



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: September 23, 2015

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

1/31/15	[]	7/31/15	[]
2/28/15	[]	8/31/15	[X]
3/31/15	[]	9/30/15	[]
4/30/15	[]	10/31/15	[]
5/31/15	[]	11/30/15	[]
6/30/15	[]	12/31/15	[]

[] Mailed [] Hand delivered on [x] Emailed to Board

Community Manager's Notes on Financial Statement:

In August 2015, the Association revenue exceeded expenses by \$2284.53. YTD ended at an overall **11% under** budget.

1141 A/R Clearing – a temporary account containing amounts that will clear soon. Desantis Landscape was coded to Millridge and has been billed back to the correct HOA. This account will be cleared as soon as check is received.





Community Management, Inc.

6090 Garbage – July garbage bill included late that will reflect as a credit of \$21.60 on next invoice.

6105 Gas – July gas bill included a late fee that will reflect as a credit of \$9.80 on next invoice.

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.

7630 Irrigation Repairs – over budget mostly due to the installation of irrigation system controllers. Expect to remain over budget at year end.

8530 Pool Maintenance – over budget due to seasonal expenses.

There is \$24,710.50 in the operating bank account (like a checking account) as of 8/31/15. \$14,734.73 of this is due to prepaid HOA fees.

AR is running at \$7,813.55 (up slightly from last month - \$7,348.18). 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.

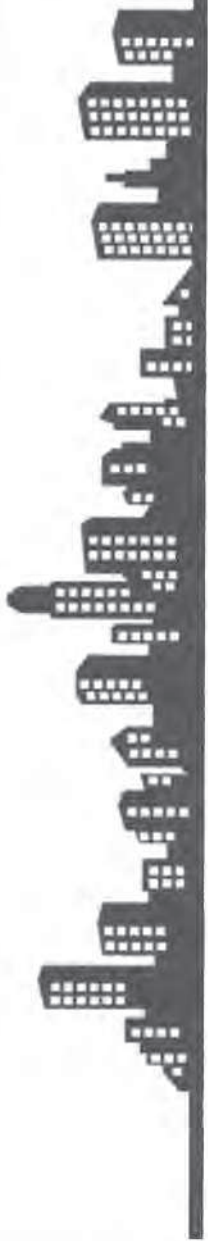
Operating Contingency - \$71,884.13 in the account. Funds are available for seasonally high or unexpected operating costs and/or projects deemed necessary by the Board.

Replacement Reserves - \$93,370.39 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.





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Definitions

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Reserve Income & Expense

Comparative Income Statement

General Ledger

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

Accounts Payable

Bank Statements

Check Register

Bank Reconciliation

Investment Statements

Investment Recap

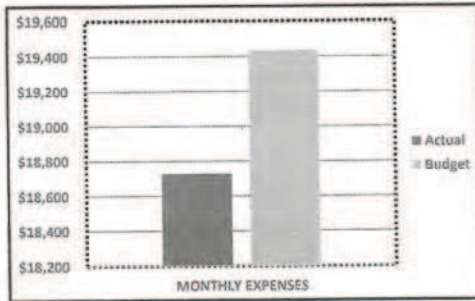
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Millridge HOA

Operating Analysis
Period Ending: August 31, 2015



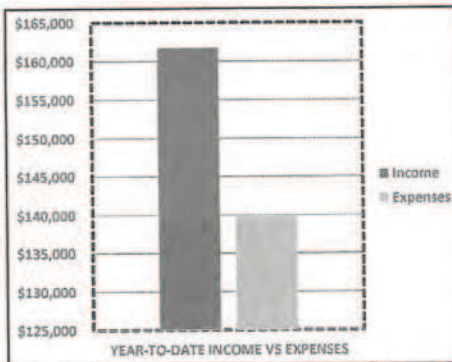
MONTHLY EXPENSES

Actual: \$ 18,727.38
Budgeted: 19,433.91
Variance: \$ (706.53)
% Above/(Below): 4% ↓



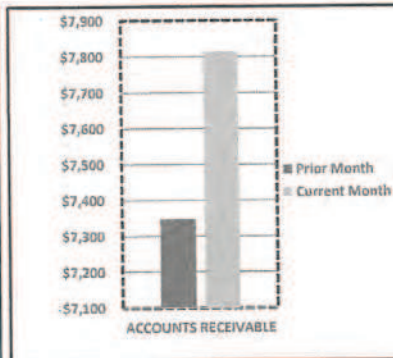
YEAR-TO-DATE EXPENSES

Actual: \$ 139,893.79
Budgeted: 155,471.28
Variance: \$ (15,577.49)
% Above/(Below): 10% ↓



