
Longview at Montville Condominium Association, Inc.
Financial Statements and Supplementary Information
December 31, 2018



Longview at Montville Condominium Association, Inc.
Table of Contents
December 31, 2018

	Page
Independent Auditor's Report	1 - 2
Financial Statements	
Balance Sheet	3
Statement of Revenues and Expenses	4
Statement of Changes in Fund Balances	5
Statement of Cash Flows	6 - 7
Notes to the Financial Statements	8 - 12
Supplementary Information	
Schedule of Future Major Repairs and Replacements.....	13 - 14
Schedule of Total Revenues, Operating Expenses and Allocations to Funds - Actual to Budget (With Comparative Totals for 2017)	15 - 18
Schedule of Non-Operating Fund Expenses (With Comparative Totals for 2017)	19 - 20



1000 Courtyard Drive
Hillsborough, NJ 08844
Tel 908.281.4500
Fax 908.281.4504
www.mirracpas.com

Independent Auditor's Report

To the Board of Trustees and Unit Owners of
Longview at Montville Condominium Association, Inc.

We have audited the accompanying financial statements of Longview at Montville Condominium Association, Inc., which comprise the balance sheet as of December 31, 2018, and the related statements of revenues and expenses, changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

Board and Management's Responsibility for the Financial Statements

The Board and Management are 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, 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.

Longview at Montville Condominium Association, Inc.
Independent Auditor's Report

Opinion

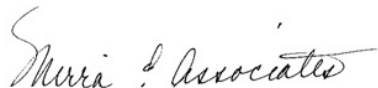
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Longview at Montville Condominium Association, Inc. as of December 31, 2018, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that future major repairs and replacements on page 13 and 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries about the methods of preparing the information and comparing the information for consistency with responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 15 through 20 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 and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked "unaudited", 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. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Hillsborough, New Jersey
April 19, 2019

Longview at Montville Condominium Association, Inc.

Balance Sheet

December 31, 2018

	<u>Total</u>	<u>Operating Fund</u>	<u>Insurance Fund</u>	<u>Snow Reserve Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Replacement Fund</u>
Assets						
Cash and cash equivalents	\$ 584,166	\$ 319,912	\$ 65	\$ 32,608	\$ 72,286	\$ 159,295
Certificates of deposit	2,640,000	150,000	-	290,000	-	2,200,000
Accrued interest receivable	6,607	-	-	-	-	6,607
Assessments receivable, net of allowance for doubtful assessments of \$12,000	12,496	12,496	-	-	-	-
Due from Township	41,700	21,930	-	19,770	-	-
Prepaid insurance	85,936	85,936	-	-	-	-
Interfund balances	-	17,273	62	(8,928)	46	(8,453)
Total Assets	<u>\$ 3,370,905</u>	<u>\$ 607,547</u>	<u>\$ 127</u>	<u>\$ 333,450</u>	<u>\$ 72,332</u>	<u>\$ 2,357,449</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable and accrued expenses	\$ 59,751	\$ 34,589	\$ -	\$ -	\$ 25,162	\$ -
Assessments received in advance	75,363	75,363	-	-	-	-
Unexpended insurance claim proceeds	28,115	28,115	-	-	-	-
Refundable security deposits	21,850	21,850	-	-	-	-
Total Liabilities	185,079	159,917	-	-	25,162	-
Commitments	-	-	-	-	-	-
Fund Balances	<u>3,185,826</u>	<u>447,630</u>	<u>127</u>	<u>333,450</u>	<u>47,170</u>	<u>2,357,449</u>
Total Liabilities and Fund Balances	<u>\$ 3,370,905</u>	<u>\$ 607,547</u>	<u>\$ 127</u>	<u>\$ 333,450</u>	<u>\$ 72,332</u>	<u>\$ 2,357,449</u>

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

Longview at Montville Condominium Association, Inc.
Statement of Revenues and Expenses
For the Year Ended December 31, 2018

