspection at **\$290.00**—perform in **November 2026**
 - One **Basic PM** Annual Service at **\$1,600.00**—perform in **May 2027**

- **Kohler 400REOZVC (400KW) Diesel Serial Number: 2133641 (Tower 2)**
 - One 41-Point Inspection at **\$290.00**—perform in **July 2026**
 - One **Basic PM** Annual Service at **\$1,600.00**—perform in **January 2027**
 - One (2) Two Hour Load Bank at **\$1,750.00**—perform in **January 2027**

III. Payment Terms:

You will be invoiced as each service is performed. Payment is Net30 following receipt of invoice. No sales or use taxes are included in the pricing and will be added as applicable.

IV. Activation of Agreement:

Your Signature activates this service and must be received by the agreement start date. Pricing is good for 30 days. No service will be scheduled until a signed agreement is received. You may mail to 1877 Shelton Beach Road, Saraland, AL 36571, or email to jwatson@taylorbigred.com

V. Service Disclaimer:

The above pricing does not include any additional labor or parts for repairs that may need to be made to the generator. Any additional repairs, parts, and/or labor will be Quoted Separately from this Agreement.

VI. Taylor Sudden Service Disclaimer:

Taylor Sudden Service may or may not be the manufacturer of the equipment to which this Service/Preventative Maintenance Agreement applies. This Agreement does not modify or extend any manufacturers originally issued warranty. Regularly scheduled service or preventative maintenance is

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Sudden Service, Inc. • 3416 W Hwy 98 • Panama City, Florida 32401 • (850) 807-0559 • www.taylorbigred.com

necessary to extend the life of the equipment to which this agreement applies and make it more likely that the standby/prime power unit will provide power when needed; however, Taylor Sudden Service is neither an insurer nor guarantor of the equipment or the customer's product for which power is to be provided. *INCIDENTAL AND CONSEQUENTIAL DAMAGES OCCURRING AS A RESULT OF THE FAILURE OF THE EQUIPMENT IS EXPRESSLY DISCLAIMED AND THE SOLE LIABILITY OF TAYLOR SUDDEN SERVICE FOR ANY WORK PERFORMED UNDER THIS AGREEMENT IS LIMITED TO THE INVOICE AMOUNT OF THE AGREEMENT.*

VII. Agreement Price: \$5,530.00 + applicable taxes

Please do not send payment; you will be invoiced. If Tax Exempt, please Include documentation. If a PO is needed, please send the PO with the Agreement

For questions about when your services will be performed or questions about service work that was done, contact the Service Sales Supervisor that handles your agreement:

➤ *Jessica Watson 251-666-2924*

Accepted By: _____ Date: _____

Printed Name: _____

Prepared By:

Jessica Watson

Inside PM Sales

Taking Care of **Our Customers** is **PRIORITY ONE!**



GENERATOR
PARTS, SERVICE, REPAIR & RENTAL

BUSINESS PM (PREVENTIVE MAINTENANCE) SERVICE AGREEMENT OVERVIEW

SERVICE AGREEMENT BENEFITS: (Benefits applied only within the Agreement timeframe)

- Lower, Locked in Labor rates for all services, within the Agreement timeframe.
- Priority response over non-agreement customers.
- Two(2) or more predetermined services, generally 6 months apart.
- Detailed reports from our technicians.

PREVENTATIVE MAINTENANCE AGREEMENT INCLUDES TWO(2) OR MORE SERVICES A YEAR.

-Typical Services include one PM (Basic or Full, Listed on Agreement Quote) and one Inspection.

PM Services Options and Details: (Refer to your Agreement Quote)

Basic PM Includes: (*Recommended Once a Year*)

- Filter and Oil change.
- 40+ Point Inspection.
- System testing of air, lubricating, fuel, electrical, controls, & transfer switch.
- Coolant testing and treatment if radiator cooled.
- Fuel filter change (only for diesel applications).

Full PM Includes: (*Recommended Once Every 3 to 5 Years*)

- All Basic PM Service items listed above, plus:
- Replacement of belts and hoses.
- Replacement of battery.
- Replacement of coolant.
- Replacement of air filter.

Full PMs are more expensive and requires more lead time, due to additional parts and increased labor time

Inspection Service – Includes our 40+ point Inspection.

Optional Services:

- Quarterly or Monthly Inspections.
- Two(2) or Four(4) Hour Load Bank Testing
- Medical Fuel Analysis
- Fuel Tank Cleaning & Fuel Polishing.
- Megger Testing.
- InfraRed Camera Testing.
- Vibration Testing.
- Pre-Scheduled Generator Rental. (For planned outages)
- 3-Year Agreements available upon request.

