

TREASURER'S REPORT

GOLF VILLAS LANDSCAPE ASSOCIATION
Tara Preserve, Bradenton FL

January 25, 2018 — REVIEW OF 2017 GVLA FINANCIAL YEAR

The preliminary 2017 year-end report from Progressive Management shows GVLA member reserves declined to \$51,535 (\$223 per member) at the end of 2017, from a beginning year value of \$112,143 (\$485 per member). This large shift of \$60,608 (the GVLA 2017 operating loss) was due to many factors. The principal over-budget factors were “Tree maintenance”, \$24,595 over-budget at a total of \$32,995; “Landscape Restoration” (sod replacement), \$17,042 over-budget at a total of \$37,042; “Legal Fees” (due to GVLA “re-constitution” project), \$16,057 over-budget at a total of \$16,557 — this was unexpected, GVLA had budgeted only \$500 for legal expense in 2017; and “Landscaping Maintenance”, \$16,675 at a total of \$238,675. This last item needs some further investigation as GVLA was billed an extra \$13,000 in landscape services in December.

The application of mulch was deferred in 2017, resulting in a cost savings of \$12,873 for the year. GVLA also saved (vs. 2017 budget) \$4,932 in the “Miscellaneous Contingencies” area, and \$2,800 from not writing off any bad (or uncollectible) debt.

This bad debt item should have been addressed in 2017, and will certainly need to be addressed in 2018. The GVLA budget allows for \$4,455 bad debt write-off in 2018. As previously noted, there are two serious delinquency members: **74XX BET (\$1,571 delinquent) and 66XX TF (\$1,875)**. These two accounts have not paid ANYTHING in 2017, despite repeated attempts by GVLA, and its attorneys, to correct the delinquencies. Their bills are continuing to accumulate in 2018. Three other accounts are delinquent more than \$600. Again, it is worth noting that these delinquencies are probably uncollectible due to our questionable legal status (outside of Aviary Court, which does not include any delinquencies). Service to delinquent accounts should be terminated, and the debt written off, in the opinion of this Treasurer.

Respectfully submitted,

John Grabowski

Treasurer, GVLA

BOARD OF DIRECTORS RESPONSE TO TREASURER'S REPORT

In response to the Treasurer's report, only the liabilities have been reported but not the assets of cash balance and monthly dues.

The GVLA 2018 budget was established and passed last November. The association is viable and is working within that budget.

The Treasurer's report reflects "over budget" on trees, sod, and legal fees. The 2017 budget did not set up "project reserves" covering removal of Washingtonia palms and new sod. With an account balance of \$112,000, the board decided to pay these projects from the surplus money on our books so they aren't really "over budget".

The legal fees for the current GVLA restructure was not known and not budgeted for, but is still more than covered with our surplus balance.

Mulch is being applied in two weeks and the cost was already included in the 2017 budget.

The outstanding "bad debt" had to go through the legal process which takes months. It can now be written off and Landscape service will be discontinued effective February 1, 2018.

There is still a surplus balance of \$51,500.

The GVLA Board of Directors would like to express its appreciation to John Grabowski for his diligent contribution to the Association and to the GVLA community.

January 25, 2018