	<u>Total</u>	<u>Operating Fund</u>	<u>Insurance Fund</u>	<u>Snow Reserve Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Replacement Fund</u>
Revenues						
Maintenance assessments	\$ 2,637,913	\$ 1,244,678	\$ -	\$ 119,773	\$ 110,000	\$ 1,163,462
Special assessment	342,791	111,099	-	231,692	-	-
Insurance claim proceeds	109,508	28,115	-	81,393	-	-
Township reimbursement	41,700	21,930	-	19,770	-	-
Interest income	39,990	3,083	-	1,357	569	34,981
Legal fees reimbursement	5,922	5,922	-	-	-	-
Late fees and fines income	4,219	4,219	-	-	-	-
Clubhouse rental income	2,000	2,000	-	-	-	-
Other income	820	820	-	-	-	-
Total Revenues	<u>3,184,863</u>	<u>1,421,866</u>	<u>-</u>	<u>453,985</u>	<u>110,569</u>	<u>1,198,443</u>
Expenses						
Administrative	618,154	617,683	-	155	154	162
Building and grounds	547,219	547,219	-	-	-	-
Pool and clubhouse	80,462	80,462	-	-	-	-
Utilities	95,769	95,769	-	-	-	-
Non-operating fund expenses	841,981	-	-	403,375	158,034	280,572
Total Expenses	<u>2,183,585</u>	<u>1,341,133</u>	<u>-</u>	<u>403,530</u>	<u>158,188</u>	<u>280,734</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ 1,001,278</u>	<u>\$ 80,733</u>	<u>\$ -</u>	<u>\$ 50,455</u>	<u>\$ (47,619)</u>	<u>\$ 917,709</u>

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

Longview at Montville Condominium Association, Inc.
Statement of Changes in Fund Balances
For the Year Ended December 31, 2018

	Total	Operating Fund			Insurance Fund	Snow Reserve Fund	Deferred Maintenance Fund	Replacement Fund
		Total Operating Fund	Working Capital Contributions	Cumulative Surplus				
Fund Balances - Beginning of Year	\$ 2,160,444	\$ 354,845	\$ 78,801	\$276,044	\$ 127	\$ 282,995	\$ 94,789	\$ 1,427,688
Working Capital Contributions	24,104	12,052	12,052	-	-	-	-	12,052
Excess (Deficiency) of Revenues Over Expenses	<u>1,001,278</u>	<u>80,733</u>	<u>-</u>	<u>80,733</u>	<u>-</u>	<u>50,455</u>	<u>(47,619)</u>	<u>917,709</u>
Fund Balances - End of Year	<u>\$ 3,185,826</u>	<u>\$ 447,630</u>	<u>\$ 90,853</u>	<u>\$ 356,777</u>	<u>\$ 127</u>	<u>\$ 333,450</u>	<u>\$ 47,170</u>	<u>\$ 2,357,449</u>

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

Longview at Montville Condominium Association, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2018

	<u>Total</u>	<u>Operating Fund</u>	<u>Insurance Fund</u>	<u>Snow Reserve Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Replacement Fund</u>
Cash Flows from Operating Activities						
Excess (deficiency) of revenues over expenses	\$ 1,001,278	\$ 80,733	\$ -	\$ 50,455	\$ (47,619)	\$ 917,709
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by (used in) operating activities:						
Bad debt expense	5,371	5,371	-	-	-	-
Amortization of prepaid loan costs	3,323	-	-	-	-	3,323
Change in assets and liabilities:						
Assessments receivable	(6,823)	(6,823)	-	-	-	-
Due from Township	919	919	-	-	-	-
Prepaid expenses	(5,839)	(5,839)	-	-	-	-
Accounts payable and accrued expenses	5,472	(8,822)	-	(10,868)	25,162	-
Assessments received in advance	(4,238)	(4,238)	-	-	-	-
Unexpended insurance claim proceeds	28,115	28,115	-	-	-	-
Refundable security deposits	4,850	4,850	-	-	-	-
Net Cash Provided By (Used In) Operating Activities	<u>1,032,428</u>	<u>94,266</u>	<u>-</u>	<u>39,587</u>	<u>(22,457)</u>	<u>921,032</u>

