

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

For the Year Ended December 31, 2020



GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

For the Year Ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Grand Isles Master Homeowners Association, Inc.
Wellington, Florida

We have audited the accompanying financial statements of Grand Isles Master Homeowners Association, Inc., which comprise the balance sheet as of December 31, 2020, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Grand Isles Master Homeowners Association, Inc.
Wellington, Florida

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Grand Isles Master Homeowners Association, Inc., as of December 31, 2020, 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.

Emphasis of Matter

As discussed in NOTE I to the financial statements, a global pandemic has been declared by the World Health Organization as a result of the rapidly growing outbreak of coronavirus, COVID-19. The extent of the ultimate effects of COVID-19 on the Association's operating and financial performance cannot be predicted at this time. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of operating fund expenses, the schedule of operating fund revenues and expenses - budget vs. actual - master and the schedule of operating fund revenues and expenses - budget vs. actual - carmel 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.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

Management has omitted the supplementary information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Gladstone & Company, LLC

Gladstone & Company, LLC
Certified Public Accountants
Sunrise, Florida
February 25, 2021

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
BALANCE SHEET
December 31, 2020

	Operating Fund	Replacement Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 184,790	\$ 119,363	\$ 304,153
Certificate of Deposit	-	102,549	102,549
Member Assessments Receivable	24,344	-	24,344
Prepaid Insurance	52,889	-	52,889
Prepaid Expenses	1,466	-	1,466
 Total Assets	 \$ 263,489	 \$ 221,912	 \$ 485,401

LIABILITIES AND FUND BALANCE

LIABILITIES			
Accounts Payable and Accrued Expenses	\$ 71,412	\$ -	\$ 71,412
Prepaid Member Assessments	86,687	-	86,687
Insurance Loan Payable	46,129	-	46,129
Contract Liabilities	-	216,831	216,831
 Total Liabilities	 204,228	 216,831	 421,059
 FUND BALANCE (DEFICIT)			
Master	86,855	3,818	90,673
Carmel	(27,594)	872	(26,722)
 Total Fund Balance	 59,261	 5,081	 64,342
 Total Liabilities and Fund Balance	 \$ 263,489	 \$ 221,912	 \$ 485,401

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

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2020

	Operating Fund	Replacement Fund	Total
REVENUES			
Member Assessments	\$ 1,040,467	\$ 384,234	\$ 1,424,701
Median Maintenance Income	7,885	-	7,885
Late Fees and Owner Interest Income	9,604	-	9,604
Fines	2,275	-	2,275
Legal Fee Recovery	17,870	-	17,870
Orientation Fees	8,700	-	8,700
Gate Card Income and Pool Key Income	8,627	-	8,627
Rental Home Contribution	7,800	-	7,800
Bad Debt Recovery Income	21,030	-	21,030
Interest Income	<u>14</u>	<u>391</u>	<u>405</u>
 Total Revenues	 <u>1,124,272</u>	 <u>384,625</u>	 <u>1,508,897</u>
EXPENSES			
Administrative	110,328	-	110,328
Contract Services	598,100	-	598,100
Repairs and Maintenance	129,298	-	129,298
Grounds Maintenance	43,902	-	43,902
Utilities	72,876	-	72,876
Carmel Expenses	93,467	-	93,467
Reserve Expenses	<u>-</u>	<u>384,234</u>	<u>384,234</u>
 Total Expenses	 <u>1,047,971</u>	 <u>384,234</u>	 <u>1,432,205</u>
 Excess of Revenues over Expenses	 76,301	 391	 76,692
 Fund Balance (Deficit) - Beginning of Year	 <u>(17,040)</u>	 <u>4,690</u>	 <u>(12,350)</u>
 Fund Balance - End of Year	 <u>\$ 59,261</u>	 <u>\$ 5,081</u>	 <u>\$ 64,342</u>