Taking Care of **Our Customers** is **PRIORITY ONE!**



Preventive Maintenance Report

947 Industrial Park Drive
Clinton, Mississippi 39606
Phone (601) 922-4444
Fax (601) 922-0800

Mobile, AL
Phone (251) 443-8402
Fax (251) 443-9569

Baton Rouge, LA
Phone (225) 744-0030
Fax (225) 744-0031

Birmingham, AL
Phone (205) 428-1130
Fax (205) 428-1125

Shreveport, LA
Phone (318) 742-4442
Fax (318) 742-4447

Date: _____
Customer: _____
Location: _____

Make/Model: _____
Serial Number: _____
Hour Reading: _____
Exercise Time: _____

Yes	N/A	Description of Service	Comments
		Air System:	
_____	_____	Cleaned / Replaced Air Cleaner Element	
_____	_____	Checked Complete Air System for Deficiencies	
_____	_____	Cleaned and Changed Oil in Bath Filter	
_____	_____	Checked Turbocharger Shaft End Play	
_____	_____	Checked and Tightened Turbocharger Mounting Bolts	
		Lubricating System:	
_____	_____	Changed Engine Oil	
_____	_____	Changed Engine Oil Filter	
_____	_____	Change Hydraulic Governor Oil	
_____	_____	Cleaned / Replaced Crankcase Breather	
_____	_____	Checked Complete Engine For Oil Leaks	
_____	_____	Checked PVC Valve	
		Cooling System:	
_____	_____	Inspected / Replaced All Belts	
_____	_____	Inspected / Replaced All Hoses	
_____	_____	Checked Coolant Level; Added Anti-Freeze	
_____	_____	Tested Specific Gravity of Anti-Freeze	
_____	_____	Changed Corrosion Resistor Element (Full PM Only)	
_____	_____	Checked Complete System For Coolant Leaks	
_____	_____	Checked Block Heater and Thermostat	
_____	_____	Lube Fan Hub	
		Fuel System: <input type="checkbox"/> Diesel <input type="checkbox"/> Gasoline <input type="checkbox"/> Natural Gas <input type="checkbox"/> LP	Color:
_____	_____	Inspected Fuel In Tank	Lt Md Hv
_____	_____	Inspected Day Tank	Water
_____	_____	Replaced Fuel Filter(s)	Micro Growth
_____	_____	Checked Operation of Governor	Sediment
_____	_____	Cleaned Fuel Pump Screen	
_____	_____	Checked Fuel Lines For Leaks	
		Electrical System:	BRIGHT-HAZY
_____	_____	Checked Cleaned And Tightened All Electrical Connections	Clarity: 1 2 3 4 5
_____	_____	Checked Electrolyte Level of Batteries	Other Tank Critical <input type="checkbox"/>
_____	_____	Hydrometer Readings: _____	Tank Level _____
_____	_____	Checked Operation of All Sending Units	Tank Size _____ Gallons
_____	_____	Inspected / Replaced Points, Condenser, And Plugs (Full PM Only)	
_____	_____	Inspected Ignition System (Magneto, Distributor, Wiring, etc.)	
_____	_____	Set Timing (Full PM Only)	
_____	_____	Checked Operation of Battery Charger, Replaced Blown Fuses	
		Controls / Test / Transfer Switch:	
_____	_____	Checked Oil, Start, Warm-Up; Oil Pressure _____ PSI	
_____	_____	Amps Per Leg _____	
_____	_____	Volts Per Leg _____	
_____	_____	Frequency _____	
_____	_____	Adjusted Frequency and Voltage As Required _____	
_____	_____	Checked Exhaust System For Leaks	
_____	_____	Checked Timing Sequence On Cranking Cycles; Cranking Time _____	
_____	_____	Checked Operation of Transfer Switch	
_____	_____	Time Delays: _____	
_____	_____	Exerciser: _____	
_____	_____	Checked Engine / Generator Controls For Proper Settings	
_____	_____	Started Engine From Test Position	
_____	_____	Started Engine From Automatic Position	
_____	_____	Checked All Alarm Systems	
_____	_____	Inspected / Replaced Pilot Lights	

Additional Comments and Recommendations: _____

Generator Tech.: _____ Customer Rep.: _____

Fw: Fw: Generator Service Agreement 2026 - Grand Panama

From Shelley Richards <shelley.richards@fsresidential.com>
Date Mon 2026-05-04 8:55 AM
To GP Board <gpboard@grandpanamacoa.com> <gpboard@grandpanamacoa.com>

1 attachment (222 KB)
Generator PM Explanation of Service.pdf;

Good Morning, Brad. I have reached out To Taylor and asked the questions about the PM for a new generator. I am going to a couple of competitive bids but thought I would pass this along in the interim. Below is the response from Ryan @ Taylor -

"Good morning Shelley,

We recommend inspecting your generator every six months. The proposed service agreement includes a Basic PM service and inspection at six-month intervals. While this schedule is not mandatory, it is my recommendation, as standby equipment often does not receive the routine attention it needs. Even with a new piece of equipment, periodic inspections allow us to identify any issues early and notify you so warranty repairs can be addressed before they become larger concerns.