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

Longview at Montville Condominium Association, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2018

	Total	Operating Fund	Insurance Fund	Snow Reserve Fund	Deferred Maintenance Fund	Replacement Fund
(Continued)						
Cash Flows from						
Investing Activities						
Purchase of certificates of deposit	(1,790,000)	(50,000)	-	(290,000)	-	(1,450,000)
Maturity of certificates of deposit	945,000	100,000	-	-	-	845,000
Working capital contributions	24,104	12,052	-	-	-	12,052
Net Cash Provided by (Used in) Investing Activities	<u>(820,896)</u>	<u>62,052</u>	<u>-</u>	<u>(290,000)</u>	<u>-</u>	<u>(592,948)</u>
Cash Flows from						
Financing Activities						
Change in interfund balances	-	(4,625)	(20)	3,173	(46)	1,518
Principal payments on loan	<u>(556,388)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(556,388)</u>
Net Cash Provided By (Used In) Financing Activities	<u>(556,388)</u>	<u>(4,625)</u>	<u>(20)</u>	<u>3,173</u>	<u>(46)</u>	<u>(554,870)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(344,856)	151,693	(20)	(247,240)	(22,503)	(226,786)
Cash and Cash Equivalents - Beginning of Year	<u>929,022</u>	<u>168,219</u>	<u>85</u>	<u>279,848</u>	<u>94,789</u>	<u>386,081</u>
Cash and Cash Equivalents - End of Year	<u>\$ 584,166</u>	<u>\$319,912</u>	<u>\$ 65</u>	<u>\$ 32,608</u>	<u>\$ 72,286</u>	<u>\$ 159,295</u>
Supplemental Disclosure						
Cash paid for:						
Income taxes	<u>\$ -</u>					
Interest on loan	<u>\$ 8,687</u>					

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

Note 1 Nature of Organization

Longview at Montville Condominium Association, Inc. (the "Association") is a New Jersey corporation subject to the provisions of the Condominium Act of the State of New Jersey. The Association is responsible for the operation and maintenance of the common property. Consisting of 576 residential units (including 119 Mount Laurel affordable units), the Association is located on approximately 117 acres in Montville, New Jersey. Recreational facilities include a clubhouse, swimming pool and tennis courts.

Note 2 Summary of Significant Accounting Policies

Fund Accounting - The Association's governing documents (i.e., Public Offering Statement, Master Deed and By-laws) 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 in accordance with the principles of 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 represents the portion of expendable funds that are available for the general operations of the Association.

Insurance Fund - The purpose of the fund is to accumulate sufficient amounts which will allow the Association to have the necessary resources to secure and maintain adequate insurance coverage as required by the Association's documents.

Snow Reserve Fund - The purpose of this fund is to segregate funds needed for snow removal so that sufficient amounts are available for future snow removal costs.

Deferred Maintenance Fund - The purpose of this fund is to accumulate sufficient amounts which will allow the Association to have the necessary resources to perform painting, staining, powerwashing and other maintenance and repairs which occur less frequently than annually.

Replacement Fund - The purpose of the replacement fund is to accumulate funds over the lives of the components of the common elements that are the Association's responsibility to replace so that sufficient amounts are available to pay for their eventual replacement.

Note 2 Summary of Significant Accounting Policies (Continued)

Recognition of Assets - The Association's property and common elements are owned by the unit owners in condominium form pursuant to the master deed wherein each of the individual unit owners holds legal title to an undivided interest in property constituting the common elements. Accordingly, no amounts related to these common elements are included on the accompanying balance sheet of the Association. The common elements generally consist of sidewalks, roads, recreational facilities, open areas and portions of the buildings not comprising the individual units.