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

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	Operating Fund	Replacement Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of Revenues over Expenses	\$ 76,301	\$ 391	\$ 76,692
Adjustments to Reconcile Excess of Revenues over Expenses to Net Cash Provided by (Used in) Operating Activities:			
Bad Debt Recovery Income	(21,030)	-	(21,030)
(Increase) Decrease in Assets:			
Member Assessments Receivables, Net	28,610	-	28,610
Prepaid Insurance	(13,305)	-	(13,305)
Prepaid Expenses	1,159	-	1,159
Interfund Borrowings	(4,966)	4,966	-
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Expenses	35,261	-	35,261
Prepaid Member Assessments	(10,258)	-	(10,258)
Contract Liabilities	-	(148,369)	(148,369)
Net Cash Provided by (Used in) Operating Activities	<u>91,772</u>	<u>(143,012)</u>	<u>(51,240)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Redemptions of Certificates of Deposit, Net of (Acquisitions)	<u>-</u>	<u>10,009</u>	<u>10,009</u>
Net Cash Provided by Investing Activities	<u>-</u>	<u>10,009</u>	<u>10,009</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Insurance Loan Payable, Net of Repayments	<u>11,096</u>	<u>-</u>	<u>11,096</u>
Net Cash Provided by Financing Activities	<u>11,096</u>	<u>-</u>	<u>11,096</u>
Net Increase (Decrease) in Cash and Cash Equivalents	102,868	(133,003)	(30,135)
Cash and Cash Equivalents - Beginning of Year	<u>81,922</u>	<u>252,366</u>	<u>334,288</u>
Cash and Cash Equivalents - End of Year	<u>\$ 184,790</u>	<u>\$ 119,363</u>	<u>\$ 304,153</u>
SUPPLEMENTAL INFORMATION			
Income Taxes Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Interest Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE A - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization - Grand Isles Master Homeowners Association, Inc. (the "Association"), was incorporated as a not-for-profit corporation on March 22, 1996, in the State of Florida for the purpose of maintaining and preserving the common areas of the Association. Grand Isles Master Homeowners Association, Inc. consists of 611 residential units located in Wellington, Florida.

The community of Carmel, consisting of 183 residential units, is a sub division within the Grand Isles Master Homeowners Association, Inc. Their monthly maintenance assessments include specific recreation area amenities (pool, etc.,) that are for the sole benefit of Carmel owners.

2. Fund Accounting - The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

3. Basis of Accounting - The books and records are maintained on the accrual basis of accounting which recognizes revenues when earned, regardless of when received, and expenses when incurred, regardless of when paid, which is in accordance with accounting principles generally accepted in the United States of America.

4. Member Assessments - Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose.

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent, in accordance with the Association's late fee policy. At December 31, 2020, the Association had delinquent assessments of \$24,344. It is the opinion of the board of directors that the Association will ultimately prevail against homeowners with delinquent assessments, and, accordingly, no allowance for uncollectible accounts is deemed necessary.

The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The balances of assessments receivable, net of allowance for bad debt, as of the beginning and end of the year are \$31,924 and \$24,344, respectively. The \$24,344 does not include an allowance for doubtful accounts.

5. Interest Income - The Board of Directors' policy is to allocate to the operating and replacement funds all interest earned on their respective cash and cash equivalent and investment accounts.

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2020

NOTE A - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Use of Estimates in the Preparation of Financial Statements - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

7. Recognition of Assets and Depreciation Policy - Real and personal common property acquired by the original homeowners from the developer and related improvements to such property are not recognized on the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association.

8. Cash and Cash Equivalents - For purposes of the December 31, 2020 balance sheets and statements of cash flows for the year then ended, the Association considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents

9. Income Taxes - The Association's policy is to record interest expense or penalties related to income tax in operating expenses. For the year ended December 31, 2020, no interest or penalties were paid or accrued.

The Association may be taxed either as a homeowners association or as a regular corporation. This election is made annually taking into account the best interest of the Association. For the year ended December 31, 2020, the Association elected to file as a homeowners' association in accordance with Internal Revenue Code Section 528. Under that Section, the Association excludes from taxation exempt function income, which generally consists of revenue from assessments to owners. The Association's investment income and other nonexempt income are subject to tax at a rate of 30%, net of any applicable expenses.

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, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. Under federal and state income tax laws, an entity's income tax returns are subject to examination by the applicable taxing authorities; however, there are currently no examinations for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2017.

10. Concentration of Credit Risk - Financial instruments which potentially subject the Association to concentrations of credit risk are primarily cash and assessments receivable. The Association invests its excess cash in both deposits and high quality short-term liquid money market instruments with major financial institutions, and the carrying value approximates market value. The Association has not experienced losses related to these investments. The Association believes it is not exposed to any significant credit risk on cash and assessments receivable.

11. Comprehensive Income - ASC 220 (formerly SFAS No. 130) requires "a full set of general-purpose financial statements to be expanded to include the reporting of comprehensive income." Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended December 31, 2020, there were no items that qualify as comprehensive income.

