



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: June 16, 2015

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

|         |                                     |          |                          |
|---------|-------------------------------------|----------|--------------------------|
| 1/31/15 | <input type="checkbox"/>            | 7/31/15  | <input type="checkbox"/> |
| 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 checked="" type="checkbox"/> | 11/30/15 | <input type="checkbox"/> |
| 6/30/15 | <input type="checkbox"/>            | 12/31/15 | <input type="checkbox"/> |

Mailed                       Hand delivered on                       Emailed to Board

**Community Manager's Notes on Financial Statement:**

In May 2015, the Association was **approximately 24% over** budget. YTD ended at an overall **9.1% under** budget.

**6675 Pest Control** – over budget due to mice abatement.





## Community Management, Inc.

**7105 Office /Admin** – is running higher due to Annual meeting correspondence. Expect to even out.

**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.

**7465 Tax, License, Fees, & Audit** – Ran high due to annual financial review and annual pool licensing. Expect to even out.

**7675 Landscape Maintenance** – the 2 missing invoices from Pacific for March and April were paid including May. Year to date remains slightly under budget.

**8530 Swimming Pool Maintenance** – ran high due to readying the pools for opening.

There is \$19,170.69 in the operating bank account (like a checking account) as of 5/31/15. \$13,989.87 of this is due to prepaid HOA fees.

AR is running at \$8011.72 (up from last month - \$\$6,341.85). 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 - \$69,172.46 in the account. Funds are available for seasonally high or unexpected operating costs and/or projects deemed necessary by the Board.

Replacement Reserves - \$80,210.53 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.

### ACCOUNT DEFINITIONS

#### Balance Sheet

**1000 Cash In Bank:** This account represents the balance in HOA's checking account.

**1140 Accounts Receivable:** Fees owed to the Association. See AR report for details.

**1265 Prepaid Insurance:** This is the amount you have pre-paid for your annual premium.

**1790 Operating Contingency:** Operating funds available for seasonally high or unexpected operating costs.

**1908 Replacement Reserve:** Amounts in your reserve account for the repair and replacement of common elements.





Community Management, Inc.

**2100 Accounts Payable:** Expenses received for the month of the statement which were unpaid at end of month (paid in the following month).

**2101 Accrued Accounts Payable:** Money for invoices that we are accruing for regular contract expenses that we have not yet received in the current month.

**2140 Prepaid A/R:** HOA fees paid in advance.

**3100 Designated Replacement Fund:** The top number is the amount in your replacement reserves as of 12/31/14. The bottom number represents the amount added to your reserve account in 2015.

**3145 Undesignated Operating Fund:** The top figure is the net carry forward (from HOA inception) excess of revenue over expenses as of 12/31/14. The bottom number represents the total expenses over revenue (loss) during the current fiscal year. *Note that profit is off-set by Accounts Receivable.*



**Millridge HOA**

**Balance Sheet For The Period Ended May 31, 2015**

**ASSETS**

**Current Assets**

|      |                              |    |           |
|------|------------------------------|----|-----------|
| 1000 | Cash In Bank - Checking      | \$ | 19,170.69 |
| 1140 | Accounts Receivable          |    | 8,011.72  |
| 1142 | Doubtful Accounts Receivable |    | (260.77)  |
| 1265 | Prepaid Insurance            |    | 4,961.58  |

**TOTAL CURRENT ASSETS** \$ 31,883.22

**DESIGNATED CAPITAL AND UNDESIGNATED OPERATING FUNDS**

|      |                       |    |           |
|------|-----------------------|----|-----------|
| 1790 | Operating Contingency | \$ | 69,172.46 |
| 1908 | Replacement Reserve   |    | 80,210.53 |

