

Sea Ridge HOA Treasurer's Report

Fiscal Year Ending June 30, 2017

Balance Sheet as of October 31, 2016		Balance
Assets		
Operating Bank Accounts	\$	248,412.52
Reserve Bank Account		964,935.23
Accounts Receivable		35,041.97
Special Assmt Collected		15,864.46
Total Assets	\$	1,264,254.18
Liabilities		
Accounts Payable	\$	14,588.03
Prepaid Assessments		37,047.45
Pending Special Ass. Transfer		15,864.46
Member Equity/Retained Earnings		337,433.77
Net Surplus (Deficit)		(47,597.22)
Non-Capital Reserve Fund		(27,174.44)
Capital Reserve Fund		924,092.13
Total Liabilities & Equity	\$	1,254,254.18

Income Statement as of October 31, 2016	YTD Actual	YTD Budget	Variance
Income	\$ 517,038.93	\$ 454,694.20	\$ 62,344.73
Expense			
Utilities	\$ 54,418.32	\$ 67,666.68	\$ 13,248.36
Landscape	53,736.05	56,716.68	2,980.63
Building Maintenance	55,805.26	68,266.68	12,461.42
Pool & Spa	4,994.24	5,117.36	123.12
Administration	36,364.93	37,666.68	1,301.75
Total Expenses	\$ 205,318.80	\$ 235,434.08	\$ 30,115.28
Fund & Reserve Allocation	359,317.35	219,260.16	140,057.19
Net Operating Surplus (Deficit)	\$ (47,597.22)	\$ (0.04)	\$ (47,597.18)

Assessments as of October 31, 2016	YTD Actual	YTD Budget	Variance
Assessments > 60 days past due	\$ 33,401.00		
Bad Debt W/O (Uncollectable Assessments)	\$ -	\$ -	\$ -

Treasurer Report 10/31/16

As of October 31st we have \$248,412 in operating accounts, and \$964,935 in Reserve accounts.

Income is over budget due to collected special assessment income of \$139K YTD for FY 2016-2017.

Our net operating shows at a deficit of \$47.6K YTD but that is due to allocations to reserves in the amount of \$359,317 YTD. Actual operating expenses are \$30K below budget YTD. The operating deficit will balance out over the year vs budget. The deficit is the result of a large amount of special assessment income being collected in September.

Our goal is to bolster reserves this fiscal year by allocating \$54K per month to reserves, vs. last year's contribution of \$36K per month (plus special assessment income) Although our budget this year decreased dues overall slightly, there is now a larger spread between the dues for the smaller vs. larger units than ever before. This is due to the variable rate portion of monthly assessments, which is based on allocations to reserves, based on unit size. We are making a recommendation to the Board to reduce the reserve allocation which will narrow the spread between monthly assessments. The smaller unit dues will increase and the larger units will go down, but the total budgeted income remains consistent. There are four different dues rates the board is considering; one at a spread of \$90 between units, and also at \$100, \$110 and \$115.

Our plan is to place the difference between the current monthly reserve allocations back onto the operating budget and transfer that into reserves on a quarterly basis. We need to determine what areas we should focus on to reduce reserve spending.

We are considering two bids for termite treatment and will make a decision next month. The termite treatment will take place early next year.