

**Financial Statements and  
Supplementary Information**

**Glen Eden  
Homeowners Association**

**Year Ended December 31, 2017**

**Prepared by:**

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TABLE OF CONTENTS

FINANCIAL STATEMENTS

Fund Balance Sheet.....3-4  
Statement of Operating Revenue and Expenses – Budget Comparison.....5-6  
Statement of Reserve Revenue and Expenses– Budget Comparison.....7

SUPPLEMENTAL INFORMATION

Notes to Financial Statements.....9-10

GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
 FUND BALANCE SHEET  
 FOR THE YEAR ENDING  
 DECEMBER 31, 2017

	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>	<u>TOTAL</u>
<b><u>ASSETS</u></b>			
<b><u>Current Assets</u></b>			
100-01 Iberia Bank - Operating Funds	\$ 48,502.92	\$ 0.00	48,502.92
112-01 First FL Integrity Bank - MM	50,466.12	0.00	50,466.12
113-02 CD Iberia - 07/05/18 0.90%	0.00	6,500.00	6,500.00
115-02 Iberia Bank - Reserves	0.00	37,006.50	37,006.50
116-02 CD Iberia - 10/16/2018 1.05%	0.00	6,487.96	6,487.96
117-02 CD FFI Bk - 12/30/18 1.51%	0.00	75,602.40	75,602.40
118-02 CD Encore - 5/26/2019 @ 1.75%	0.00	12,961.87	12,961.87
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Total Current Assets	98,969.04	138,558.73	237,527.77
<b><u>Other Assets</u></b>			
104-01 Due To/(From) Operating	(7,178.00)	0.00	(7,178.00)
110-01 Assessments Receivable	34,296.89	0.00	34,296.89
111-01 Accounts Receivable	19.00	0.00	19.00
114-02 Due To/(From) Reserves	0.00	7,178.00	7,178.00
120-01 Prepaid Insurance	6,017.21	0.00	6,017.21
121-01 Prepaid Expense	2,712.67	0.00	2,712.67
123-01 Utility Deposits	100.00	0.00	100.00
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Total Other Assets	35,967.77	7,178.00	43,145.77
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Total Assets	\$ 134,936.81	\$ 145,736.73	280,673.54
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<b><u>LIABILITIES</u></b>			
<b><u>Current Liabilities</u></b>			
200-01 Accounts Payable	\$ 7,243.63	\$ 0.00	7,243.63
225-01 Prepaid Assessments	3,181.00	0.00	3,181.00
226-01 Deferred Maint. Fees	70,810.00	0.00	70,810.00
227-02 Deferred Reserve Fees	0.00	7,178.00	7,178.00
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Total Current Liabilities	81,234.63	7,178.00	88,412.63

*The accompanying notes are an integral part of these financial statements.*

GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
 FUND BALANCE SHEET  
 FOR THE YEAR ENDING  
 DECEMBER 31, 2017

	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>	<u>TOTAL</u>
<u>FUND BALANCES</u>			
<u>Pooled Reserves</u>			
240-02 Pooled Reserve Fund	0.00	104,260.57	104,260.57
Total Pooled Funds	0.00	104,260.57	104,260.57
<u>General Reserves</u>			
236-02 Reserve Painting - Exterior	0.00	5,001.04	5,001.04
238-02 Reserve Pool Fence	0.00	4,666.68	4,666.68
246-02 Reserve Painting - Interior	0.00	2,400.04	2,400.04
254-02 Reserve Pool Furniture	0.00	1,384.16	1,384.16
256-02 Reserve Pool/Spa Heaters	0.00	8,000.00	8,000.00
258-02 Reserve Clubhouse A/C	0.00	5,296.24	5,296.24
260-02 Reserve Pumps - Irrigation	0.00	6,000.00	6,000.00
Total General Funds	0.00	32,748.16	32,748.16
<u>CAPITAL CONTRIBUTION RESERVE</u>			
276-02 Res Capital Contribution Rev	0.00	1,550.00	1,550.00
Total Capital Contribution Funds	0.00	1,550.00	1,550.00
Retained Funds	62,162.28	0.00	62,162.28
Net Surplus (Deficit)	(8,460.10)	0.00	(8,460.10)
Total Fund Balances	53,702.18	0.00	53,702.18
Total Liabilities & Fund Balance	\$ 134,936.81	\$ 145,736.73	280,673.54

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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
STATEMENT OF OPERATING REVENUES AND EXPENSES  
FOR THE YEAR ENDING  
DECEMBER 31, 2017