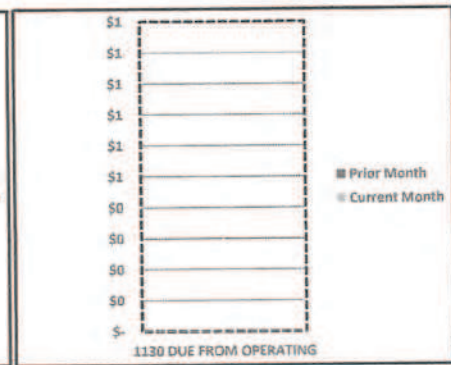
YEAR-TO-DATE INCOME VS EXPENSES

Income: \$ 161,709.32
Expenses: \$ 139,893.79
Income (Expense): \$ 21,815.53
Change 13% ↑



ACCOUNTS RECEIVABLE

Prior Month: \$ 7,348.18
Current Month \$ 7,813.55
Increase (Dec): \$ 465.37
Change 6% ↑



1130 DUE FROM OPERATING

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



Millridge HOA
Operating Analysis
Period Ending: August 31, 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 August 31, 2015

ASSETS

Current Assets

1000	Cash In Bank - Checking	\$	24,710.50	
1140	Accounts Receivable		7,813.55	
1141	A/R Clearing		3,659.00	
1142	Doubtful Accounts Receivable		(507.45)	
1265	Prepaid Insurance		4,226.52	
TOTAL CURRENT ASSETS				\$ <u>39,902.12</u>

DESIGNATED CAPITAL AND UNDESIGNATED OPERATING FUNDS

1790	Operating Contingency	\$	71,884.13	
1908	Replacement Reserve		93,370.39	
TOTAL FUNDS				\$ <u>165,254.52</u>

FIXED (LONG TERM) ASSETS

TOTAL FIXED (LONG TERM) ASSETS				\$ <u>.00</u>
TOTAL ASSETS				<u>\$ 205,156.64</u>

Millridge HOA

Balance Sheet For The Period Ended August 31, 2015

LIABILITIES & EQUITY

CURRENT LIABILITIES

2100	Accounts Payable	\$	79.37	
2101	Accrued Accounts Payable		14,734.73	
2140	Prepaid A/R		13,285.29	
TOTAL CURRENT LIABILITIES				\$ <u>28,099.39</u>

LONG TERM LIABILITIES

TOTAL LONG TERM LIABILITIES				\$ <u>.00</u>
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TOTAL LIABILITIES				\$ <u>28,099.39</u>
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MEMBERS' EQUITY

3100	Designated Replacement Fund	\$	57,986.16	
	Current Year Addition		<u>35,384.23</u>	
TOTAL RESERVES (DESIGNATED)				\$ 93,370.39

3145	Undesignated Operating Fund	\$	61,871.33	
	Current Year Addition		<u>21,815.53</u>	
TOTAL OPERATING (UNDESIGNATED)				\$ <u>83,686.86</u>

TOTAL MEMBERS' EQUITY				\$ <u>177,057.25</u>
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TOTAL LIABILITIES AND EQUITY				\$ <u>205,156.64</u>
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Millridge HOA

