

**Financial Statements and
Supplementary Information**

**Glen Eden
Homeowners Association**

Year Ended December 31, 2018

Prepared by:

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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.
 FUND BALANCE SHEET
 FOR THE YEAR ENDING
 DECEMBER 31, 2018

	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
<u>Current Assets</u>			
100-01 Iberia Bank - Operating Funds	\$ 48,705.39	\$ 0.00	48,705.39
112-01 First FL Integrity Bank - MM	50,769.83	0.00	50,769.83
113-02 CD Iberia - 08/21/19 2.08%	0.00	6,597.87	6,597.87
115-02 Iberia Bank - Reserves	0.00	49,033.06	49,033.06
117-02 CD FFI Bk - 12/30/19 2.45%	0.00	75,602.40	75,602.40
118-02 CD LMCU - 5/26/2019 @ 1.75%	0.00	13,184.86	13,184.86
122-02 CD LMCU - 10/16/19 2.45%	0.00	10,040.49	10,040.49
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Total Current Assets	99,475.22	154,458.68	253,933.90
 <u>Other Assets</u>			
104-01 Due To/(From) Operating	(9,312.00)	0.00	(9,312.00)
110-01 Assessments Receivable	36,146.00	0.00	36,146.00
114-02 Due To/(From) Reserves	0.00	9,312.00	9,312.00
120-01 Prepaid Insurance	5,461.88	0.00	5,461.88
123-01 Utility Deposits	256.00	0.00	256.00
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Total Other Assets	32,551.88	9,312.00	41,863.88
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Total Assets	\$ 132,027.10	\$ 163,770.68	295,797.78
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 <u>LIABILITIES</u>			
<u>Current Liabilities</u>			
200-01 Accounts Payable	\$ 9,785.91	\$ 0.00	9,785.91
225-01 Prepaid Assessments	3,925.95	0.00	3,925.95
226-01 Deferred Maint. Fees	73,914.00	0.00	73,914.00
227-02 Deferred Reserve Fees	0.00	9,312.00	9,312.00
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Total Current Liabilities	87,625.86	9,312.00	96,937.86

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, 2018

	<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	107,298.06	107,298.06
Total Pooled Funds	0.00	107,298.06	107,298.06
<u>General Reserves</u>			
232-02 Reserve Storm Damage	0.00	3,492.00	3,492.00
234-02 Reserve Tree / Shrub	0.00	3,492.00	3,492.00
236-02 Reserve Painting - Exterior	0.00	(17.73)	(17.73)
238-02 Reserve Pool Fence	0.00	5,054.68	5,054.68
246-02 Reserve Painting - Interior	0.00	2,400.04	2,400.04
254-02 Reserve Pool Furniture	0.00	2,936.16	2,936.16
256-02 Reserve Pool/Spa Heaters	0.00	8,000.00	8,000.00
258-02 Reserve Clubhouse A/C	0.00	5,684.24	5,684.24
260-02 Reserve Pumps - Irrigation	0.00	4,069.23	4,069.23
Total General Funds	0.00	35,110.62	35,110.62
<u>CAPITAL CONTRIBUTION RESERVE</u>			
276-02 Res Capital Contribution Rev	0.00	12,050.00	12,050.00
Total Capital Contribution Funds	0.00	12,050.00	12,050.00
Retained Funds	44,778.18	0.00	44,778.18
Net Surplus (Deficit)	(376.94)	0.00	(376.94)
Total Fund Balances	44,401.24	0.00	44,401.24
Total Liabilities & Fund Balance	\$ 132,027.10	\$ 163,770.68	295,797.78

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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.
 STATEMENT OF OPERATING REVENUES AND EXPENSES
 FOR THE YEAR ENDING
 DECEMBER 31, 2018

