

Village of Green Trails Statement Budget Notes

The Village of Green Trails 2017 Income Statement Budget projects revenue and operational expenses as the Board carries out responsibilities prescribed in the Indenture. For 2017, a \$200 annual residential assessment and a \$400 commercial assessment results in a break-even budget with a marginal surplus of \$18,764. Moved to reserves, the \$18,764 budgeted surplus results in a budgeted year-end total cash balance of \$129,000. These cash reserves include funds for operational cash flow, capital improvements, emergencies, future maintenance and repairs.

The Revenue is based on a \$200 residential assessment and a \$400 commercial assessment.

Common Ground clean up includes an environmental program providing for the removal of materials adversely impacting property values and posing a threat to public health and safety. Also included in common ground cleanup is wood line control of tree killing vines and invasive honeysuckle.

Lake Maintenance funds the weed and algae control program.

Lawn and Landscape expense provides for complete weekly cuttings at an estimated cost of \$750 per cut and complete bi-weekly cuttings at an estimated cost of \$892 per cut. Extended wet conditions and drought historically result in fewer complete cuttings (less than budgeted).

Equipment expense provides for the operation and maintenance of the Green Trail's utility vehicle. This vehicle is fundamental to the trustees' land quality, safety, and cost containment responsibilities, saving hundreds/month in outside land management fees.

Insurance expense increases are significant and related to claims activity in 2014. Though claims were denied, the high administrative/ legal costs (incurred by the carrier) have driven up available pricing.

Attorney fees in 2017 include funding to address issues relating to the Indenture, the legal governing document of Green Trails. 52 years old, the Indenture requires a long overdue update/revision to protect the interests of our Village and lot owners. No dedicated reserve for this purpose had been funded in prior years.

Reserve Funding: funds available after operating expenses go to reserve accounts, which provide for funding cash flow needs (operational reserves), for funding capital improvement reserves, or for other dedicated reserves.

The Village of Green Trails Board of Park Trustees
Balance Sheet (Cash Basis)
July 31, 2017

Assets

Current Assets

Alliance Association Bank Checking Acc't	\$	7,656.94
Montgomery Bank Operating Account		27,697.45
Montgomery Bank Capital Improvement Account		25,714.59
Montgomery Bank Reserve Account		26,097.50

87,166.48

Fixed Assets

Polaris Ranger 2013		13,661.99
Less: Accumulated Depreciation		10,359.00

3,302.99

Total Net Assets

\$ 90,469.47

The Village of Green Trails Board of Park Trustees
Schedule of Cash Activity
Six Months Ended July 31, 2017

Total Cash, December 31, 2016	<u>26,822.67</u>
Revenues	
Assessment Income for 2017	
Assessment Income for 2016	
billed in 2017	97,515.98
Other Income	-
Interest Income Alliance Bank &	3.76
Montgomery Bank	<u>22.39</u>
Total Revenues	<u>97,542.13</u>
Less Expenses	
Common Ground Expense	
Common Ground Maintenance	6,500.00
Lake Maintenance	1,155.00
Lawn & Landscape	<u>12,376.75</u>
Total Common Ground Expense	<u>20,031.75</u>
Utility Vehicle Expense	
Utility Vehicle	<u>28.26</u>
Total Utility Vehicle Expense	<u>28.26</u>
Insurance	
Liability, Crime and	
Management Liability	<u>7,269.40</u>
Total Insurance	<u>7,269.40</u>
Legal & Professional Fees	
Accounting Fees	295.00
Legal/Attorney Fees	5,851.85
Survey Fees	-
Total Legal & Professional Fees	<u>6,146.85</u>
Other Expenditures	
Miscellaneous	1,215.00
Trustee Compensation	<u>760.00</u>
Total Other Expenditures	<u>1,975.00</u>
Operations	
Newsletter/Assessment Vote	-
Postage	24.01
Printing and Copying	673.97
Supplies	143.13
Trustee Election	677.95
PO Box	228.00
Website Expense	-
Total Operations	<u>1,747.06</u>
Total Expenses	<u>37,198.32</u>
Total Cash, July 31, 2017	<u>\$ 87,166.48</u>
Cash Balances	
Alliance Association Bank Checking A/c	\$ 7,656.94
Montgomery Bank Operating Account	27,697.45
Montgomery Bank Capital Improvement A/c	25,714.59
Montgomery Bank Reserve Account	<u>26,097.50</u>
	<u>\$ 87,166.48</u>
Unpaid Invoices:	
Terrill	\$ 6,116.00
Terrill	340.00
Terrill	4,809.00
Terrill	1,690.00
Lake Mgmt.	437.00
Lake Mgmt.	<u>323.00</u>
	<u>13,715.00</u>
Cash Balances less Unpaid Invoices, August 4, 2017	<u>\$ 73,451.48</u>