For the month ended August 31, 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	\$ 154624.48	\$ 154623.28	\$ 1.20	.0 %	\$ 231934.92
751.00	751.00	.00	5002	Operating Contingency	6008.00	6008.00	.00	.0	9012.00
.00	46.00	46.00-	5230	Clubhouse	400.00	368.00	32.00	8.7	552.00
75.00	.00	75.00	5305	Key	125.00	.00	125.00	.0	.00
3.82	2.00	1.82	5830	Interest	28.45	16.00	12.45	77.8	24.00
79.36	58.00	21.36	5845	Late Charges	523.39	464.00	59.39	12.8	696.00
50.00-	.00	50.00-	5890	Miscellaneous	.00	.00	.00	.0	.00
\$ 20187.24	\$ 20184.91	\$ 2.33			\$ 161709.32	\$ 161479.28	\$ 230.04	.1 %	\$ 242218.92
Expenses									
Utilities									
\$ 476.93	\$ 415.00	\$ 61.93	6060	Electric	\$ 2709.75	\$ 3320.00	\$ 610.25-	18.4- %	\$ 4980.00
1428.00	1428.00	.00	6090	Garbage	11403.89	11424.00	20.11-	.2-	17136.00
150.00	150.00	.00	6105	Gas	1519.53	1200.00	319.53	26.6	1800.00
3935.00	3935.00	.00	6150	Sewer	31521.06	31480.00	41.06	.1	47220.00
2000.00	2000.00	.00	6195	Water	13206.60	16000.00	2793.40-	17.5-	24000.00
.00	50.00	50.00-	6225	Plumbing Maintenance	417.50	400.00	17.50	4.4	600.00
Facility									
.00	440.00	440.00-	6540	Gutter/Downspout	3900.50	3520.00	380.50	10.8	5280.00
.00	10.00	10.00-	6585	General Maint Supplies	.00	80.00	80.00-	100.0-	120.00
.00	40.00	40.00-	6675	Pest Control	640.00	320.00	320.00	100.0	480.00
.00	1100.00	1100.00-	6690	Property Maintenance	2314.37	8800.00	6485.63-	73.7-	13200.00
.00	175.00	175.00-	6735	Roof Repair	955.00	1400.00	445.00-	31.8-	2100.00
General & Administrative									
56.73	284.00	227.27-	7105	Office/Admin Exp - CMI	1665.83	2272.00	606.17-	26.7-	3408.00
.00	62.56	62.56-	7120	Consultants	.00	500.48	500.48-	100.0-	750.72
1994.77	1500.00	494.77	7225	Insurance	15958.16	12000.00	3958.16	33.0	18000.00
56.00	325.00	269.00-	7255	Legal	1817.90	2600.00	782.10-	30.1-	3900.00
.00	50.00	50.00-	7285	Management	.00	400.00	400.00-	100.0-	600.00
1969.35	1969.35	.00	7300	Management Fee	15754.80	15754.80	.00	.0	23632.20
.00	20.00	20.00-	7330	Office/Admin Exp - HOA	.00	160.00	160.00-	100.0-	240.00
50.00	50.00	.00	7375	Website Expense	400.00	400.00	.00	.0	600.00
15.00	375.00	360.00-	7465	Tax, License, Fees & Audit	2788.75	3000.00	211.25-	7.0-	4500.00
.00	470.00	470.00-	7480	Uncollectible Fees	.00	3760.00	3760.00-	100.0-	5640.00
Landscaping									
2191.00	175.00	2016.00	7630	Sprinkler System Repair	2431.00	1400.00	1031.00	73.6	2100.00
2622.00	3200.00	578.00-	7675	Landscape Maintenance	21554.00	25600.00	4046.00-	15.8-	38400.00
695.00	400.00	295.00	7690	Landscape Miscellaneous	2575.50	3200.00	624.50-	19.5-	4800.00
Staffing									
Recreation									
75.00	60.00	15.00	8455	Clubhouse Expense	225.00	480.00	255.00-	53.1-	720.00
1012.60	750.00	262.60	8530	Swimming Pool Maintenance	6134.65	6000.00	134.65	2.2	9000.00
\$ 18727.38	\$ 19433.91	\$ 706.53-			\$ 139893.79	\$ 155471.28	\$ 15577.49-	10.0- %	\$ 233206.92
Current Period Net Activity:					YTD Net Activity:				
\$ 1459.86	\$ 751.00	\$ 708.86			\$ 21815.53	\$ 6008.00	\$ 15807.53	10.1	\$ 9012.00

Millridge HOA

For the month ended August 31, 2015

Current Actual \$	Current Budget	Current Var \$	Acct #	Account Title	YTD Actual \$	YTD Budget \$	YTD Var \$	YTD VAR %	Annual Budget \$	
Millridge HOA-Assessment Fund										
Income										
<hr/>										
Expenses										
Utilities										
Facility										
General & Administrative										
Landscaping										
Staffing										
Recreation										
<hr/>										
<u>Current Period Net Activity:</u>					<u>YTD Net Activity:</u>					
\$.00	\$.00	\$.00	\$.00	.0	\$.00

Millridge HOA

For the month ended August 31, 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	\$ 36264.00	\$ 36264.00	\$.00	.0 %	\$ 54396.00
3.85	.00	3.85	5830	Interest	25.23	.00	25.23	.0	.00
<u>\$ 4536.85</u>	<u>\$ 4533.00</u>	<u>\$ 3.85</u>			<u>\$ 36289.23</u>	<u>\$ 36264.00</u>	<u>\$ 25.23</u>	<u>.1 %</u>	<u>\$ 54396.00</u>
Expenses									
Utilities									
\$.00	\$.00	.00	6225	Water Lines	\$.00	\$ 69394.00	\$ 69394.00-	100.0- %	\$ 69394.00
Facility									
.00	.00	.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	455.00	.00	455.00	.0	.00
General & Administrative									
Landscaping									
Staffing									
Recreation									
.00	.00	.00	8530	Swimming Pool Maintenance	.00	1050.00	1050.00-	100.0-	1050.00
<u>\$.00</u>	<u>\$.00</u>	<u>\$.00</u>			<u>\$ 905.00</u>	<u>\$ 80444.00</u>	<u>\$ 79539.00-</u>	<u>98.9- %</u>	<u>\$ 80444.00</u>
<u>Current Period Net Activity:</u>					<u>YTD Net Activity:</u>				
\$ 4536.85	\$ 4533.00	\$ 3.85			\$ 35384.23	\$ 44180.00-	\$ 79564.23	99.0	\$ 26048.00-