



Community Management, Inc.

Our Ref: BOD/20/MRHOA #205

**TO: BOARD OF DIRECTORS
MILLRIDGE HOMEOWNERS ASSOCIATION**

**FROM: LISA CAMPBELL, COMMUNITY MANAGER
COMMUNITY MANAGEMENT, INC., AAMC**

SUBJECT: FINANCIAL STATEMENT

DATE: July 21, 2015

You will find enclosed the financial statement for the period ending:

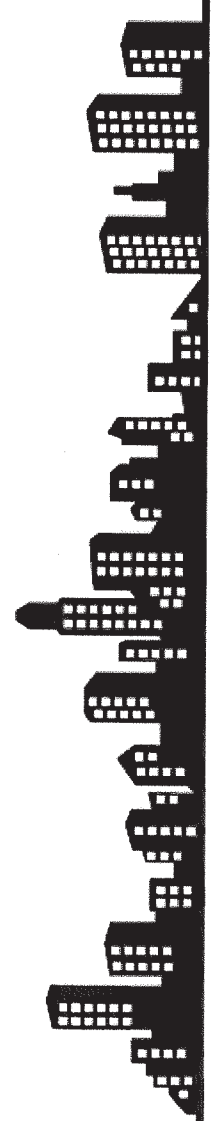
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2/28/15	<input type="checkbox"/>	8/31/15	<input type="checkbox"/>
3/31/15	<input type="checkbox"/>	9/30/15	<input type="checkbox"/>
4/30/15	<input type="checkbox"/>	10/31/15	<input type="checkbox"/>
5/31/15	<input type="checkbox"/>	11/30/15	<input type="checkbox"/>
6/30/15	<input checked="" type="checkbox"/>	12/31/15	<input type="checkbox"/>

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Community Manager's Notes on Financial Statement:

In June 2015, the Association was **approximately 7% under** budget. YTD ended at an overall **8.8% under** budget.

7225 Insurance –CMI provided the 2013 quote for insurance at renewal (\$18,000 per year), but the 2014/2015 policy is actually written for \$ 24,444. Will remain over budget for 2015.





Community Management, Inc.

7675 Landscape Maintenance – The invoice for power washing in the amount of \$1515 will be recoded to 6690 Property Maintenance. The correction will be reflected in July F/S.

There is \$24,365.53 in the operating bank account (like a checking account) as of 6/30/15. \$13,885.85 of this is due to prepaid HOA fees.

AR is running at \$7,959.74 (down slightly from last month - \$8011.72). The HOA's collection attorneys are working hard to collect from delinquent owners. At a point the account is deemed uncollectable, the attorney will advise the Board and the amount would then be written off to uncollectable fees.

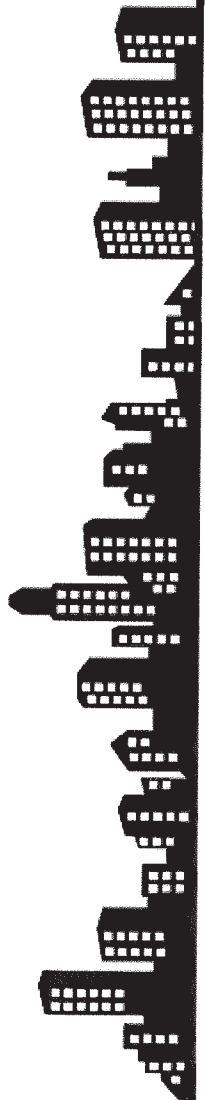
Operating Contingency - \$70,376.23 in the account. Funds are available for seasonally high or unexpected operating costs and/or projects deemed necessary by the Board.

Replacement Reserves - \$84,296.88 in the account. This is to be used for replacement of common area components using the Reserve Study as a guide.

Question regarding accruals on Reserve Income & Expense report:

The projects listed on the report come directly from the Reserve Study of the HOA. These are projections and may or may not be done depending on board decision. For simplicity the amounts were entered as a total amount and do not accrue monthly under the "current" column. If a project is done it will show the amount paid on "current" side for the month and show totals on YTD side.

Keep in mind that this can be changed if the board has a preference at the next budget year.