**TOTAL FUNDS** \$ 149,382.99

**FIXED (LONG TERM) ASSETS**

**TOTAL FIXED (LONG TERM) ASSETS** \$ .00

**TOTAL ASSETS** \$ **181,266.21**

APPROVED LC  
JUN 16 2015

**Millridge HOA**

**Balance Sheet For The Period Ended May 31, 2015**

**LIABILITIES & EQUITY**

**CURRENT LIABILITIES**

|      |                          |    |           |
|------|--------------------------|----|-----------|
| 2100 | Accounts Payable         | \$ | 4,176.83  |
| 2101 | Accrued Accounts Payable |    | 5,950.00  |
| 2140 | Prepaid A/R              |    | 13,989.87 |

**TOTAL CURRENT LIABILITIES** \$ 24,116.70

**LONG TERM LIABILITIES**

**TOTAL LONG TERM LIABILITIES** \$ .00

**TOTAL LIABILITIES** \$ 24,116.70

**MEMBERS' EQUITY**

|      |                                    |    |                  |
|------|------------------------------------|----|------------------|
| 3100 | Designated Replacement Fund        | \$ | 61,580.16        |
|      | Current Year Addition              |    | <u>18,630.37</u> |
|      | <b>TOTAL RESERVES (DESIGNATED)</b> | \$ | 80,210.53        |

|      |                                       |    |                  |
|------|---------------------------------------|----|------------------|
| 3145 | Undesignated Operating Fund           | \$ | 64,500.75        |
|      | Current Year Addition                 |    | <u>12,438.23</u> |
|      | <b>TOTAL OPERATING (UNDESIGNATED)</b> | \$ | 76,938.98        |

