

The Meadows-Ferndale Homeowners' Association

Financial Report

HOA Financial Status as of December 31, 2024

As detailed in The Meadows-Members-Packet-Dec-2024

[Windermere Property Management By Ebright Wight, LLC \(appfolio.com\)](https://www.appfolio.com)

1. CONTENTS OF REPORT	Pages
a. Discussion for Financial Performance for 2024	1 – 4
b. Goals for 2025	4 - 5
c. Operating Income Statement – Actual vs Budget	5 - 7
d. Reserve Income Statement – Actual vs Budget	7
e. Balance Sheet – Accrual	8
2. DISCUSSION OF FINANCIAL PERFORMANCE FOR 2024	
a. Assessment/Other Income	
• 4010 Assessment Income increased from \$112,299 in 2023 to \$160,260 as a result from the dues being increased from \$60 to \$85 per month.	
• 4200 Other income of \$2,018 comes from fees applied to late dues. Violation income is from fines for failure to comply (NTC) to our CC&R's, legal fees and lien fees. Nonsufficient funds (NSF) are fees charged for insufficient funds in a bank account when paying dues. Other income is not budgeted as it is not predicable. Our late fees and fines are not intended to generate other income but as a deterrent from being late and not following our CC&R's.	
b. Expenses/General & Administrative	
• 5020 Accounting (CPA Audit) The back log of audits (2018-2023) were not completed by J.H. Vandal CPA, before year end. This is a frustrating delay for us as we are required by the State to perform the audits and no explanation has been provided as to why the audits weren't performed. Windermere has contracted with Newman CPA, to perform audits and taxes for 2024. We are optimistic that Newman CPA will be more responsive getting our audits and taxes done.	
• 5030 Legal fees were over budget due to the placement of a lien on a property and unpredictable questions needing to be addressed by the new board.	

- 5060 Office Supplies/Meeting expenditures were not budgeted in 2024 but are in our 2025 budget. The primary expense driving this is the State requirement of hard copy mailing our Annual General Meeting (AGM) packet.
- 5061 Admin Services are additional charges from Windermere that exceed their contract services. For example, more than two correspondences to HOA per month. A budget item that is hard to predict and was under budget.
- 5070 Reserve Study was under budget by \$2,950. The level III financial update with no visual site was performed in November 2024 costing less than budgeted, \$450.
- 5122 Social Committee was not originally in the 2024 budget. The expense was added to have a community ice cream social to celebrate the last house built out. (BOD approved 7/22/2024 minutes). The event was successful and added to 2025 budget.
- 5190 Contingencies of \$19,189 was not used and this allowed us to build back up an emergency fund surplus.
- Total General and administrative expense was \$29,529, 41% under the budget amount of \$50,319.
- 5200 Utilities was over budget by \$601. We have increased the 2025 budget to adjust for this rising cost of electricity.
- 5291 Storm Vault Maintenance was not budgeted previously. This was added for our recent contract with BAI to inspect and maintain our six storm ponds. The \$327 expense was from Enviro Northwest to present a bid to inspect and maintain the ponds. We did not accept their bid.
- 5331 Wetland Inspection, Mitigation & Compliance (ATSI) was over budget \$2477.75. This was due to 2023 expenses billed 2024.
- 5351 Fence Line Maintenance expense was moved into 5360 to simplify accounting and should not be viewed as under budget.
- 5360 Common Area Landscaping and Maintenance expense of \$25,090 was under the \$50,400 budget. This 50% savings does not portray an accurate savings. The Yard Man's contract was paid by the hour and he missed many hours of work for personal issues and lack of back up coverage to support contract obligations.
- 5370 Irrigation & Planting Strips had not been budgeted. The \$1306 expense was for irrigation repairs and we have budgeted 2025 to account for repairs to the irrigation system.
- Total maintenance expense of \$47,407 was 50% under budget.
- 5710 Planting Strip Development expense of \$9,765 was for the mulch applied to the Thornton and Rossie Streetside landscape beds. This was 22% under the \$12,480 budget.
- 5750 Snow removal was overbudget by \$454 from not having sales tax included in the \$5,117 budget.
- 9010 transfers of \$6,984 to Reserves was on budget.