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (UNDER)
REVENUES-OPERATING			
300-01 Member's Assessment	\$ 283,240.00	283,240.00	0.00
305-01 Prior Year Surplus	8,924.00	8,924.00	0.00
310-01 Special Assessment	133,375.00	0.00	133,375.00
316-01 Car Tags/Misc Income	220.00	0.00	220.00
318-01 Transfer/Application Fees	1,380.55	0.00	1,380.55
319-01 Interest Income - Checking	303.71	0.00	303.71
320-01 Late Fees/Int Charges	1,407.78	0.00	1,407.78
333-01 Green Acres Credit	4,250.00	4,000.00	250.00
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Total Revenues	433,101.04	296,164.00	136,937.04
EXPENSES-OPERATING			
General & Administrative			
400-01 Management/Acctg	16,200.00	16,200.00	0.00
402-01 Office Expenses	5,358.99	4,220.00	1,138.99
404-01 Comm/Assoc Office Expense	2,101.74	2,207.00	(105.26)
405-01 Income Tax Preparation	275.00	275.00	0.00
406-01 Review/Audit	0.00	2,500.00	(2,500.00)
410-01 Insurance - Package	8,207.98	7,550.00	657.98
411-01 Insurance - Flood	1,832.40	1,853.00	(20.60)
413-01 Insurance - D & O	1,929.94	1,959.00	(29.06)
415-01 Legal	1,914.00	2,000.00	(86.00)
416-01 Licenses/Permits	1,225.00	875.00	350.00
418-01 Corporation Fee	61.25	62.00	(0.75)
419-01 Social Committee	2,089.86	2,000.00	89.86
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SubTotal General & Administrative	41,196.16	41,701.00	(504.84)
Building Maintenance			
420-01 Bldg - Maint. Contract	2,715.05	2,630.00	85.05
421-01 Cleaning Extras	85.89	500.00	(414.11)
422-01 Building Maintenance	2,742.71	3,000.00	(257.29)
423-01 Guardhouse Repairs	0.00	400.00	(400.00)
424-01 Building Pest Control	721.00	618.00	103.00
425-01 Exercise Equipt Contract	600.00	600.00	0.00
426-01 Exercise Equipt Repairs	0.00	400.00	(400.00)
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SubTotal Building Maintenance	6,864.65	8,148.00	(1,283.35)
Grounds Maintenance			
427-01 Resident Grounds Contract	116,400.00	116,400.00	0.00
428-01 Common Areas Ground Contract	15,600.00	15,600.00	0.00
429-01 Common Area Maintenance	5,618.20	3,000.00	2,618.20
430-01 Ext. Cleaning / Power Washing	3,250.00	3,425.00	(175.00)
431-01 Roof Cleaning	0.00	400.00	(400.00)

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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF OPERATING REVENUES AND EXPENSES
FOR THE YEAR ENDING
DECEMBER 31, 2018

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (UNDER)
Grounds Maintenance (continued)			
432-01 Plantings - Vendor Credit	4,250.00	4,000.00	250.00
433-01 Plantings	4,995.00	4,500.00	495.00
434-01 Mulch & Pine Straw	24,328.50	26,100.00	(1,771.50)
435-01 Tree Trimming - Palms	7,295.00	8,650.00	(1,355.00)
436-01 Tree Trimming - Hardwood	500.00	3,150.00	(2,650.00)
437-01 Irrigation System Contract	3,330.00	5,340.00	(2,010.00)
438-01 Irrigation System Maintenance	4,427.43	2,500.00	1,927.43
445-01 Lake Maintenance Contract	3,150.00	3,475.00	(325.00)
446-01 Wetlands Maintenance	2,400.00	2,400.00	0.00
447-01 Lake Improvement	2,375.00	1,000.00	1,375.00
449-01 Lake Fountain Repairs	2,034.27	2,500.00	(465.73)
450-01 Security Gate & Database Mgmt.	260.00	450.00	(190.00)
451-01 Security Gate Repairs	(419.70)	2,000.00	(2,419.70)
452-01 Holiday Decorations	2,420.28	1,800.00	620.28
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SubTotal Grounds Maintenance	202,213.98	206,690.00	(4,476.02)
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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	6,183.17	1,600.00	4,583.17
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SubTotal Pool Maintenance	12,783.17	8,200.00	4,583.17
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Utilities			
460-01 Electricity	22,075.59	21,300.00	775.59
462-01 Telephone / Internet / Cable	3,062.29	3,800.00	(737.71)
464-01 Water & Sewer	7,646.62	4,425.00	3,221.62
465-01 Trash/Recycle	2,670.61	1,900.00	770.61
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SubTotal Utilities	35,455.11	31,425.00	4,030.11
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Contingency/Other			
474-01 Prior Period Adjustment	(1,327.85)	0.00	(1,327.85)
475-01 Storm Expenses	650.00	0.00	650.00
478-01 Special Assmt Storm Expenses	23,377.00	0.00	23,377.00
479-01 S/A Front Entrance Expense	112,265.76	0.00	112,265.76
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SubTotal Contingency	134,964.91	0.00	134,964.91
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Total Expenses	433,477.98	296,164.00	137,313.98
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Net Surplus/(Deficit)	\$ (376.94)	0.00	(376.94)
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GLEN EDEN HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF RESERVES REVENUES AND EXPENSES
FOR THE YEAR ENDING
DECEMBER 31, 2018