**TOTAL MEMBERS' EQUITY** \$ 157,149.51

**TOTAL LIABILITIES AND EQUITY** \$ 181,266.21

**Millridge HOA**

**For the month ended May 31, 2015**

| <b>Current Actual \$</b>            | <b>Current Budget</b> | <b>Current Var \$</b> | <b>Acct #</b> | <b>Account Title</b>       | <b>YTD Actual \$</b>     | <b>YTD Budget \$</b> | <b>YTD Var \$</b> | <b>YTD VAR %</b> | <b>Annual Budget \$</b> |
|-------------------------------------|-----------------------|-----------------------|---------------|----------------------------|--------------------------|----------------------|-------------------|------------------|-------------------------|
| <b>Millridge HOA - Op</b>           |                       |                       |               |                            |                          |                      |                   |                  |                         |
| <b>Income</b>                       |                       |                       |               |                            |                          |                      |                   |                  |                         |
| \$ 19328.06                         | \$ 19327.91           | \$ .15                | 5000          | Homeowners' Fees           | \$ 96640.30              | \$ 96639.55          | \$ .75            | .0 %             | \$ 231934.92            |
| 751.00                              | 751.00                | .00                   | 5002          | Operating Contingency      | 3755.00                  | 3755.00              | .00               | .0               | 9012.00                 |
| .00                                 | 46.00                 | 46.00-                | 5230          | Clubhouse                  | .00                      | 230.00               | 230.00-           | 100.0-           | 552.00                  |
| 3.88                                | 2.00                  | 1.88                  | 5830          | Interest                   | 17.23                    | 10.00                | 7.23              | 72.3             | 24.00                   |
| 47.68                               | 58.00                 | 10.32-                | 5845          | Late Charges               | 348.84                   | 290.00               | 58.84             | 20.3             | 696.00                  |
| <hr/>                               |                       |                       |               |                            | <hr/>                    |                      |                   |                  |                         |
| \$ 20130.62                         | \$ 20184.91           | \$ 54.29-             |               |                            | \$ 100761.37             | \$ 100924.55         | \$ 163.18-        | .2- %            | \$ 242218.92            |
| <b>Expenses</b>                     |                       |                       |               |                            |                          |                      |                   |                  |                         |
| <b>Utilities</b>                    |                       |                       |               |                            |                          |                      |                   |                  |                         |
| \$ 151.41                           | \$ 415.00             | \$ 263.59-            | 6060          | Electric                   | \$ 1271.78               | \$ 2075.00           | \$ 803.22-        | 38.7- %          | \$ 4980.00              |
| 1410.00                             | 1428.00               | 18.00-                | 6090          | Garbage                    | 7095.00                  | 7140.00              | 45.00-            | .6-              | 17136.00                |
| 257.87                              | 150.00                | 107.87                | 6105          | Gas                        | 454.01                   | 750.00               | 295.99-           | 39.5-            | 1800.00                 |
| 4016.57                             | 3935.00               | 81.57                 | 6150          | Sewer                      | 19838.14                 | 19675.00             | 163.14            | .8               | 47220.00                |
| 849.75                              | 2000.00               | 1150.25-              | 6195          | Water                      | 7452.45                  | 10000.00             | 2547.55-          | 25.5-            | 24000.00                |
| .00                                 | 50.00                 | 50.00-                | 6225          | Plumbing Maintenance       | 417.50                   | 250.00               | 167.50            | 67.0             | 600.00                  |
| <b>Facility</b>                     |                       |                       |               |                            |                          |                      |                   |                  |                         |
| 278.50                              | 440.00                | 161.50-               | 6540          | Gutter/Downspout           | 3900.50                  | 2200.00              | 1700.50           | 77.3             | 5280.00                 |
| .00                                 | 10.00                 | 10.00-                | 6585          | General Maint Supplies     | 86.09                    | 50.00                | 36.09             | 72.2             | 120.00                  |
| 125.00                              | 40.00                 | 85.00                 | 6675          | Pest Control               | 640.00                   | 200.00               | 440.00            | 220.0            | 480.00                  |
| .00                                 | 1100.00               | 1100.00-              | 6690          | Property Maintenance       | 3387.31                  | 5500.00              | 2112.69-          | 38.4-            | 13200.00                |
| .00                                 | 175.00                | 175.00-               | 6735          | Roof Repair                | 955.00                   | 875.00               | 80.00             | 9.1              | 2100.00                 |
| <b>General &amp; Administrative</b> |                       |                       |               |                            |                          |                      |                   |                  |                         |
| 452.48                              | 284.00                | 168.48                | 7105          | Office/Admin Exp - CMI     | 1505.34                  | 1420.00              | 85.34             | 6.0              | 3408.00                 |
| .00                                 | 62.56                 | 62.56-                | 7120          | Consultants                | .00                      | 312.80               | 312.80-           | 100.0-           | 750.72                  |
| 1994.77                             | 1500.00               | 494.77                | 7225          | Insurance                  | 9536.92                  | 7500.00              | 2036.92           | 27.2             | 18000.00                |
| 182.00                              | 325.00                | 143.00-               | 7255          | Legal                      | 1285.90                  | 1625.00              | 339.10-           | 20.9-            | 3900.00                 |
| .00                                 | 50.00                 | 50.00-                | 7285          | Management                 | .00                      | 250.00               | 250.00-           | 100.0-           | 600.00                  |
| 1969.35                             | 1969.35               | .00                   | 7300          | Management Fee             | 9846.75                  | 9846.75              | .00               | .0               | 23632.20                |
| .00                                 | 20.00                 | 20.00-                | 7330          | Office/Admin Exp - HOA     | .00                      | 100.00               | 100.00-           | 100.0-           | 240.00                  |
| 50.00                               | 50.00                 | .00                   | 7375          | Website Expense            | 250.00                   | 250.00               | .00               | .0               | 600.00                  |
| 2529.00                             | 375.00                | 2154.00               | 7465          | Tax, License, Fees & Audit | 2575.00                  | 1875.00              | 700.00            | 37.3             | 4500.00                 |
| .00                                 | 470.00                | 470.00-               | 7480          | Uncollectible Fees         | .00                      | 2350.00              | 2350.00-          | 100.0-           | 5640.00                 |
| <b>Landscaping</b>                  |                       |                       |               |                            |                          |                      |                   |                  |                         |
| .00                                 | 175.00                | 175.00-               | 7630          | Sprinkler System Repair    | .00                      | 875.00               | 875.00-           | 100.0-           | 2100.00                 |
| 7866.00                             | 3200.00               | 4666.00               | 7675          | Landscape Maintenance      | 13688.00                 | 16000.00             | 2312.00-          | 14.5-            | 38400.00                |
| 1220.50                             | 400.00                | 820.50                | 7690          | Landscape Miscellaneous    | 1220.50                  | 2000.00              | 779.50-           | 39.0-            | 4800.00                 |
| <b>Staffing</b>                     |                       |                       |               |                            |                          |                      |                   |                  |                         |
| <b>Recreation</b>                   |                       |                       |               |                            |                          |                      |                   |                  |                         |
| .00                                 | 60.00                 | 60.00-                | 8455          | Clubhouse Expense          | .00                      | 300.00               | 300.00-           | 100.0-           | 720.00                  |
| 789.30                              | 750.00                | 39.30                 | 8530          | Swimming Pool Maintenance  | 2916.95                  | 3750.00              | 833.05-           | 22.2-            | 9000.00                 |
| <hr/>                               |                       |                       |               |                            | <hr/>                    |                      |                   |                  |                         |
| \$ 24142.50                         | \$ 19433.91           | \$ 4708.59            |               |                            | \$ 88323.14              | \$ 97169.55          | \$ 8846.41-       | 9.1- %           | \$ 233206.92            |
| <b>Current Period Net Activity:</b> |                       |                       |               |                            | <b>YTD Net Activity:</b> |                      |                   |                  |                         |
| \$ 4011.88-                         | \$ 751.00             | \$ 4762.88-           |               |                            | \$ 12438.23              | \$ 3755.00           | \$ 8683.23        | 8.9              | \$ 9012.00              |