Financial Report Table of Contents

Graphs

- Monthly Expenses
- Year-to-Date Expenses
- Year-to-Date Income vs Expenses
- Accounts Receivable
- 1130 Due from Operating

Definitions

Assets

Liabilities & Equity

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Reserve Income & Expense

Comparative Income Statement

General Ledger

Accounts Payable

Accounts Receivable (30-60-90 Day Aged Delinquency by Owner)

Bank Statements

Check Register

Bank Reconciliation

Investment Statements

Investment Recap

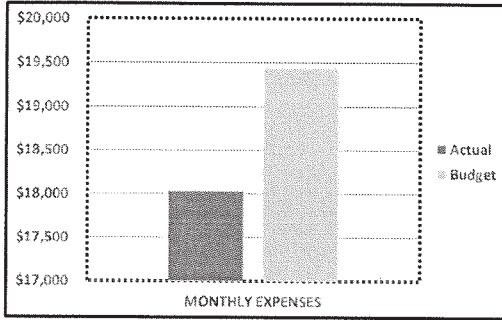
APPROVED LC

JUL 21 2015



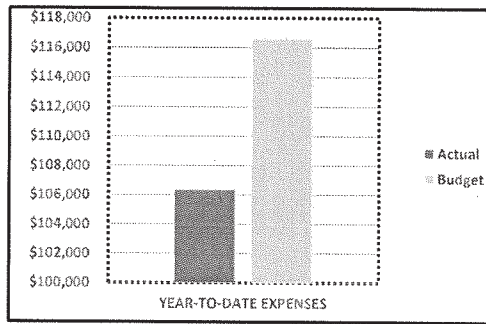
Millridge HOA

Operating Analysis
Period Ending: June 30, 2015



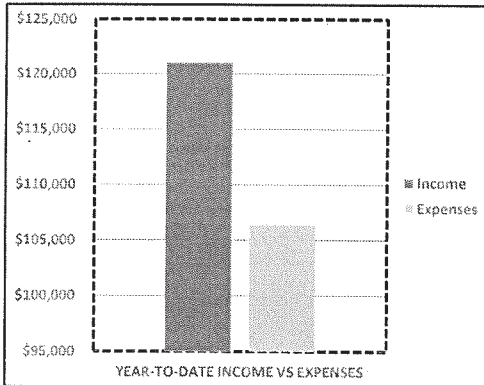
MONTHLY EXPENSES

Actual: \$ 18,032.35
 Budgeted: 19,433.91
 Variance: \$ (1,401.56)
 % Above/(Below): 7% ↓



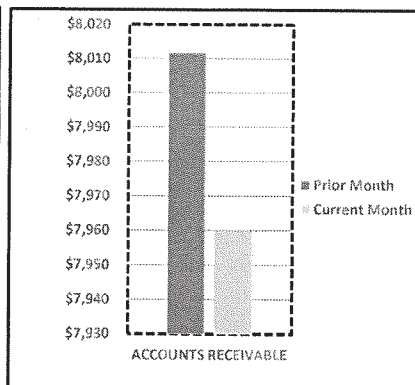
YEAR-TO-DATE EXPENSES

Actual: \$ 106,355.49
 Budgeted: 116,603.46
 Variance: \$ (10,247.97)
 % Above/(Below): 9% ↓



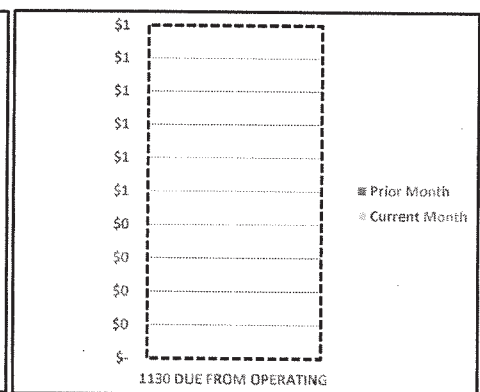
YEAR-TO-DATE INCOME VS EXPENSES

Income: \$ 121,023.32
 Expenses: \$ 106,355.49
 Income (Expense): \$ 14,667.83
 Change 12% ↑



ACCOUNTS RECEIVABLE

Prior Month: \$ 8,011.72
 Current Month \$ 7,959.74
 Increase (Dec): \$ (51.98)
 Change 1% ↓



1130 DUE FROM OPERATING

Prior Month: \$ -
 Current Month: \$ -
 Increase (Dec) \$ -
 Change 0% ↑



Millridge HOA

Operating Analysis
Period Ending: June 30, 2015

Definitions for Balance Sheet Accounts

1000 Cash In Bank: This account represents the balances in the Association's checking account as of the end of the financial period.

1140 Accounts Receivable: Fees owed to the Association as of the end of the financial period, usually late or delinquent assessments.

1235 Prepaid Expenses: Amounts pre-paid for expenses like fire protection maintenance/monitoring contract and elevator maintenance contract.

1265 Prepaid Insurance: Amounts paid ahead of the current month in insurance premiums. Oftentimes, certain premiums are paid yearly.

1790 General Operating: Operating funds set aside for seasonal and unexpected expenses. If this account goes into a negative position, it becomes account 1130 and means you have borrowed from reserves to pay operating expenses.