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS (Continued)
 December 31, 2020

NOTE A - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Fair Value of Financial Instruments - The carrying amounts of cash, receivables, and payables approximate their fair values due to their short-term maturities.

13. Current Liabilities - The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities as of the beginning and end of the year are 365,200 and \$216,831, respectively.

NOTE B - REPLACEMENT FUND

The Association has established reserves. Accumulated funds are held in separate savings accounts and are generally not available for expenditures for normal operations.

The following disclosure is made in accordance with Florida Statute 720.303(6)(c)2:

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

The activity in the replacement fund was as follows:

Components	Fund	Contract	Budgeted	Intrafund	Interest	Expenses	Contract	Fund
	Balance	Liabilities					Liabilities	
	01/01/20	01/01/20	Assessments	Transfer	Income		12/31/20	12/31/20
MASTER								
General	\$ -	\$ 281,586	\$ 225,894	\$ 25,832	\$ -	\$ (340,287)	\$ 193,025	-
Capital Improvements / Emergency	-	18,257	-	(18,257)	-	-	-	-
Storm Damage / Insurance Deductible	-	7,575	-	(7,575)	-	-	-	-
Interest Income	3,818	-	-	-	310	-	-	4,128
	<u>3,818</u>	<u>307,418</u>	<u>225,894</u>	<u>-</u>	<u>310</u>	<u>(340,287)</u>	<u>193,025</u>	<u>4,128</u>
CARMEL								
General	-	57,318	9,971	464	-	(43,947)	23,806	-
Capital Improvements / Emergency	-	464	-	(464)	-	-	-	-
Interest Income	872	-	-	-	81	-	-	953
	<u>872</u>	<u>57,782</u>	<u>9,971</u>	<u>-</u>	<u>81</u>	<u>(43,947)</u>	<u>23,806</u>	<u>953</u>
Totals	<u>\$ 4,690</u>	<u>\$ 365,200</u>	<u>\$ 235,865</u>	<u>\$ -</u>	<u>\$ 391</u>	<u>\$ (384,234)</u>	<u>\$ 216,831</u>	<u>\$ 5,081</u>

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2020

NOTE B - REPLACEMENT FUND (Continued)

Pursuant to FASB ASC 606, the Association recognizes replacement fund revenue from members as the related performance obligations are satisfied. For the year ended December 31, 2020, the Association recognized \$384,234 of member assessment revenue.

The Board of Directors had a study conducted by professional engineers in May, 2017 to estimate the remaining useful lives and the replacement costs of the components of common property. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available. Accordingly, the funding requirements of \$235,865 and \$ 331,627 have been included in the 2020 and 2021 budgets, respectively.

NOTE C - ASSOCIATION INSURANCE DEDUCTIBLES

Common property of the Association is located in South Florida, an area proven geographically prone to hurricanes. The Association's insurance policies define deductibles and exclusions which will yield uncovered costs if common property damage claims occur. If additional funds are needed to replace or repair common property, the Association has the right, subject to governing documents, to increase regular assessments, pass special assessments, borrow funds or delay major repairs and replacements until funds are available.

NOTE D - CERTIFICATE OF DEPOSIT

At December 31, 2020, the Association had \$102,549 in a certificate of deposit with an interest rate of .01% and a maturity date in 2021. It is the intent of the Association to hold this certificate until maturity. If this certificate are liquidated prior to maturity, they would be subject to market fluctuations and possibly early withdrawal penalties.

NOTE E - OTHER COMMITMENTS AND CONTINGENCIES

The Association has contracted with various vendors for various services to maintain the common property related to certain administrative, building operations and maintenance, and contract expenses. These contracts are approved, as necessary, by the Board of Directors and have varying expiration dates and renewal terms.

NOTE F - LEGAL MATTERS

The Association is a party to various legal actions normally associated with homeowner associations, such as the collection of delinquent assessments and covenant compliance matters, the aggregate effect of which, in management's opinion, would not be material to the future financial condition of the Association.

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2019

NOTE G - UNINSURED CASH BALANCES

The Association maintains its cash balances at one major financial institution. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2020, the Association's uninsured cash balances total \$80,469. The Association believes it is not exposed to any significant credit risk on cash and has not incurred losses related to these investments.

NOTE H - INSURANCE LOAN PAYABLE

On December 31, 2020, the Association entered into a finance agreement to finance the cost of insurance premiums. The agreement stipulated a down payment of \$4,194 with eleven monthly payments of \$4,194 including interest of 6.679% per annum beginning January 31, 2021. The remaining payments due at December 31, 2020, totaled \$46,129.

