

The Meadows-Ferndale Homeowners' Association

Financial Report

HOA Financial Status as of December 31, 2022

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- a. Balance Sheet
- b. Income Statement
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2. DISCUSSION OF FINANCIAL PERFORMANCE FOR 2022

- a. The Reserve account is well funded and larger than the recommendation of the latest Reserve Study. Result: we are better prepared to fund emergency repairs to areas covered by the reserve study (mostly wetlands).
- b. Initial contributions were less than anticipated due to bad weather delaying construction and sale of homes. Result: reduced income.
- c. Legal expenditures were higher than budget due to a number of issues needing legal advice.
- d. Planting strip development expenses were lower than budget because we opted for a small test of options rather than a full planting strip refurbishment. The results of the test were favorable and we will make the final decisions and work to complete the refurbishment during 2023.
- e. Snow removal expenses were higher than budgeted because our plowing service unilaterally opted to plow city streets that the city plow missed. He has been instructed not to plow city streets without Board approval (in cases of extreme need that the city cannot satisfy).

3. OVERALL

- a. For 2022 we ended the year with actual expenses slightly higher by \$803.65 than actual income (a negative variance). This amounts to an overrun of less than 1%. By standard practice the overrue will be covered by the Operating Cash account which accumulates retained earnings for that purpose.
- b. For 2023 our focus will be on improving the appearance of the neighborhood: principally the Thornton Road frontage, the Planting Strips, the trail system, and the fence lines.

Balance Sheet - Accrual

Properties: The Meadows Ferndale HOA - Various Ferndale, WA 98248

As of: 12/31/2022

Accounting Basis: Accrual

GL Account Map: The Meadows

Level of Detail: Detail View

Include Zero Balance GL Accounts: No

Account Number	Account Name	Balance
ASSETS		
Cash		
OPERATING CASH		
1010	Operating Cash	24,754.08
Total OPERATING CASH		24,754.08
RESERVES CASH		
1110	Main Reserves	57,596.24
Total RESERVES CASH		57,596.24
Total Cash		82,350.32
ACCOUNTS RECEIVABLE		
1210	Accounts Receivable	10,505.62
Total ACCOUNTS RECEIVABLE		10,505.62
TOTAL ASSETS		92,855.94
LIABILITIES & CAPITAL		
Liabilities		
PAYABLES		
2010	Accounts Payable	3,749.30
2020	Pre-paid Assessments	6,120.00
Total PAYABLES		9,869.30
Total Liabilities		9,869.30
Capital		
FUND BALANCES		
3010	Operating Fund	43,517.26
3020	Reserves Fund	52,045.07
Total FUND BALANCES		95,562.33
Calculated Retained Earnings		3,434.22
Calculated Prior Years Retained Earnings		-16,009.91
Total Capital		82,986.64
TOTAL LIABILITIES & CAPITAL		92,855.94

Operating Income Statement - Actual v Budget

Properties: The Meadows Ferndale HOA - Various Ferndale, WA 98248

As of: Dec 2022

Accounting Basis: Accrual

Fund Type: Operating

GL Account Map: The Meadows

Level of Detail: Detail View

Account Number	Account Name	MTD Actual	MTD Budget	MTD \$ Var.	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
Income								
4000	ASSESSMENT INCOME							
4010	Assessment Income	9,180.00	9,170.00	10.00	110,160.00	110,040.00	120.00	110,040.00
	Total ASSESSMENT INCOME	9,180.00	9,170.00	10.00	110,160.00	110,040.00	120.00	110,040.00
4200	OTHER INCOME							
4270	Owner Maintenance	0.00	0.00	0.00	915.62	0.00	915.62	0.00
4460	Initial Contribution	0.00	63.00	-63.00	0.00	756.00	-756.00	756.00
	Total OTHER INCOME	0.00	63.00	-63.00	915.62	756.00	159.62	756.00
	Total Operating Income	9,180.00	9,233.00	-53.00	111,075.62	110,796.00	279.62	110,796.00
Expense								
5000	GENERAL AND ADMINISTRATIVE							
5010	Management Fees	1,570.00	1,570.00	0.00	18,840.00	18,840.00	0.00	18,840.00
5020	Accounting (CPA Audit)	0.00	2.00	2.00	205.00	24.00	-181.00	24.00
5030	Legal	357.50	120.00	-237.50	3,469.50	1,440.00	-2,029.50	1,440.00
5040	Insurance - Master Policy	0.00	345.00	345.00	3,111.00	4,140.00	1,029.00	4,140.00
5060	Office Supplies / Meetings	12.04	100.00	87.96	957.72	1,200.00	242.28	1,200.00
5061	Admin Services	0.00	100.00	100.00	505.81	1,200.00	694.19	1,200.00
5070	Reserve Study	0.00	50.00	50.00	0.00	600.00	600.00	600.00
5090	Property Tax Expense	0.00	2.00	2.00	19.00	24.00	5.00	24.00
5100	Website Maintenance	119.40	12.00	-107.40	359.40	144.00	-215.40	144.00
5120	Bank Charges	0.00	1.00	1.00	0.00	12.00	12.00	12.00
	Total GENERAL AND ADMINISTRATIVE	2,058.94	2,302.00	243.06	27,467.43	27,624.00	156.57	27,624.00
5200	UTILITIES							
5210	Electricity (Street Lights)	328.01	300.00	-28.01	3,753.71	3,600.00	-153.71	3,600.00
5230	Water (Irrigation)	792.33	40.00	-752.33	1,208.78	480.00	-728.78	480.00