If Grand Panama's preference is to have us perform service only once per year, we can certainly revise the agreement accordingly. In the past, the generators on-site were not serviced regularly, which ultimately resulted in costly repairs and eventual generator replacement when multiple issues arose at once. More consistent servicing could have potentially helped avoid that situation.

There are certainly other companies available to provide comparison quotes, and I welcome that opportunity. My recommendation is to ensure you are making a like-for-like comparison of both services offered and pricing. Emergency power is our core business. We are a generator manufacturer and service provider with a history dating back to the 1920s.





Additionally, we do not operate under restrictive contracts—this is a service agreement. We commit to performing the services outlined in the agreement, but ultimately this is your equipment. If at any point you are not satisfied with our service, you are free to discontinue doing business with us and choose another provider. We believe our service quality should be what earns and keeps your business.

By partnering with us, you gain access not only to highly skilled, factory-trained technicians, but also the support of a company with over 40 service locations. In the event of another natural disaster affecting this area, we have our own rental equipment fleet and dedicated emergency response teams. This allows us to deploy additional technicians and equipment to support our local branch and prioritize customers under active service agreements.

Thank you for your careful consideration in selecting an emergency generator service provider. We look forward to the opportunity to not only maintain your generator, but to provide dependable customer service and disaster support when it matters most. We believe our experience, resources, and commitment to emergency power make us a strong service partner for your facility."

I will let you know when I get bids in.

Many Thanks!

  	<p>SHELLEY RICHARDS CMCA, CAM Grand Panama Beach Resort 11800 Front Beach Rd Panama City Beach, FL 32407 Direct Cell 816-785-9083 24/7 Customer Care 866.378.1099</p> <p> HODA Residents get instant answers with HODA</p>
---	--

From: GP Board <gpboard@grandpanamacoa.com>
Sent: Friday, May 1, 2026 4:25 PM
To: Shelley Richards <shelley.richards@fsresidential.com>
Subject: Re: Fw: Generator Service Agreement 2026 - Grand Panama

Dear Shelley,

I have a few questions regarding the 2026 Generator Service Agreement quote before this is distributed to the Board:

- What is the reasoning for performing a 41-point inspection on a new generator before the warranty expires?
- On what date does our current agreement expire?
- Are there other companies capable of performing these services, and can we solicit additional bids for comparison?

I will wait for your response to these questions before sending this out for review.





Best regards,

Brad Coleman

On Fri, May 1, 2026 at 11:27 AM Shelley Richards <shelley.richards@fsresidential.com> wrote:

Generator service agreement quote for you to distribute to BOD and review. Please see attached and note the dates for new generator will not start until 2027.

Many Thanks,

  	<p>SHELLEY RICHARDS CMCA, CAM Grand Panama Beach Resort 11800 Front Beach Rd Panama City Beach, FL 32407 Direct Cell 816-785-9083 24/7 Customer Care 866.378.1099</p>  <p>Residents get instant answers with HODA</p>
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From: Jessica Watson <jwatson@taylorbigred.com>
Sent: Friday, May 1, 2026 11:10 AM
To: Shelley Richards <shelley.richards@fsresidential.com>
Cc: Ryan McNerney <RMcNerney@Taylorbigred.com>; Brent Corley <bcorley@taylorbigred.com>
Subject: Generator Service Agreement 2026 - Grand Panama

You don't often get email from jwatson@taylorbigred.com. [Learn why this is important](#)

Good morning,

Attached is the **Generator Service Agreement for 2026**. Please take a moment to review the agreement and return a signed copy at your earliest convenience.

If you have any questions or need anything clarified, feel free to reach out—I'm always happy to help.

Thank you for choosing **Taylor Sudden Service**. I hope you have a great rest of your day!

Thank you,



Jessica Watson
 Service Coordinator
 Office: 251-666-2924
 Cell: 251-895-1772
 Email: JWatson@taylorbigred.com
 1877 Shelton Beach Road
 Saraland, AL 36571
www.taylorsuddenservice.com
www.taylorpowergenerators.com
www.taylorconstructionequipment.com

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Emergency Standby Power, LLC

Date: 05/04/26

17 Duval Street
Ft. Walton Beach, FL 32547
(850) 862-6540

Dear Grand Panama...