The Village of Green Trails Board of Park Trustees
Statement of Revenues and Expenses (Cash Basis)
Six Months Ended July 31, 2017

Income	
Assessment Income for 2016 Billed in 2017	97,515.98
Assessment Income for 2017	
Other Income	-
Interest Income Alliance Bank & Montgomery Bank	3.76 22.39
Total Income	<u>97,542.13</u>
Expense	
Common Ground Expense	
Common Ground Maintenance	6,500.00
Lake Maintenance	1,155.00
Lawn & Landscape	12,376.75
Total Common Ground Expense	<u>20,031.75</u>
Utility Vehicle Expense	
Utility Vehicle	28.26
Total Utility Vehicle Expense	<u>28.26</u>
Insurance	
Liability, Crime and Management Liability	7,269.40
Total Insurance	<u>7,269.40</u>
Legal & Professional Fees	
Accounting Fees	295.00
Legal/Attorney Fees	5,851.85
Survey Fees	-
Total Legal & Professional Fees	<u>6,146.85</u>
Other Expenditures	
Miscellaneous	1,215.00
Trustee Compensation	760.00
Total Other Expenditures	<u>1,975.00</u>
Operations	
Newsletter/Assessment Vote	-
Postage	24.01
Printing and Copying	673.97
Supplies	143.13
Trustee Election	677.95
PO Box	228.00
Website Expense	-
Total Operations	<u>1,747.06</u>
Total Expenses	<u>37,198.32</u>
Excess of Revenues (Deficiency) Over Expenses Before Allocation to Reserves	60,343.81
Total Cash, December 31, 2016	<u>26,822.67</u>
Total Cash, July 31, 2017	<u><u>\$ 87,166.48</u></u>

The Village of Green Trails Board of Park Trustees
Balance Sheet (Cash Basis)
August 31, 2017

Assets

Current Assets

Alliance Association Bank Checking Acc't	\$	7,656.94
Montgomery Bank Operating Account		12,782.68
Montgomery Bank Capital Improvement Account		25,716.99
Montgomery Bank Reserve Account		<u>26,099.94</u>

72,256.55

Equipment

Polaris Ranger 2013		13,661.99
Less: Accumulated Depreciation		<u>10,359.00</u>

3,302.99

Total Net Assets

\$ 75,559.54

The Village of Green Trails Board of Park Trustees
Schedule of Cash Activity
Eight Months Ended August 31, 2017