1908 Replacement Reserve: Amounts in your reserve account.

2100 Accounts Payable: Expenses for the month of the financial statement which were unpaid at end of previous month (paid in the following month). For example, a utility invoice received in June, but for utilities used in the month of May.

2140 Prepaid Account Receivables (A/R): Assessments paid in advance of the assessment date during the financial reporting period, even if they are paid only one day in advance.

3100 Designated Replacement: The top amount represents the amount in your Reserve Account as of the prior year end. The bottom number represents change in amounts to the Reserve Account in the current year.

3145 Undesignated Operating Fund: The top figure is the net carry-forward cumulative profit of the association as of the prior year end. The bottom number is the amount of expenses over revenue for the current year.

Please note; there are two income and expense statements. The first one is for operating expenses and the second is for reserve expenses.

*The Financial Statement was prepared by Community Management Inc.
and is subject to review by the Association's CPA.*

Millridge HOA

Balance Sheet For The Period Ended June 30, 2015

ASSETS

Current Assets

1000	Cash In Bank - Checking	\$	24,365.53
1140	Accounts Receivable		7,959.74
1142	Doubtful Accounts Receivable		(260.77)
1265	Prepaid Insurance		4,716.56

TOTAL CURRENT ASSETS \$ 36,781.06

DESIGNATED CAPITAL AND UNDESIGNATED OPERATING FUNDS

1790	Operating Contingency	\$	70,376.23
1908	Replacement Reserve		84,296.88

TOTAL FUNDS \$ 154,673.11

FIXED (LONG TERM) ASSETS

TOTAL FIXED (LONG TERM) ASSETS \$.00

TOTAL ASSETS \$ **191,454.17**

Millridge HOA

Balance Sheet For The Period Ended June 30, 2015

LIABILITIES & EQUITY

CURRENT LIABILITIES

2100	Accounts Payable	\$	79.35
2101	Accrued Accounts Payable		14,023.51
2140	Prepaid A/R		13,885.85

TOTAL CURRENT LIABILITIES \$ 27,988.71

LONG TERM LIABILITIES

TOTAL LONG TERM LIABILITIES \$.00

TOTAL LIABILITIES \$ 27,988.71

MEMBERS' EQUITY

3100	Designated Replacement Fund	\$	61,580.16
	Current Year Addition		<u>22,716.72</u>
	TOTAL RESERVES (DESIGNATED)	\$	84,296.88

3145	Undesignated Operating Fund	\$	64,500.75
	Current Year Addition		<u>14,667.83</u>
	TOTAL OPERATING (UNDESIGNATED)	\$	79,168.58