NOTE I - CONTINGENCIES-COVID-19

In March 2020, a global pandemic was declared by the World Health Organization as a result of the rapidly growing outbreak of coronavirus, COVID-19. The pandemic has significantly impacted the economic conditions in the United States, including disrupting supply chains and affecting production and sales across a range of industries. The extent of the ultimate effects of COVID-19 on the Association's operations and financial performance cannot be predicted at this time, as they are dependent on many factors, including, but not limited to: (i) the duration and spread of the outbreak, (ii) the impact on our owners and residents, management personnel and service providers, and (iii) the impact on the local, state, national and global economies.

NOTE J - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 25, 2021, the date that the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF OPERATING FUND EXPENSES
 For the Year Ended December 31, 2020

EXPENSES	<u>(Actual)</u>
ADMINISTRATIVE	
Audit Expense	\$ 7,000
Bank Fees	179
Coupon Expense	1,680
Insurance	46,721
Legal Fees	28,646
Licenses and Fees	511
Miscellaneous	1,466
Office Expense	17,000
Studies (Reserve and Insurance)	4,512
Web Hosting	<u>2,613</u>
Total Administrative	<u>110,328</u>
 CONTRACT SERVICES	
Gatehouse Attendants	147,686
Holiday Lights	8,691
Janitorial Service	40,375
Lake Maintenance	19,940
Landscaping Maintenance	150,236
Management Fees	121,810
Mulching	22,655
Pest Control	1,835
Pool Maintenance and Repairs	32,483
Sheriff Patrols	<u>52,389</u>
Total Contract Services	<u>598,100</u>

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION
SCHEDULE OF OPERATING FUND EXPENSES (continued)
For the Year Ended December 31, 2020

EXPENSES	<u>(Actual)</u>
REPAIRS and MAINTENANCE	
Fire Safety	5,072
Fitness Center	1,045
Gate	36,679
General	39,751
Golf Cart	1,454
Guardhouse	3,162
Irrigation Maintenance	31,049
Lighting Electrical	2,801
Pressure Cleaning	<u>8,285</u>
Total Repairs and Maintenance	<u>129,298</u>
 GROUNDS MAINTENANCE	
Ficus Hedge Replacements	1,660
Hurricane Preparation and Cleanup	9,850
Landscape Extra / Whitefly	625
Landscape Replacement	3,304
Tree Trimming Replacement	<u>28,463</u>
Total Grounds Maintenance	<u>43,902</u>
 UTILITIES	
Electricity	50,719
Telephone and Internet	16,949
Trash	1,746
Water and Sewer	<u>3,462</u>
Total Utilities	<u>72,876</u>

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION
SCHEDULE OF OPERATING FUND EXPENSES (continued)
For the Year Ended December 31, 2020

EXPENSES	<u>(Actual)</u>
CARMEL EXPENSES	
Irrigation Maintenance	22,889
Landscape Maintenance	41,467
Pest Control	720
Pool Maintenance and Repairs	<u>28,391</u>
 Total Carmel Expenses	 <u>93,467</u>
 TOTAL EXPENSES	 <u>\$ 1,047,971</u>

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION
MASTER
SCHEDULE OF OPERATING FUND REVENUES AND EXPENSES - BUDGET VS. ACTUAL
For the Year Ended December 31, 2020