- The total operating income of \$162,278 minus the total operating expense of \$106,100, leaves us with a net operating income of \$56,177. It's recommended that we have a three months operating income of \$40,035 saved for emergencies. We now have that with an additional \$16,142 surplus funds. We voted to carryover our surplus funds and use for our maintenance backlog expenses. Primarily our six storm ponds and the Thornton Street landscape bed. (BOD minutes 10/7/2024)

c. Reserve Fund

- A Reserve Study determines the amount of money required to repair or replace our assets within a thirty-year period. The common area (footbridges, gravel pathways, landscape beds, split rail fences signage, asphalt private roads and shared driveways, six storm ponds, shed), was completed in November 2024. Unfortunately, we know from the current study our current level of funding is **not adequate to fund projected expenses for the long term.** Upon receipt of an updated 2025 analysis with BAI (recently contracted to inspect and maintain the storm ponds), we will finalize our reserve study and project to determine if dues increase or special assessment will be in our 2026 budget. Dues increases or special assessments are unfortunate. However, maintaining our homes and HOA assets will assist in maintaining our property values in addition to providing a pleasant community for all of us to reside in. We will keep you informed. Our reserve studies can be found on our website and in Appfolio.
- 4210 interest income totaled \$1,243 for the year.

d. Balance Sheet

- 1010 Operating cash ended the year at \$69,303. An increase of \$54,803 from the 2023 balance of \$14,500.
- 1110 Reserves cash ended the year at \$64,294. An increase of \$8,227 from the 2023 balance of \$56,067.
- 1210 Accounts Receivable (Late Dues) ended the year at \$3,579. A decrease of \$801 from the 2023 balance of \$4,380. In June of 2023 we had a balance of \$12,226 in late dues. After implementing our late fee policy and applying a lien on a property we were able to bring the receivables down. We intend to continue applying late fees and liens if needed to keep our receivables current.

e. 2025 Goals

- Get more homeowners involved on committees and projects.
- Move reserve funds into higher yielding account.
- Move content of meadwferndalehoa.com over to AppFolio.
- Finalize documenting processes for next board.
- Update new homeowner welcome packet/email.
- Create short-term and long-term maintenance schedules for stormwater ponds.

- Finalize reserve study based on stormwater pond maintenance costs.
- Get the reserve account funded to fully-funded level.
- Establish a New Community relationship with the Church Hill Ranch HOA when formed.

f. As Reported by Ann Lesan, The Meadows HOA Treasurer on 1/29/2025.

Operating Income Statement - Actual v Budget

Properties: The Meadows Ferndale HOA - Monument Drive; Brian Court; Jenjar Ave; April Lane; salty View Lane; Cleo Lane Ferndale, WA 98248

As of: Dec 2024

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	13,345.00	13,345.00	0.00	160,260.00	160,140.00	120.00	160,140.00
	Total ASSESSMENT INCOME	13,345.00	13,345.00	0.00	160,260.00	160,140.00	120.00	160,140.00
4200	OTHER INCOME							
4250	Late Fee Income	0.00	0.00	0.00	300.00	0.00	300.00	0.00
4260	Violations Income	0.00	0.00	0.00	51.46	0.00	51.46	0.00
4410	Legal Fees Reimbursement	1,374.41	0.00	1,374.41	1,584.41	0.00	1,584.41	0.00
4530	Lien Fees	0.00	0.00	0.00	12.70	0.00	12.70	0.00
4540	NSF Fees	35.00	0.00	35.00	70.00	0.00	70.00	0.00
	Total OTHER INCOME	1,409.41	0.00	1,409.41	2,018.57	0.00	2,018.57	0.00
	Total Operating Income	14,754.41	13,345.00	1,409.41	162,278.57	160,140.00	2,138.57	160,140.00
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	220.83	220.83	195.00	2,650.00	2,455.00	2,650.00
5030	Legal	230.45	150.00	-80.45	3,179.86	1,800.00	-1,379.86	1,800.00
5040	Insurance - Master Policy	0.00	300.00	300.00	3,417.00	3,600.00	183.00	3,600.00
5060	Office Supplies / Meetings	1,499.08	0.00	-1,499.08	2,296.91	0.00	-2,296.91	0.00
5061	Admin Services	0.00	50.00	50.00	85.00	600.00	515.00	600.00
5070	Reserve Study	0.00	283.33	283.33	450.00	3,400.00	2,950.00	3,400.00
5080	Tax & License	0.00	0.00	0.00	20.00	0.00	-20.00	0.00
5090	Property Tax Expense	0.00	0.00	0.00	19.00	0.00	-19.00	0.00
5100	Website Maintenance	143.40	20.00	-123.40	526.80	240.00	-286.80	240.00
5122	Social Committee	0.00	0.00	0.00	500.00	0.00	-500.00	0.00
5190	Contingencies - Prior Year	0.00	1,599.08	1,599.08	0.00	19,189.00	19,189.00	19,189.00