Operating Income Statement - Actual v Budget

Account Number	Account Name	MTD Actual	MTD Budget	MTD \$ Var.	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
	Total UTILITIES	1,120.34	340.00	-780.34	4,962.49	4,080.00	-882.49	4,080.00
5300	MAINTENANCE							
5330	General Maintenance and Repair	0.00	167.00	167.00	1,355.43	2,004.00	648.57	2,004.00
5331	Wetland Inspection, Mitigation, & Compliance (ATSI)	3,360.00	700.00	-2,660.00	8,668.25	8,400.00	-268.25	8,400.00
5351	Fence Line Maintenance (ATSI)	0.00	680.00	680.00	10,060.98	8,160.00	-1,900.98	8,160.00
5360	Common Area Landscaping & Maintenance (ATSI)	3,243.90	2,426.00	-817.90	31,420.49	29,112.00	-2,308.49	29,112.00
5435	Private Streets & Common Driveways	0.00	40.00	40.00	0.00	480.00	480.00	480.00
	Total MAINTENANCE	6,603.90	4,013.00	-2,590.90	51,505.15	48,156.00	-3,349.15	48,156.00
5700	CONTRACT SERVICES							
5710	Planting Strip Development (ATSI)	0.00	1,917.00	1,917.00	15,282.12	23,004.00	7,721.88	23,004.00
5750	Snow Removal	1,707.08	202.00	-1,505.08	7,142.08	2,424.00	-4,718.08	2,424.00
	Total CONTRACT SERVICES	1,707.08	2,119.00	411.92	22,424.20	25,428.00	3,003.80	25,428.00
9000	MONTHLY TRANSFER							
9010	Transfer to Reserves	460.00	460.00	0.00	5,520.00	5,520.00	0.00	5,520.00
	Total MONTHLY TRANSFER	460.00	460.00	0.00	5,520.00	5,520.00	0.00	5,520.00
	Total Operating Expense	11,950.26	9,234.00	-2,716.26	111,879.27	110,808.00	-1,071.27	110,808.00
	Total Operating Income	9,180.00	9,233.00	-53.00	111,075.62	110,796.00	279.62	110,796.00
	Total Operating Expense	11,950.26	9,234.00	-2,716.26	111,879.27	110,808.00	-1,071.27	110,808.00
	NOI - Net Operating Income	-2,770.26	-1.00	-2,769.26	-803.65	-12.00	-791.65	-12.00
	Total Income	9,180.00	9,233.00	-53.00	111,075.62	110,796.00	279.62	110,796.00
	Total Expense	11,950.26	9,234.00	-2,716.26	111,879.27	110,808.00	-1,071.27	110,808.00
	Net Income	-2,770.26	-1.00	-2,769.26	-803.65	-12.00	-791.65	-12.00

Reserve Income Statement - Actual v Budget

Properties: The Meadows Ferndale HOA - Various Ferndale, WA 98248

As of: Dec 2022

Accounting Basis: Accrual

Fund Type: Reserve

GL Account Map: The Meadows

Level of Detail: Detail View

Account Number	Account Name	MTD Actual	MTD Budget	MTD \$ Var.	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
Income								
4000	ASSESSMENT INCOME							
4020	Reserves Income	460.00	460.00	0.00	5,520.00	5,520.00	0.00	5,520.00
	Total ASSESSMENT INCOME	460.00	460.00	0.00	5,520.00	5,520.00	0.00	5,520.00
4200	OTHER INCOME							
4210	Interest Income - Reserves	0.98	1.00	-0.02	10.97	12.00	-1.03	12.00
	Total OTHER INCOME	0.98	1.00	-0.02	10.97	12.00	-1.03	12.00
	Total Reserve Income	460.98	461.00	-0.02	5,530.97	5,532.00	-1.03	5,532.00
Expense								
9100	RESERVES EXPENSES							
9131	Reserves - Fence Repair	556.10	0.00	-556.10	1,281.10	0.00	-1,281.10	0.00
9612	Reserves Bank Charges	0.00	0.00	0.00	12.00	0.00	-12.00	0.00
	Total RESERVES EXPENSES	556.10	0.00	-556.10	1,293.10	0.00	-1,293.10	0.00
	Total Reserve Expense	556.10	0.00	-556.10	1,293.10	0.00	-1,293.10	0.00
	Total Reserve Income	460.98	461.00	-0.02	5,530.97	5,532.00	-1.03	5,532.00
	Total Reserve Expense	556.10	0.00	-556.10	1,293.10	0.00	-1,293.10	0.00
	Net Reserve	-95.12	461.00	-556.12	4,237.87	5,532.00	-1,294.13	5,532.00
	Total Income	460.98	461.00	-0.02	5,530.97	5,532.00	-1.03	5,532.00
	Total Expense	556.10	0.00	-556.10	1,293.10	0.00	-1,293.10	0.00
	Net Income	-95.12	461.00	-556.12	4,237.87	5,532.00	-1,294.13	5,532.00

2022 MEADOWS-FERNDALE HOA FINANCIAL DATA

ACCOUNT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
YTD VARIANCE (Income minus Expenses)	\$1,098	\$1,301	\$7,374	\$7,896	\$5,700	\$71	\$7,112	\$3,402	\$1,519	\$4,476	\$1,967	\$804
MONTHLY INCOME	\$9,180	\$9,180	\$9,180	\$9,180	\$9,240	\$9,120	\$9,240	\$9,120	\$9,180	\$9,180	\$9,180	\$9,180
MONTHLY EXPENSES	\$10,278	\$6,781	\$17,855	\$9,702	\$7,044	\$2,549	\$2,999	\$12,830	\$11,063	\$6,223	\$11,689	\$11,950

BUDGET