TOTAL MEMBERS' EQUITY \$ 163,465.46

TOTAL LIABILITIES AND EQUITY \$ 191,454.17

Millridge HOA

For the month ended June 30, 2015

Current Actual \$	Current Budget	Current Var \$	Acct #	Account Title	YTD Actual \$	YTD Budget \$	YTD Var \$	YTD VAR %	Annual Budget \$
Millridge HOA - Op									
Income									
\$ 19328.06	\$ 19327.91	\$.15	5000	Homeowners' Fees	\$ 115968.36	\$ 115967.46	\$.90	.0 %	\$ 231934.92
751.00	751.00	.00	5002	Operating Contingency	4506.00	4506.00	.00	.0	9012.00
100.00	46.00	54.00	5230	Clubhouse	100.00	276.00	176.00-	63.8-	552.00
3.54	2.00	1.54	5830	Interest	20.77	12.00	8.77	73.1	24.00
79.35	58.00	21.35	5845	Late Charges	428.19	348.00	80.19	23.0	696.00
<hr/>					<hr/>				
\$ 20261.95	\$ 20184.91	\$ 77.04			\$ 121023.32	\$ 121109.46	\$ 86.14-	.1- %	\$ 242218.92
Expenses									
Utilities									
\$ 435.97	\$ 415.00	\$ 20.97	6060	Electric	\$ 1707.75	\$ 2490.00	\$ 782.25-	31.4- %	\$ 4980.00
1428.00	1428.00	.00	6090	Garbage	8523.00	8568.00	45.00-	.5-	17136.00
150.00	150.00	.00	6105	Gas	604.01	900.00	295.99-	32.9-	1800.00
3935.00	3935.00	.00	6150	Sewer	23773.14	23610.00	163.14	.7	47220.00
2000.00	2000.00	.00	6195	Water	9452.45	12000.00	2547.55-	21.2-	24000.00
.00	50.00	50.00-	6225	Plumbing Maintenance	417.50	300.00	117.50	39.2	600.00
Facility									
.00	440.00	440.00-	6540	Gutter/Downspout	3900.50	2640.00	1260.50	47.7	5280.00
.00	10.00	10.00-	6585	General Maint Supplies	86.09	60.00	26.09	43.5	120.00
.00	40.00	40.00-	6675	Pest Control	640.00	240.00	400.00	166.7	480.00
.00	1100.00	1100.00-	6690	Property Maintenance	3387.31	6600.00	3212.69-	48.7-	13200.00
.00	175.00	175.00-	6735	Roof Repair	955.00	1050.00	95.00-	9.0-	2100.00
General & Administrative									
105.51	284.00	178.49-	7105	Office/Admin Exp - CMI	1610.85	1704.00	93.15-	5.5-	3408.00
.00	62.56	62.56-	7120	Consultants	.00	375.36	375.36-	100.0-	750.72
1994.77	1500.00	494.77	7225	Insurance	11531.69	9000.00	2531.69	28.1	18000.00
168.00	325.00	157.00-	7255	Legal	1453.90	1950.00	496.10-	25.4-	3900.00
.00	50.00	50.00-	7285	Management	.00	300.00	300.00-	100.0-	600.00
1969.35	1969.35	.00	7300	Management Fee	11816.10	11816.10	.00	.0	23632.20
.00	20.00	20.00-	7330	Office/Admin Exp - HOA	.00	120.00	120.00-	100.0-	240.00
50.00	50.00	.00	7375	Website Expense	300.00	300.00	.00	.0	600.00
183.75	375.00	191.25-	7465	Tax, License, Fees & Audit	2758.75	2250.00	508.75	22.6	4500.00
.00	470.00	470.00-	7480	Uncollectible Fees	.00	2820.00	2820.00-	100.0-	5640.00
Landscaping									
240.00	175.00	65.00	7630	Sprinkler System Repair	240.00	1050.00	810.00-	77.1-	2100.00
4137.00	3200.00	937.00	7675	Landscape Maintenance	17825.00	19200.00	1375.00-	7.2-	38400.00
660.00	400.00	260.00	7690	Landscape Miscellaneous	1880.50	2400.00	519.50-	21.6-	4800.00
Staffing									
Recreation									
75.00	60.00	15.00	8455	Clubhouse Expense	75.00	360.00	285.00-	79.2-	720.00
500.00	750.00	250.00-	8530	Swimming Pool Maintenance	3416.95	4500.00	1083.05-	24.1-	9000.00
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\$ 18032.35	\$ 19433.91	\$ 1401.56-			\$ 106355.49	\$ 116603.46	\$ 10247.97-	8.8- %	\$ 233206.92
Current Period Net Activity:					YTD Net Activity:				
\$ 2229.60	\$ 751.00	\$ 1478.60			\$ 14667.83	\$ 4506.00	\$ 10161.83	8.7	\$ 9012.00

Millridge HOA

For the month ended June 30, 2015

Current Actual \$	Current Budget	Current Var \$	Acct #	Account Title	YTD Actual \$	YTD Budget \$	YTD Var \$	YTD VAR %	Annual Budget \$
Millridge HOA - Reserves									
Income									
\$ 4533.00	\$ 4533.00	.00	5000	Homeowners' Fees	\$ 27198.00	\$ 27198.00	.00	.0 %	\$ 54396.00
3.35	.00	3.35	5830	Interest	17.72	.00	17.72	.0	.00
<hr/>					<hr/>				
\$ 4536.35	\$ 4533.00	\$ 3.35			\$ 27215.72	\$ 27198.00	\$ 17.72	.1 %	\$ 54396.00
Expenses									
Utilities									
\$.00	.00	.00	6225	Water Lines	\$.00	\$ 69394.00	\$ 69394.00-	100.0-	% \$ 69394.00
Facility									
450.00	.00	450.00	6430	Backflow Testing	450.00	.00	450.00	.0	.00
.00	.00	.00	6435	Drainage	.00	10000.00	10000.00-	100.0-	10000.00
.00	.00	.00	6795	Sidewalks	4049.00	.00	4049.00	.0	.00
General & Administrative									
Landscaping									
Staffing									
Recreation									
.00	.00	.00	8530	Swimming Pool Maintenance	.00	1050.00	1050.00-	100.0-	1050.00
<hr/>					<hr/>				
\$ 450.00	\$.00	\$ 450.00			\$ 4499.00	\$ 80444.00	\$ 75945.00-	94.4-	% \$ 80444.00
<hr/>					<hr/>				
Current Period Net Activity:					YTD Net Activity:				
\$ 4086.35	\$ 4533.00	\$ 446.65-			\$ 22716.72	\$ 53246.00-	\$ 75962.72	94.5	\$ 26048.00-