**Millridge HOA**

For the month ended May 31, 2015

| Current Actual \$                   | Current Budget | Current Var \$ | Acct # | Account Title             | YTD Actual \$            | YTD Budget \$ | YTD Var \$   | YTD VAR % | Annual Budget \$ |
|-------------------------------------|----------------|----------------|--------|---------------------------|--------------------------|---------------|--------------|-----------|------------------|
| <b>Millridge HOA - Reserves</b>     |                |                |        |                           |                          |               |              |           |                  |
| <b>Income</b>                       |                |                |        |                           |                          |               |              |           |                  |
| \$ 4533.00                          | \$ 4533.00     | \$ .00         | 5000   | Homeowners' Fees          | \$ 22665.00              | \$ 22665.00   | \$ .00       | .0 %      | 54396.00         |
| 3.30                                | .00            | 3.30           | 5830   | Interest                  | 14.37                    | .00           | 14.37        | .0        | .00              |
| <hr/>                               |                |                |        |                           |                          |               |              |           |                  |
| \$ 4536.30                          | \$ 4533.00     | \$ 3.30        |        |                           | \$ 22679.37              | \$ 22665.00   | \$ 14.37     | .1 %      | 54396.00         |
| <b>Expenses</b>                     |                |                |        |                           |                          |               |              |           |                  |
| Utilities                           |                |                |        |                           |                          |               |              |           |                  |
| \$ .00                              | \$ .00         | \$ .00         | 6225   | Water Lines               | \$ .00                   | \$ 69394.00   | \$ 69394.00- | 100.0-    | 69394.00         |
| Facility                            |                |                |        |                           |                          |               |              |           |                  |
| .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/>                               |                |                |        |                           |                          |               |              |           |                  |
| \$ .00                              | \$ .00         | \$ .00         |        |                           | \$ 4049.00               | \$ 80444.00   | \$ 76395.00- | 95.0-     | 80444.00         |
| <hr/>                               |                |                |        |                           |                          |               |              |           |                  |
| <u>Current Period Net Activity:</u> |                |                |        |                           | <u>YTD Net Activity:</u> |               |              |           |                  |
| \$ 4536.30                          | \$ 4533.00     | \$ 3.30        |        |                           | \$ 18630.37              | \$ 57779.00-  | \$ 76409.37  | 95.1      | \$ 26048.00-     |