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (UNDER)
<b>REVENUES-OPERATING</b>			
300-01 Member's Assessment	\$ 278,972.00	278,972.00	0.00
305-01 Prior Year Surplus	9,000.00	9,000.00	0.00
318-01 Transfer/Application Fees	780.00	0.00	780.00
319-01 Interest Income - Checking	301.88	0.00	301.88
320-01 Late Fees/Int Charges	257.74	0.00	257.74
333-01 Green Acres Credit	4,429.00	4,000.00	429.00
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Total Revenues	293,740.62	291,972.00	1,768.62
<b>EXPENSES-OPERATING</b>			
<b>General &amp; Administrative</b>			
400-01 Management/Acctg	15,900.00	15,900.00	0.00
402-01 Office Expenses	5,525.50	4,112.00	1,413.50
404-01 Comm/Assoc Office Expense	2,297.60	2,100.00	197.60
405-01 Income Tax Preparation	275.00	275.00	0.00
410-01 Insurance - Package	6,924.89	7,205.00	(280.11)
411-01 Insurance - Flood	1,787.54	1,810.00	(22.46)
413-01 Insurance - D & O	1,903.54	1,920.00	(16.46)
415-01 Legal	1,881.00	2,000.00	(119.00)
416-01 Licenses/Permits	875.00	875.00	0.00
418-01 Corporation Fee	61.25	62.00	(0.75)
419-01 Social Committee	1,807.33	2,000.00	(192.67)
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SubTotal General & Administrative	39,238.65	38,259.00	979.65
<b>Building Maintenance</b>			
420-01 Bldg - Maint. Contract	2,225.87	2,630.00	(404.13)
421-01 Cleaning Extras	88.36	500.00	(411.64)
422-01 Building Maintenance	3,939.22	3,400.00	539.22
423-01 Building Pest Control	618.00	618.00	0.00
424-01 Exercise Equipt Contract	600.00	600.00	0.00
425-01 Exercise Equipt Repairs	0.00	400.00	(400.00)
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SubTotal Building Maintenance	7,471.45	8,148.00	(676.55)
<b>Grounds Maintenance</b>			
428-01 Resident Grounds Contract	116,400.00	116,400.00	0.00
429-01 Common Areas Ground Contract	15,600.00	15,600.00	0.00
430-01 Common Area Maintenance	2,095.06	1,500.00	595.06
431-01 Ext. Cleaning / Power Washing	3,200.00	3,825.00	(625.00)

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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
STATEMENT OF OPERATING REVENUES AND EXPENSES  
FOR THE YEAR ENDING  
DECEMBER 31, 2017

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (UNDER)
Grounds Maintenance (continued)			
432-01 Plantings - Vendor Credit	4,429.00	4,000.00	429.00
433-01 Plantings	2,970.00	2,500.00	470.00
434-01 Mulch & Pine Straw	24,663.54	25,100.00	(436.46)
435-01 Tree Trimming Contract-Palms	8,621.00	8,000.00	621.00
436-01 Tree Trimming Contract-Hardwo	6,255.00	6,300.00	(45.00)
437-01 Irrigation System Contract	3,780.00	5,340.00	(1,560.00)
438-01 Irrigation System Maintenance	2,106.00	2,000.00	106.00
445-01 Lake Maintenance Contract	2,925.00	3,475.00	(550.00)
446-01 Wetlands Maintenance	3,250.00	2,400.00	850.00
447-01 Lake Improvement	1,220.00	1,000.00	220.00
449-01 Lake Fountain Repairs	1,854.99	1,000.00	854.99
450-01 Security Gate & Database Mgmt.	385.00	450.00	(65.00)
451-01 Security Gate Repairs	1,708.98	1,000.00	708.98
452-01 Holiday Decorations	1,908.00	1,400.00	508.00
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SubTotal Grounds Maintenance	203,371.57	201,290.00	2,081.57
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Pool Maintenance			
440-01 Pool/Spa Maint. Contract	6,600.00	6,600.00	0.00
441-01 Pool/Spa Maint. & Supplies	745.00	1,600.00	(855.00)
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SubTotal Pool Maintenance	7,345.00	8,200.00	(855.00)
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Utilities			
460-01 Electricity	21,312.51	20,000.00	1,312.51
462-01 Telephone / Internet / Cable	3,878.58	3,100.00	778.58
464-01 Water & Sewer	4,685.58	4,250.00	435.58
465-01 Trash/Recycle	1,946.26	1,725.00	221.26
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SubTotal Utilities	31,822.93	29,075.00	2,747.93
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Contingency/Other			
474-01 Prior Period Adjustment	2,361.12	0.00	2,361.12
475-01 Storm Expenses	10,590.00	2,000.00	8,590.00
476-01 Contingency	0.00	5,000.00	(5,000.00)
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SubTotal Contingency	12,951.12	7,000.00	5,951.12
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Total Expenses	302,200.72	291,972.00	10,228.72
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Net Surplus/(Deficit)	\$ (8,460.10)	0.00	(8,460.10)
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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
 STATEMENT OF RESERVES REVENUES AND EXPENSES  
 FOR THE YEAR ENDING  
 DECEMBER 31, 2017