	YEAR TO DATE Actual	YEAR TO DATE Budget	VARIANCE (Under)
REVENUES - RESERVES			
600-02 Members Assessment - Reserve	\$ 28,712.00	28,712.00	0.00
616-02 Res Capital Contribution Rev	10,500.00	0.00	10,500.00
618-02 Interest Income - Res.	531.23	0.00	531.23
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Total Reserves Revenues	39,743.23	28,712.00	11,031.23
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EXPENSES - RESERVES			
637-02 Res Ext Painting Exp	5,550.00	0.00	5,550.00
645-02 Res.Security Gate Expense	16,362.51	0.00	16,362.51
661-02 Res. Pumps - Irrigation	1,930.77	0.00	1,930.77
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Total Reserves Expenses	23,843.28	0.00	23,843.28
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REVENUES ALLOCATION - RESERVES			
700-02 Allocate Res. Revenue	(39,212.00)	(28,712.00)	(10,500.00)
710-02 Allocate Res. Interest	(531.23)	0.00	(531.23)
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Total Revenues Allocation	(39,743.23)	(28,712.00)	(11,031.23)
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EXPENSES ALLOCATION - RESERVES			
750-02 Allocate Res. Expense	(23,843.28)	0.00	(23,843.28)
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Total Expenses Allocation	(23,843.28)	0.00	(23,843.28)
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Net Surplus/(Deficit)	\$ 0.00	0.00	0.00
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The accompanying notes are an integral part of these financial statements

Supplementary Information

GLEN EDEN HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2018

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 2018. 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 2018, but not paid until January 2019.

Deferred maintenance fees and deferred reserve fees represent the maintenance fees billed to owners for the first quarter of 2019. 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 2018, the Association elected to file the 1120-H, which is based primarily upon interest earned on operating and reserve funds. For the 2018 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, 2018

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, 2018.

7. Prepaid Expenses

The Prepaid Expense represents the 2019 expenses that were paid in 2018.

The Prepaid Insurance category represents the portion of insurance premiums paid in 2018 for insurance coverage remaining in 2019.

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 2018 were \$804.00 per quarter or \$3,216.00 annually.

9. Reserve Expenses

Exterior Painting – The association spent \$5,550.00 for the pressure washing of the clubhouse, clubhouse roof and gatehouse and the exterior painting of the clubhouse and gutters.

Security Gate – The association spent \$16,362.51 on the new LED System and arms.

Irrigation Pump – The association spent \$1,930.77 on a 5 horse power pump.

10. Storm Expense

The association spent \$1,220.00 to have the palm trees cleaned up and \$650.00 to replace the damaged tiles on the clubhouse roof.

11. Special Assessment:

Storm Expense – The association spent \$23,377.00 on storm clean-up, which included tree removal, tree trimming, stump grinding, hedge removal, perimeter clean-up and tree replacement.

Front Entrance Renovation – The entire front entrance was refurbished, from raising & leveling the wall to adding pavers, new plants & palm trees, new flag pole & flag, installation of a berm, entrance signs painted, island lights installed and security cameras, installation & monitoring. The total expense for the renovation was \$112,265.76.