We are pleased to provide this quotation for maintenance on your Gillette 400kW generator located at:

11807 Front Beach Rd
Panama City Beach, FL 32407

The cost of services listed below is based on service that is scheduled:

Additional maintenance recommended will be quoted separately on an as needed basis.

The price for annual service - \$975/year (total **\$1043.25** with current applicable taxes). This quotation expires in 90 days or becomes a binding contract upon signature.

The First visit will include:

Visually Inspect:

Engine lube oil & filters

- Oil level and condition
- Air Filter
- Inspect Fuel
- Fuel Filter

Belts and Hoses

- Drive Belt(s)
- Coolant Hoses
- Coolant Level and condition

Cooling System

- Radiator core air flow
- Block Heater operation

Battery & Battery Charger

- Load Test Starting Battery/Batteries
- Check Battery Electrolyte Levels
- Clean Battery Terminals as needed
- Test Battery Charger Operation

Engine Controls & Operation

- Inspect air & exhaust intakes for restrictions
- Inspect silencer for oxidation/leaks
- Check Safety Shutdown Operation
 - Oil Pressure
 - Coolant Temp
 - High Voltage
 - Low Voltage
 - Overspeed
- Check Remote Start Operation

Electrical

- Check and adjust frequency as necessary
- Check and adjust voltage as necessary
- Check and adjust panel gauges as needed

Transfer Switch

- Check Emergency System Transfer
- Check main contactors
- Check wiring connectors

Change (if applicable):

- Oil
- Oil Filter(s)
- Fuel Filter(s)
- Coolant
- Coolant Filter(s)

The second six months will include:

Visually Inspect:

Engine lube oil & filters

- Oil level and condition

- Air Filter
- Inspect Fuel
- Fuel Filter

Belts and Hoses

- Drive Belt(s)
- Coolant Hoses
- Coolant Level and condition

Cooling System

- Radiator core air flow
- Block Heater operation

Battery & Battery Charger

- Load Test Starting Battery/Batteries
- Check Battery Electrolyte Levels
- Clean Battery Terminals as needed
- Test Battery Charger Operation

Engine Controls & Operation

- Inspect air & exhaust intakes for restrictions
- Inspect silencer for oxidation/leaks
- Check Safety Shutdown Operation
 - ___ Oil Pressure
 - ___ Coolant Temp
 - ___ High Voltage
 - ___ Low Voltage
 - ___ Overspeed
- Check Remote Start Operation

Electrical

- Check and adjust frequency as necessary
- Check and adjust voltage as necessary
- Check and adjust panel gauges as needed

Transfer Switch

- Check Emergency System Transfer
- Check main contactors
- Check wiring connectors

The checklist above is similar to the actual checklist used by our technicians when they perform a service visit. They will provide a signed copy for your records after each visit. Any repairs or maintenance recommendations that are not inclusive in this maintenance contract will be quoted on an as needed basis. We understand that your organization, just like ours, must manage to a budget and therefore, we will never perform any work without providing an estimate and obtaining authorization first. We also understand that any materials removed from your equipment are your property and as such, we will wait for your authorization to remove or dispose of these items. This will allow you the opportunity to visually inspect any and all materials that have been replaced such as belts, hoses, water pumps, ETC...

We also provide diesel fueling services for our customers at cost (we do not mark up the fuel or charge for the delivery). This allows us to provide a one-stop solution for your generator needs, and ensures our customers will be the ones up and running should there be power outages. We also perform functional testing on every six month visit, which includes the protective shutdown devices. These devices are critical in protecting your standby generator as well as the facility and equipment in which it powers. In example, a high or low voltage situation can cause overheating and even fires. The protective shutdown devices on your standby generator can prevent damage, but only if they are working properly. These devices, just like any other component, are subject to periodic failure. It is not a question of if they will fail, but when they will fail.

Our maintenance services are extremely comprehensive and while ESP, LLC's maintenance schedules and recommendations are based on the NFPA 110 2000 Edition, it does not completely assure that power will be available when you need it. It is necessary that the unit is exercised and inspected for proper operation on a regular basis. Also, the immediate surrounding area needs to be periodically inspected and kept free of debris. This maintenance contract is for a period of one year and automatically renews each year from the date that it is signed and accepted by both parties unless a written cancellation notice is provided at least thirty days prior to the renewal date. This provides your organization, as well as ours, the ability to prepare an accurate budget.