Cash and Cash Equivalents - Cash and cash equivalents include cash held in bank deposit accounts, money market funds and other savings accounts.

Assessments Receivable and Maintenance Assessments - The Association's members are subject to monthly assessments based upon the annual budget and as determined by the Board of Trustees. The Association retains excess operating funds at the end of the operating year, if any, for use in future operating periods, or as otherwise specified by the Association's governing documents. A portion of the monthly assessments to owners are allocated to each of the respective funds as per the accompanying financial statements.

On a periodic basis, the Board and management evaluate the assessments receivable and estimate an allowance for doubtful accounts, based on the current legal status of past due accounts.

Interest Income - The Board's policy is to retain interest income earned on cash equivalents and certificates of deposit in the respective fund.

Income Tax - Accounting principles generally accepted in the United States of America require the evaluation of tax positions taken by the Association and recognize a tax liability if an uncertain position has been taken which, more likely than not, would not be sustained upon examination by the Internal Revenue Service. In evaluating the Association's tax provisions and accruals, the Association has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the Board to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events - The Board and management have evaluated events and transactions for potential recognition or disclosure through the date of the auditor's report, which is the date the financial statements were available to be issued.

Longview at Montville Condominium Association, Inc.
Notes to Financial Statements
December 31, 2018

Note 3 Certificates of Deposit

At December 31, 2018, certificates of deposit consisted of the following:

<u>Maturity</u>	<u>Interest Rate</u>	<u>Total</u>	<u>Operating Fund</u>	<u>Snow Reserve Fund</u>	<u>Replacement Fund</u>
Within one year	1.60% - 2.40%	\$1,190,000	\$150,000	\$ 290,000	\$ 750,000
One to two years	1.95% - 4.90%	800,000	-	-	800,000
Two to three years	2.75% - 3.25%	<u>650,000</u>	<u>-</u>	<u>-</u>	<u>650,000</u>
	Total	<u>\$2,640,000</u>	<u>\$150,000</u>	<u>\$290,000</u>	<u>\$2,200,000</u>

The Association has the ability and intent to hold these investments until their maturity date. At December 31, 2018, market values approximated costs. Fair value is measured based on Level 2 inputs which are quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Note 4 Due from Township / Township Reimbursement

The Association has an agreement with the Township of Montville whereby the Township reimburses the Association for certain municipal costs incurred (e.g., snow removal, street lighting, street cleaning and leaf disposal). The reimbursement for calendar year 2017 was received in January 2019 and is recorded in the accompanying financial statements, of which a portion of the reimbursement specific for snow removal costs is allocated to the snow reserve fund. The reimbursement for 2018 will be recorded in the year in which received.

In addition, the Township is responsible for repairs to the roadways.

Note 5 Income Taxes

Under the Internal Revenue Code, associations may be taxed as a condominium association at their election, or as a regular corporation. If certain criteria are met, the Association may select either method in any year. A method selected in one year affects only that year and the Association is free to select either method in future years.

The Association qualifies as a condominium association under Internal Revenue Code Section 528 for the year ended December 31, 2018. A provision for income taxes was not necessary based on the excess of non-exempt function expenses over non-exempt function income.

Note 5 Income Taxes (Continued)

The Association's income tax returns are subject to routine examination by the Internal Revenue Service generally for three years after the returns are filed; however, there are currently no audits for any tax periods in progress.

The Association is incorporated pursuant to Title 15A of the New Jersey Statutes and, therefore, is not liable for New Jersey corporation business income tax.

Note 6 Replacement Fund

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in separate accounts and are generally not available for expenditures for normal operations.

FWH Associates, P.A., professional engineering consultants, updated the replacement study effective January 2015 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on the then current estimated replacement costs. The table included in the unaudited supplementary information on future major repairs and replacements is based on this study.