Total Cash, December 31, 2016	<u>\$ 26,822.67</u>
Revenues	
Assessment Income for 2017	200.00
Assessment Income for 2016 billed in 2017	97,565.98
Other Income	208.48
Interest Income Alliance Bank & Montgomery Bank	3.76 27.23
Total Revenues	<u>98,005.45</u>
Less Expenses	
Common Ground Expense	
Common Ground Maintenance	8,530.00
Lake Maintenance	1,915.00
Lawn & Landscape	23,301.75
Total Common Ground Expense	<u>33,746.75</u>
Utility Vehicle Expense	
Utility Vehicle	28.26
Total Utility Vehicle Expense	<u>28.26</u>
Insurance	
Liability, Crime and Management Liability	7,269.40
Total Insurance	<u>7,269.40</u>
Legal & Professional Fees	
Accounting Fees	295.00
Legal/Attorney Fees	7,351.85
Survey Fees	-
Total Legal & Professional Fees	<u>7,646.85</u>
Other Expenditures	
Miscellaneous	1,215.00
Trustee Compensation	760.00
Total Other Expenditures	<u>1,975.00</u>
Operations	
Newsletter/Assessment Vote	-
Postage	182.26
Printing and Copying	673.97
Supplies	143.13
Trustee Election	677.95
PO Box	228.00
Website Expense	-
Total Operations	<u>1,905.31</u>
Total Expenses	<u>52,571.57</u>
Total Cash, August 31, 2017	<u><u>\$ 72,256.55</u></u>
Cash Balances	
Alliance Association Bank Checking A/c	\$ 7,656.94
Montgomery Bank Operating Account	12,782.68
Montgomery Bank Capital Improvement A/c	25,716.99
Montgomery Bank Reserve Account	26,099.94
	<u>\$ 72,256.55</u>
Unpaid Invoices:	
Terrill	\$ 5,094.00
Kwik Kopy	480.94
Lake Mgmt.	442.00
	<u>6,016.94</u>
Cash Balances less Unpaid Invoices, September 5, 2017	<u><u>\$ 66,239.61</u></u>

The Village of Green Trails Board of Park Trustees
Statement of Revenues and Expenses (Cash Basis)
Eight Months Ended July 31, 2017

Income	
Assessment Income for 2016 Billed in 2017	\$ 97,565.98
Assessment Income for 2017	200.00
Other Income	208.48
Interest Income Alliance Bank & Montgomery Bank	3.76 27.23
Total Income	<u>98,005.45</u>
Expense	
Common Ground Expense	
Common Ground Maintenance	8,530.00
Lake Maintenance	1,915.00
Lawn & Landscape	23,301.75
Total Common Ground Expense	<u>33,746.75</u>
Utility Vehicle Expense	
Utility Vehicle	28.26
Total Utility Vehicle Expense	<u>28.26</u>
Insurance	
Liability, Crime and Management Liability	7,269.40
Total Insurance	<u>7,269.40</u>
Legal & Professional Fees	
Accounting Fees	295.00
Legal/Attorney Fees	7,351.85
Survey Fees	-
Total Legal & Professional Fees	<u>7,646.85</u>
Other Expenditures	
Miscellaneous	1,215.00
Trustee Compensation	760.00
Total Other Expenditures	<u>1,975.00</u>
Operations	
Newsletter/Assessment Vote	-
Postage	182.26
Printing and Copying	673.97
Supplies	143.13
Trustee Election	677.95
PO Box	228.00
Website Expense	-
Total Operations	<u>1,905.31</u>
Total Expenses	<u>52,571.57</u>
Excess of Revenues (Deficiency) Over Expenses Before Allocation to Reserves	45,433.88
Total Cash, December 31, 2016	<u>26,822.67</u>
Total Cash, August 31, 2017	<u><u>\$ 72,256.55</u></u>

The Village of Green Trails Board of Park Trustees
Schedule of Cash Activity
Eleven Months Ended November 30, 2017