Please contact me if you have any further questions or needs.

Sincerely,

Chris Schumacher
General Manager
(850) 259-2349

Accepted on behalf of (Grand Panama) by: Sign _____ Date _____

Accepted on behalf of Emergency Standby Power, LLC by: Sign _____ Date _____

Emergency Standby Power, LLC

Date: 05/04/26

17 Duval Street
Ft. Walton Beach, FL 32547
(850) 862-6540

Dear Grand Panama...

We are pleased to provide this quotation for maintenance on your Kohler 400kW generator located at:

11807 Front Beach Rd
Panama City Beach, FL 32407

The cost of services listed below is based on service that is scheduled:

Additional maintenance recommended will be quoted separately on an as needed basis.

The price for annual service - \$975/year (total **\$1043.25** with current applicable taxes). This quotation expires in 90 days or becomes a binding contract upon signature.

The First visit will include:

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Engine lube oil & filters

- Oil level and condition
- Air Filter
- Inspect Fuel
- Fuel Filter

Belts and Hoses

- Drive Belt(s)
- Coolant Hoses
- Coolant Level and condition

Cooling System

- Radiator core air flow
- Block Heater operation

Battery & Battery Charger

- Load Test Starting Battery/Batteries
- Check Battery Electrolyte Levels
- Clean Battery Terminals as needed
- Test Battery Charger Operation

Engine Controls & Operation

- Inspect air & exhaust intakes for restrictions
- Inspect silencer for oxidation/leaks
- Check Safety Shutdown Operation
 - Oil Pressure
 - Coolant Temp
 - High Voltage
 - Low Voltage
 - Overspeed
- Check Remote Start Operation

Electrical

- Check and adjust frequency as necessary
- Check and adjust voltage as necessary
- Check and adjust panel gauges as needed

Transfer Switch

- Check Emergency System Transfer
- Check main contactors
- Check wiring connectors

Change (if applicable):

- Oil
- Oil Filter(s)
- Fuel Filter(s)
- Coolant
- Coolant Filter(s)

The second six months will include:

Visually Inspect:

Engine lube oil & filters

- Oil level and condition

- Air Filter
- Inspect Fuel
- Fuel Filter

Belts and Hoses

- Drive Belt(s)
- Coolant Hoses
- Coolant Level and condition

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- Block Heater operation

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 - ___ Oil Pressure
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 - ___ Low Voltage
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Electrical

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- Check and adjust voltage as necessary
- Check and adjust panel gauges as needed

Transfer Switch

- Check Emergency System Transfer
- Check main contactors
- Check wiring connectors

The checklist above is similar to the actual checklist used by our technicians when they perform a service visit. They will provide a signed copy for your records after each visit. Any repairs or maintenance recommendations that are not inclusive in this maintenance contract will be quoted on an as needed basis. We understand that your organization, just like ours, must manage to a budget and therefore, we will never perform any work without providing an estimate and obtaining authorization first. We also understand that any materials removed from your equipment are your property and as such, we will wait for your authorization to remove or dispose of these items. This will allow you the opportunity to visually inspect any and all materials that have been replaced such as belts, hoses, water pumps, ETC...

We also provide diesel fueling services for our customers at cost (we do not mark up the fuel or charge for the delivery). This allows us to provide a one-stop solution for your generator needs, and ensures our customers will be the ones up and running should there be power outages. We also perform functional testing on every six month visit, which includes the protective shutdown devices. These devices are critical in protecting your standby generator as well as the facility and equipment in which it powers. In example, a high or low voltage situation can cause overheating and even fires. The protective shutdown devices on your standby generator can prevent damage, but only if they are working properly. These devices, just like any other component, are subject to periodic failure. It is not a question of if they will fail, but when they will fail.

Our maintenance services are extremely comprehensive and while ESP, LLC's maintenance schedules and recommendations are based on the NFPA 110 2000 Edition, it does not completely assure that power will be available when you need it. It is necessary that the unit is exercised and inspected for proper operation on a regular basis. Also, the immediate surrounding area needs to be periodically inspected and kept free of debris. This maintenance contract is for a period of one year and automatically renews each year from the date that it is signed and accepted by both parties unless a written cancellation notice is provided at least thirty days prior to the renewal date. This provides your organization, as well as ours, the ability to prepare an accurate budget.

Please contact me if you have any further questions or needs.

Sincerely,

Chris Schumacher
General Manager
(850) 259-2349

Accepted on behalf of (Grand Panama) by: Sign _____ Date _____

Accepted on behalf of Emergency Standby Power, LLC by: Sign _____ Date _____