The Board is funding for major repairs and replacements in accordance with the recommended annual contributions of \$1,163,462 utilizing the 5% threshold funding methodology. Threshold funding sets a replacement funding goal of keeping the replacement fund balance above a specified dollar amount at its lowest accumulated amount, as specified by the Board, which is below the full funding projected amount. Interest income earned on replacement fund cash equivalents and certificates of deposits, and one-half of working capital contributions (Note 8), are also allocated to the replacement fund.

The Board is in the process of reviewing the updated study performed by FWH which will be effective January 1, 2019.

Funds are being accumulated in the replacement fund based upon estimated costs for repairs and replacements of common property components. Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. 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, if possible.

Note 7 Loan Payable

During October 2013, the Association was approved for a \$2.5 million term loan with Valley National Bank. Following the closing date of the loan, there was a twelve month advance period, during which time interest only payments were due on the unpaid principal balance at a floating rate equal to Wall Street Journal's announced Prime Rate plus one-half percent, with a floor of 3.75%. During November 2014, the Association drew \$2.5 million on the line of credit, at which time the outstanding principal balance converted to a term loan payable over forty-eight months. The term interest rate is fixed at 4.25%. The loan was collateralized by the assignment of the Association's assessments receivable and future revenues, including regular and special assessments, if any. The loan was being funded by annual maintenance assessments. During June 2018, the remaining principal balance of the loan was paid in full. Interest expense totaled \$8,687 in 2018 which is charged to the replacement fund.

Note 8 Working Capital Contributions

In accordance with Association documents, upon the acquisition of title to a unit, each new member of the Association is required to contribute a one-time, non-refundable working capital contribution equivalent to two months of the current maintenance assessments in effect at the time of closing; one month's assessment is recorded as a separate capital component of the operating fund and one-months assessments is allocated to the replacement fund.

Note 9 Special Assessment

During April 2018, the Board approved a special assessment of \$342,791 to cover excessive snow removal costs, storm damage clean-up, tree removal and replacement, stump grinding, and DCA inspections. The assessment was payable over three months beginning in June 2018 ranging from \$58 to \$281 per unit per month based on each unit's proportionate share of ownership interest. The Board chose to allocate two months of the assessment to the snow reserve fund and one month to the operating fund as recorded in the accompanying financial statements.

Note 10 Insurance Claims

During March 2018, excessive wind caused damages which resulted in an insurance claim. The Association received proceeds of \$81,393 which have been allocated to the snow reserve fund. The related storm damage expenses are also charged to the snow reserve fund. In addition, during September 2018, another insurance claim resulted from water damages to a unit in the Association which has a proof of loss of \$37,454. During 2018, the Association received proceeds of \$28,115 which are recorded as operating revenues in the accompanying financial statements. However, no expenses were incurred for the water damage claim as of December 31, 2018; therefore, an accrual has been recorded for the unexpended proceeds.

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Future Major Repairs and Replacements
 December 31, 2018

FWH Associates, P.A., professional engineering consultants, updated the replacement study effective January 2015 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following table is based on the study and presents significant information about the components of common property.

<u>Components</u>	As of 2015 Study (Unaudited)	
	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Current Replacement Costs</u>
Roadways	5	\$ 482,800
Driveways	1-42	2,627,013
Sidewalks/service walks	1-11	959,384
Dumpster pads	9	13,338
Mailbox pads	9-12	13,824
Concrete pavers - entrance	9	67,525
Fences	3-18	899,783
Lawn irrigation	4-7	184,500
Safety mirrors	1	1,836
Entrance sign	7	6,000
Tennis courts	1-7	108,500
Swimming pool	2-10	139,340
Gazebo	4	8,800
Wood trellis/arbor	2	20,989
Roofs	0-29	5,053,055
Gutters and leaders	7-17	754,570
Siding	1-48	2,269,834
Decks	7-19	2,525,608

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Future Major Repairs and Replacements
 December 31, 2018