Total Cash, December 31, 2016	\$ 26,822.67
Revenues	
Assessment Income for 2017	58,650.00
Assessment Income for 2016	
billed in 2017	98,815.98
Other Income	2,086.64
Interest Income Alliance Bank &	3.76
Montgomery Bank	41.45
Total Revenues	<u>159,597.83</u>
Less Expenses	
Common Ground Expense	
Common Ground Maintenance	10,430.00
Lake Maintenance	3,213.00
Lawn & Landscape	37,653.75
Total Common Ground Expense	<u>51,296.75</u>
Utility Vehicle Expense	
Utility Vehicle	28.26
Total Utility Vehicle Expense	<u>28.26</u>
Insurance	
Liability, Crime and	
Management Liability	7,269.40
Total Insurance	<u>7,269.40</u>
Legal & Professional Fees	
Accounting Fees	295.00
Legal/Attorney Fees	7,658.85
Survey Fees	-
Total Legal & Professional Fees	<u>7,953.85</u>
Other Expenditures	
Miscellaneous	1,215.00
Trustee Compensation	760.00
Total Other Expenditures	<u>1,975.00</u>
Operations	
Newsletter/Assessment Vote	-
Postage	182.26
Printing and Copying	1,154.91
Supplies	143.13
Trustee Election	677.95
PO Box	228.00
Website Expense	-
Total Operations	<u>2,386.25</u>
Total Expenses	<u>70,909.51</u>
Total Cash, November 30, 2017	<u>\$ 115,510.99</u>
Cash Balances	
Alliance Association Bank Checking A/c	\$ 7,656.94
Montgomery Bank Operating Account	56,022.90
Montgomery Bank Capital Improvement A/c	25,724.05
Montgomery Bank Reserve Account	26,107.10
	<u>\$ 115,510.99</u>
Unpaid Invoices:	
Terrill	\$ 460.00
	<u>460.00</u>
Cash Balances less Unpaid Invoices, November 30, 2017	<u>\$ 115,050.99</u>

The Village of Green Trails Board of Park Trustees
Balance Sheet (Cash Basis)
December 31, 2017

Assets

Current Assets

Alliance Association Bank Checking Acc't	\$	7,660.15
Montgomery Bank Operating Account		53,381.21
Montgomery Bank Capital Improvement Account		25,726.30
Montgomery Bank Reserve Account		26,109.38

112,877.04

Due from vendor

12.00

Total Current Assets

112,889.04

Equipment

Polaris Ranger 2013		13,661.99
Less: Accumulated Depreciation		13,091.00

570.99

Total Net Assets

\$ 113,448.03

The Village of Green Trails Board of Park Trustees
Schedule of Cash Activity
Year Ended December 31, 2017

Total Cash, December 31, 2016 \$ 26,822.67

Revenues

Assessment Income for 2017	61,310.00	
Assessment Income for 2016 billed in 2017	99,065.98	
Other Income	2,086.64	
Interest Income Alliance Bank & Montgomery Bank	6.97	
	45.98	
Total Revenues	<u>162,515.57</u>	

Total cash at December 31, 2016 was abnormally low due to the billing of the assessment for 2016 in January of 2017. As a result, \$99,065 of assessments for 2016 are included in the revenues for 2017 instead of 2016 and the cash balance at the end of 2016 is the \$26,822 shown above instead of the approximately \$125,000 that would have resulted if the billing was done in 2016 as was the historical norm. Cash should be showing as \$12,000 lower at the end of 2017 vs. the end of 2016. In reality, cash should be showing as drawn down during the year. Also, revenues would be approximately \$63,000 rather than the \$162,515 shown. In short, on the cash basis of accounting being used, two year's of assessment collections are included in 2017 and none in 2016.

Less Expenses

Common Ground Expense		
Common Ground Maintenance	15,380.00	
Lake Maintenance	3,213.00	
Lawn & Landscape	37,653.75	
Total Common Ground Expense	<u>56,246.75</u>	
Utility Vehicle Expense		
Utility Vehicle	28.26	
Total Utility Vehicle Expense	<u>28.26</u>	
Insurance		
Liability, Crime and Management Liability	7,269.40	
Total Insurance	<u>7,269.40</u>	
Legal & Professional Fees		
Accounting Fees	295.00	
Legal/Attorney Fees	7,953.85	
Survey Fees	-	
Total Legal & Professional Fees	<u>8,248.85</u>	
Other Expenditures		
Miscellaneous	1,215.00	
Trustee Compensation	1,000.00	
Total Other Expenditures	<u>2,215.00</u>	
Operations		
Newsletter/Assessment Vote	-	
Postage	182.26	
Printing and Copying	1,209.60	
Supplies	143.13	
Trustee Election	677.95	
PO Box	228.00	
Website Expense	-	
Total Operations	<u>2,440.94</u>	