	YEAR TO DATE Actual	YEAR TO DATE Budget	VARIANCE (Under)
<b>REVENUES - RESERVES</b>			
600-02 Members Assessment - Reserve	\$ 19,400.00	19,400.00	0.00
616-02 Res Capital Contribution Rev	7,500.00	0.00	7,500.00
618-02 Interest Income - Res.	809.73	0.00	809.73
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Total Reserves Revenues	27,709.73	19,400.00	8,309.73
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<b>EXPENSES - RESERVES</b>			
655-02 Res. Pool Furniture Expense	8,299.80	0.00	8,299.80
663-02 Res. Fountains Expense	1,829.99	0.00	1,829.99
667-02 Res Clubhouse Furnishings Exp	11,502.05	0.00	11,502.05
673-02 Street Sign Replacement	15,406.04	0.00	15,406.04
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Total Reserves Expenses	37,037.88	0.00	37,037.88
<b>REVENUES ALLOCATION - RESERVES</b>			
700-02 Allocate Res. Revenue	(26,900.00)	(19,400.00)	(7,500.00)
710-02 Allocate Res. Interest	(809.73)	0.00	(809.73)
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Total Revenues Allocation	(27,709.73)	(19,400.00)	(8,309.73)
<b>EXPENSES ALLOCATION - RESERVES</b>			
750-02 Allocate Res. Expense	(37,037.88)	0.00	(37,037.88)
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Total Expenses Allocation	(37,037.88)	0.00	(37,037.88)
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Net Surplus/(Deficit)	\$ 0.00	0.00	0.00
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## Supplementary Information

GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2017

**1. Organization**

Glen Eden, a homeowners association, was incorporated on April 10, 1998. The Association is responsible for the operation and maintenance of the common property within the development. The development consists of 97 residential units located on approximately 19 acres in Naples, Florida.

**2. Summary of Significant Accounting Policies**

*Property and Equipment.* Tangible personal property purchases (i.e. maintenance equipment, etc.) have been recognized as direct expenses in the year purchased. Their fair market value is an asset of the Condominium, but is not recognized on the Balance Sheet.

*Fund Accounting.* The Association uses fund accounting, which requires that funds, such as operating funds and funds designated for future major maintenance and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating are generally at the discretion of the Board of Directors and property manager. Disbursements from the major maintenance reserve funds generally may be made only for designated purposes.

**3. Future Maintenance Repairs and Replacements**

The Association governing documents require that funds be accumulated for future major maintenance repairs and replacements unless waived by the ownership. Accumulated reserve funds are combined in a money market bank account and/or CDs, and are not normally available for normal operations.

The Association fully funded its reserves for 2017. Actual expenditures may vary from the budgeted amounts because of time and dollar estimates, and the difference may be material. Consequently, funds accumulated in cash and short-term investments may not be adequate when needed. If additional amounts are needed, the Association may increase regular assessments, pass special assessments or delay major repairs and replacements until funds are available.

**4. Liabilities**

Accounts Payable represents expenses incurred in 2017, but not paid until January 2018.

Deferred maintenance fees and deferred reserve fees represent the maintenance fees billed to owners for the first quarter of 2018. As it is earned, this amount will be applied monthly to maintenance assessment income and quarterly to reserve income.

**5. Federal and State Taxes**

The Corporation is subject to federal and state income taxation on net income. In 2017, the Association elected to file the 1120-H, which is based primarily upon interest earned on operating and reserve funds. For the 2017 calendar year, there is no Federal or State tax liability.

GLEN EDEN HOMEOWNERS ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2017

**6. Assessments Receivable**

Assessments are billed approximately thirty days prior to the maintenance period. The Association's policy is to place liens on the properties of the owners whose assessments are sixty days in arrears. There were no delinquent accounts as of December 31, 2017.

**7. Prepaid Expenses**

The Prepaid Expense represents the 2018 expenses that were paid in 2017.

The Prepaid Insurance category represents the portion of insurance premiums paid in 2017 for insurance coverage remaining in 2018.

**8. Owners' Assessments**

The annual budget and assessments of owners are determined by the Board of Directors and are adopted by the Board after comments from the membership. The Association retains excess operating funds, if any, at the end of the operating year for use in future operating periods. The annual assessments to owners are billed on a quarterly basis. The assessments for 2017 were \$769.00 per quarter or \$3,076.00 annually.

**9. Reserve Expenses**

Pool Furniture – The association spent \$8,299.80 for new pool furniture from Elegant Outdoor Living. Of the \$8,299.80 spent, \$5,755.84 was paid from the Pool Furniture Reserve and \$2,543.96 was paid from the Capital Contribution Fund.

Clubhouse Furnishings – The association spent \$11,502.05 for new patio furniture from Elegant Outdoor Living.

Fountain – The association spent \$1,829.99 on a 2 HP Motor for Fountain #3.

**10. Capital Contribution**

The source of revenue for the Capital Contribution Fund comes from new sales. At closing the buyer is required to pay a one-time fee of \$1,500.00. The money collected is credited to the Capital Contribution Fund. The balance was \$19,500.00. The Board of Directors approved spending \$15,406.04 for the new Street Signs & Poles, and \$2,543.96 towards the Pool Furniture. Total expenses equal \$17,950.00, leaving a balance of \$1,550.00, as of December 31, 2017.