(Continued)	As of 2015 Study (Unaudited)	
	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs
<u>Components</u>		
Chimney caps	13-39	152,100
Façade	9-12	1,399,934
Steps	9-12	570,896
Porches	9-12	322,528
Railings	6-7	62,356
Patios	9-12	807,900
Stairs	5	22,214
Paver walks	12	157,378
Clubhouse - interior elements	4-21	198,927
Recycle buildings	4-24	5,912
HVAC	1-12	35,175
		\$19,872,019

Replacement fund balance as of December 31, 2018 \$2,357,449

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Total Revenues, Operating Expenses and
 Allocations to the Funds - Actual to Budget
 For the Year Ended December 31, 2018
 (With Comparative Totals for 2017)

	2018		2017
	Actual	(Unaudited) Budget	Actual
Revenues			
Maintenance assessments	\$ 2,637,913	\$ 2,637,923	\$ 2,512,291
Special assessment	342,791	-	-
Insurance claim proceeds	109,508	-	22,547
Township reimbursement	41,700	41,000	42,619
Interest income	39,990	-	19,545
Legal fees reimbursement	5,922	5,000	3,694
Late fees and fines income	4,219	9,000	7,616
Clubhouse rental income	2,000	3,000	4,500
Other income	820	2,000	4,855
Total Revenues	3,184,863	2,697,923	2,617,667
Expenses			
Administrative			
Insurance	355,543	354,991	284,102
Management services	173,000	173,000	173,000
Insurance claim expense	28,115	-	22,547
Office	14,050	10,000	9,325
Legal - general and litigation	12,641	17,500	9,959
Legal - collections	7,135	7,500	3,913
Postage	6,088	6,000	4,982
Audit	5,600	5,750	5,600
Bad debt expense	5,371	12,000	7,918
Architectural and engineering	5,197	2,500	3,875
Miscellaneous	3,131	2,550	3,626
Licenses and fees	1,812	500	397
DCA inspections	-	-	15,256
Total Administrative Expenses	617,683	592,291	544,500

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Total Revenues, Operating Expenses and
 Allocations to the Funds - Actual to Budget
 For the Year Ended December 31, 2018
 (With Comparative Totals for 2017)

	2018		2017
	Actual	(Unaudited) Budget	Actual
Expenses (Continued)			
Building and Grounds			
Landscaping services/mulching	331,794	350,522	350,113
General repairs and maintenance	51,441	45,000	37,483
Gutter cleaning	40,425	32,000	30,089
Landscaping - other	34,593	55,000	51,971
Water/sewer line repairs	27,893	21,000	48,623
Sprinkler system operation and repair	23,291	24,500	24,899
Exterminating	16,452	10,000	6,735
Paving stone repairs	8,850	32,000	31,794
Deck repairs	7,721	5,000	2,693
Roof repairs	2,591	1,500	797
Pond maintenance	2,168	2,500	2,610
Total Building and Grounds Expenses	<u>547,219</u>	<u>579,022</u>	<u>587,807</u>
Pool and Clubhouse			
Pool contract	41,934	32,500	28,309
Pool repairs and supplies	13,217	5,000	3,924
Clubhouse security/alarm	8,645	5,000	4,016
Clubhouse cleaning and maintenance	7,493	8,000	9,996
Spa/health club repairs	5,694	5,000	3,813
Tennis court repairs	3,479	3,000	1,790
Total Pool and Clubhouse Expenses	<u>80,462</u>	<u>58,500</u>	<u>51,848</u>

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Total Revenues, Operating Expenses and
 Allocations to the Funds - Actual to Budget
 For the Year Ended December 31, 2018
 (With Comparative Totals for 2017)