Paid, Incurred,
Committed
\$ 76,449.20

Total Expenses 76,449.20

Total Current Assets 112,889.04

Due from Vendor (12.00)

Total Cash, December 31, 2017 \$ 112,877.04

Cash Balances

Alliance Association Bank Checking A/c	\$ 7,660.15	
Montgomery Bank Operating Account	53,381.21	
Montgomery Bank Capital Improvement A/c	25,726.30	
Montgomery Bank Reserve Account	26,109.38	

\$ 112,877.04

Unpaid Invoices:

Terrill	\$ 202.50	
Kwik Kopy	440.56	
DJM	5,000.00	
Danna McKittrick, P.C.	4,500.00	
	<u>10,143.06</u>	10,143.06

Contractual Commitments:

DJM	<u>27,226.83</u>	<u>27,226.83</u>
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Cash Balances less Unpaid Invoices and Contractual Commitments, December 31, 2017 \$ 75,507.15

Total Expenses Paid, Incurred and Committed for 2017 \$ 113,819.09

The Village of Green Trails Board of Park Trustees
Statement of Revenues and Expenses (Cash Basis)
Year Ended December 31, 2017

	Actual	Budget	
Income			
Assessment Income for 2016 Billed in 2017	\$ 99,065.98		Note: Assessments for 2016 were billed and collected in 2017 in the amount of \$99,066 and included in this financial statement for 2017 under the cash basis of accounting. If timely billed, this amount would be included in the 2016 financial statement along with the expenses paid for 2016. As a consequence, the statement of revenues and expenses for 2016 would have reflected an excess of revenues over expenses of about \$19,000 instead of a loss of \$80,000 and this statement would show a deficiency of revenues over expenses for 2017 year to date of about \$12,700 before depreciation.
Assessment Income for 2017	61,310.00	\$ 103,200	
Other Income	2,086.64		
Interest Income Alliance Bank & Montgomery Bank	6.97 45.98		
Total Income	162,515.57	103,200	
Expense			
Common Ground Expense			
Common Ground Maintenance	15,380.00	26,000	
Lake Maintenance	3,213.00	3,200	
Lawn & Landscape	37,653.75	35,000	
Total Common Ground Expense	56,246.75	64,200	
Utility Vehicle Expense			
Utility Vehicle	28.26	600	
Total Utility Vehicle Expense	28.26	600	
Insurance			
Liability, Crime and Management Liability	7,269.40	8,000	
Total Insurance	7,269.40	8,000	
Legal & Professional Fees			
Accounting Fees	295.00	500	
Legal/Attorney Fees	7,953.85	16,000	
Survey Fees	-	1,000	
Total Legal & Professional Fees	8,248.85	17,500	
Other Expenditures			
Miscellaneous	1,215.00	1,900	
Trustee Compensation	1,000.00	1,440	
Total Other Expenditures	2,215.00	3,340	
Operations			
Newsletter/Assessment Vote	-	850	
Postage	182.26	680	
Printing and Copying	1,209.60	120	
Supplies	143.13	100	
Trustee Election	677.95	400	
PO Box	228.00	250	
Website Expense	-	300	
Total Operations	2,440.94	2,700	
Total Expenses	76,449.20	96,340	
Excess of Revenues Over Expenses Before Depreciation	86,066.37	\$ 6,860	
Depreciation	(2,732.00)		
Excess of Revenues Over Expenses Before Allocation to Reserves	83,334.37		
Adjust for Non-Cash Item and Due from Vendor:			
Due from Vendor	(12.00)		
Depreciation	2,732.00		
Total Cash, December 31, 2016	26,822.67		
Total Cash, December 31, 2017	\$ 112,877.04		