	Operating Fund	Budget (Unaudited)	Variance (Unaudited)
REVENUES			
Member Assessments	\$ 947,226	\$ 947,224	\$ 2
Median Maintenance Income	7,885	7,885	-
Late Fees and Owner Interest Income	9,604	5,000	4,604
Fines	2,275	1,220	1,055
Legal Fee Recovery	17,870	-	17,870
Orientation Fees	8,700	10,000	(1,300)
Gate Card and Pool Key Income	8,627	10,000	(1,373)
Rental Home Contribution	7,800	7,200	600
Bad Debt Recovery Income	21,030	-	21,030
Interest Income	14	14	-
	<u>1,031,031</u>	<u>988,543</u>	<u>42,488</u>
EXPENSES			
ADMINISTRATIVE			
Audit Expense	7,000	7,000	-
Bad Debt Expense	-	6,000	6,000
Bank Fees	179	1,000	821
Community Activities	-	10,000	10,000
Coupon Expense	1,680	3,000	1,320
Insurance	46,721	37,000	(9,721)
Legal Fees	28,646	51,672	23,026
Licenses and Fees	511	810	299
Miscellaneous	1,466	2,000	534
Office Expense	17,000	4,000	(13,000)
Operating Budget Shortfall	-	51,161	51,161
Studies (Reserve and Insurance)	4,512	1,500	(3,012)
Web Hosting	2,613	2,400	(213)
	<u>110,328</u>	<u>177,543</u>	<u>67,215</u>
CONTRACT SERVICES			
Gatehouse Attendants	147,686	144,000	(3,686)
Holiday Lights	8,691	10,000	1,309
Janitorial Service	40,375	37,000	(3,375)
Lake Maintenance	19,940	20,000	60
Landscaping Maintenance	150,236	154,000	3,764
Management Fees	121,810	115,550	(6,260)
Mulching	22,655	24,200	1,545
Pest Control	1,835	2,000	165
Pool Maintenance and Repairs	32,483	12,500	(19,983)
Sheriff Patrols	52,389	60,000	7,611
	<u>598,100</u>	<u>579,250</u>	<u>(18,850)</u>

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION
MASTER
SCHEDULE OF OPERATING FUND REVENUES AND EXPENSES - BUDGET VS. ACTUAL (continued)
For the Year Ended December 31, 2020

	Operating Fund	Budget (Unaudited)	Variance (Unaudited)
EXPENSES			
REPAIRS and MAINTENANCE			
Air Conditioning	-	1,000	1,000
Fire Safety	5,072	2,000	(3,072)
Fitness Center	1,045	2,500	1,455
Gate	36,679	9,000	(27,679)
General	39,751	7,000	(32,751)
Golf Cart	1,454	2,700	1,246
Guardhouse	3,162	6,000	2,838
Irrigation Maintenance	31,049	25,000	(6,049)
Lighting Electrical	2,801	6,000	3,199
Pressure Cleaning	8,285	10,000	1,715
Road and Sign	-	2,500	2,500
	<u>129,298</u>	<u>73,700</u>	<u>(55,598)</u>
Total Repairs and Maintenance			
GROUNDS MAINTENANCE			
Hurricane Preparation and Cleanup	9,850	10,000	150
Ficus Hedge Replacements	1,660	11,000	9,340
Landscape Extra / Whitefly	625	10,500	9,875
Landscape Replacement	3,304	17,000	13,696
Tree Trimming Replacement	28,463	23,000	(5,463)
	<u>43,902</u>	<u>71,500</u>	<u>27,598</u>
Total Grounds Maintenance			
UTILITIES			
Electricity	50,719	65,000	14,281
Telephone and Internet	16,949	14,500	(2,449)
Trash	1,746	1,850	104
Water and Sewer	3,462	5,200	1,738
	<u>72,876</u>	<u>86,550</u>	<u>13,674</u>
Total Utilities			
	<u>954,504</u>	<u>988,543</u>	<u>34,039</u>
Total Expenses			
Excess of Revenues over Expenses	\$ 76,527	\$ <u>-</u>	\$ <u>76,527</u>
Fund Balance - Beginning of Year	<u>10,328</u>		
Fund Balance - End of Year	<u>\$ 86,855</u>		

GRAND ISLES MASTER HOMEOWNERS ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION

CARMEL

SCHEDULE OF OPERATING FUND REVENUES AND EXPENSES - BUDGET VS. ACTUAL

For the Year Ended December 31, 2020

	Operating Fund	Budget (Unaudited)	Variance (Unaudited)
REVENUES			
Member Assessments - Carmel	\$ 93,241	\$ 92,200	1,041
Total Revenues	<u>93,241</u>	<u>92,200</u>	<u>1,041</u>
EXPENSES			
Irrigation Maintenance	22,889	30,000	7,111
Landscape Maintenance	41,467	42,000	533
Operating Budget Shortfall	-	9,000	9,000
Pest Control	720	700	(20)
Pool Maintenance and Repairs	<u>28,391</u>	<u>10,500</u>	<u>(17,891)</u>
Total Expenses	<u>93,467</u>	<u>92,200</u>	<u>(1,267)</u>
(Deficiency) of Revenues over Expenses	\$ (226)	<u>\$ -</u>	<u>\$ (226)</u>
Fund Balance (Deficit) - Beginning of Year	<u>(27,368)</u>		
Fund Balance (Deficit) - End of Year	<u>\$ (27,594)</u>		