	2018		2017
	Actual	(Unaudited) Budget	Actual
Expenses (Continued)			
Utilities			
Water and sewer	50,994	60,000	61,822
Electricity and gas	40,807	36,000	41,962
Telephone	3,968	4,000	3,837
Total Utilities Expenses	<u>95,769</u>	<u>100,000</u>	<u>107,621</u>
Allocations to Funds -			
Snow Reserve Fund			
Special assessment	231,692	-	-
Maintenance assessments (contributions)	119,773	119,773	119,773
Insurance claim proceeds	81,393	-	-
Township reimbursement	19,770	-	19,770
Interest income	1,357	-	1,455
Total Snow Reserve Fund Allocations	<u>453,985</u>	<u>119,773</u>	<u>140,998</u>
Deferred Maintenance Fund			
Maintenance assessments (contributions)	110,000	110,000	119,000
Interest income	569	-	189
Total Deferred Maintenance Fund Fund Allocations	<u>110,569</u>	<u>110,000</u>	<u>119,189</u>

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Total Revenues, Operating Expenses and
 Allocations to the Funds - Actual to Budget
 For the Year Ended December 31, 2018
 (With Comparative Totals for 2017)

	2018		2017
	Actual	(Unaudited) Budget	Actual
(Continued)			
Replacement Fund			
Maintenance assessments (contributions)	1,163,462	1,163,462	1,088,213
Interest income	34,981	-	16,808
Total Replacement Fund			
Allocations	1,198,443	1,163,462	1,105,021
Total Expenses and Allocations to Funds	3,104,130	2,723,048	2,656,984
Excess (Deficiency) of Revenues Over Expenses Before Budgeted Carryover Surplus	80,733	(25,125)	(39,317)
Budgeted Carryover Surplus	-	25,125	-
Excess (Deficiency) of Revenues Over Expenses	\$ 80,733	\$ -	\$ (39,317)

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Non-Operating Fund Expenses
 For the Year Ended December 31, 2018
 (With Comparative Totals for 2017)

	<u>2018</u>	<u>2017</u>
Snow Reserve Fund Expenses		
Snow removal	\$ 232,937	\$ 171,693
Storm damage clean-up	132,799	-
Tree work	<u>37,639</u>	<u>-</u>
Total Snow Reserve Fund Expenses	<u>\$ 403,375</u>	<u>\$ 171,693</u>
Deferred Maintenance Fund Expenses		
Tree removal	\$ 66,719	\$ 25,136
Painting and powerwashing	65,169	15,871
Foundation crack repairs	10,865	-
Drainage pipe replacement	8,735	-
Salt water softener installation	3,439	-
Driveway sealcoating	1,565	-
Siding repairs	1,542	-
Trim and door painting	<u>-</u>	<u>63,868</u>
Total Deferred Maintenance Fund Expenses	<u>\$ 158,034</u>	<u>\$ 104,875</u>

Longview at Montville Condominium Association, Inc.
 Supplementary Information
 Schedule of Non-Operating Fund Expenses
 For the Year Ended December 31, 2018
 (With Comparative Totals for 2017)

(Continued)	<u>2018</u>	<u>2017</u>
Replacement Fund Expenses		
Chimney replacement	\$ 148,785	\$ 54,646
Pool resurfacing	32,867	-
Retaining wall/drain replacement	25,190	-
Concrete repairs and replacement	23,103	-
Gym equipment	10,503	4,677
Loan interest expense	8,687	39,050
Deck replacement	8,567	10,136
Pool filters	8,492	-
Patio replacement	5,100	-
Security access system	4,823	-
Amortization of prepaid loan fees	3,323	3,625
Gutter replacement	859	-
Engineering - chimney	273	-
Pool furniture	-	27,247
Railing and ramp installation	-	8,601
Clubhouse air conditioner and toilet replacement	-	7,071
Paver replacement	-	5,423
Clubhouse furniture	-	4,893
Engineering - deck	-	1,209
Miscellaneous	-	73
	<u> </u>	<u> </u>
Total Replacement Fund Expenses	<u>\$ 280,572</u>	<u>\$ 166,651</u>