Operating Income Statement - Actual v Budget

Account Number	Account Name	MTD Actual	MTD Budget	MTD \$ Var.	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
	Deficit							
	Total GENERAL AND ADMINISTRATIVE	3,442.93	4,193.24	750.31	29,529.57	50,319.00	20,789.43	50,319.00
5200	UTILITIES							
5210	Electricity (Street Lights)	411.88	350.00	-61.88	4,859.51	4,200.00	-659.51	4,200.00
5230	Water (Irrigation)	98.87	170.00	71.13	1,982.42	2,040.00	57.58	2,040.00
	Total UTILITIES	510.75	520.00	9.25	6,841.93	6,240.00	-601.93	6,240.00
5300	MAINTENANCE							
5291	Storm Vault Maintenance	0.00	0.00	0.00	327.00	0.00	-327.00	0.00
5330	General Maintenance and Repair	0.00	200.00	200.00	406.01	2,400.00	1,993.99	2,400.00
5331	Wetland Inspection, Mitigation, & Compliance (ATSI)	0.00	1,483.33	1,483.33	20,277.75	17,800.00	-2,477.75	17,800.00
5351	Fence Line Maintenance	0.00	700.00	700.00	0.00	8,400.00	8,400.00	8,400.00
5360	Common Area Landscaping & Maintenance	141.70	4,200.00	4,058.30	25,090.14	50,400.00	25,309.86	50,400.00
5370	Irrigation & Planting Strips	0.00	0.00	0.00	1,306.91	0.00	-1,306.91	0.00
	Total MAINTENANCE	141.70	6,583.33	6,441.63	47,407.81	79,000.00	31,592.19	79,000.00
5700	CONTRACT SERVICES							
5710	Planting Strip Development	0.00	1,040.00	1,040.00	9,765.59	12,480.00	2,714.41	12,480.00
5750	Snow Removal	796.79	426.41	-370.38	5,571.69	5,117.00	-454.69	5,117.00
	Total CONTRACT SERVICES	796.79	1,466.41	669.62	15,337.28	17,597.00	2,259.72	17,597.00
9000	MONTHLY TRANSFER							
9010	Transfer to Reserves	582.00	582.00	0.00	6,984.00	6,984.00	0.00	6,984.00
	Total MONTHLY TRANSFER	582.00	582.00	0.00	6,984.00	6,984.00	0.00	6,984.00
	Total Operating Expense	5,474.17	13,344.98	7,870.81	106,100.59	160,140.00	54,039.41	160,140.00
	Total Operating Income	14,754.41	13,345.00	1,409.41	162,278.57	160,140.00	2,138.57	160,140.00
	Total Operating Expense	5,474.17	13,344.98	7,870.81	106,100.59	160,140.00	54,039.41	160,140.00
	NOI - Net Operating Income	9,280.24	0.02	9,280.22	56,177.98	0.00	56,177.98	0.00
	Total Income	14,754.41	13,345.00	1,409.41	162,278.57	160,140.00	2,138.57	160,140.00
	Total Expense	5,474.17	13,344.98	7,870.81	106,100.59	160,140.00	54,039.41	160,140.00

Operating Income Statement - Actual v Budget

Account Number	Account Name	MTD Actual	MTD Budget	MTD \$ Var.	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
	Net Income	9,280.24	0.02	9,280.22	56,177.98	0.00	56,177.98	0.00

Reserve Income Statement - Actual v Budget

Properties: The Meadows Ferndale HOA - Monument Drive; Brian Court; Jenjar Ave; April Lane; salty View Lane; Cleo Lane Ferndale, WA 98248

As of: Dec 2024

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	582.00	582.00	0.00	6,984.00	6,984.00	0.00	6,984.00
	Total ASSESSMENT INCOME	582.00	582.00	0.00	6,984.00	6,984.00	0.00	6,984.00
4200	OTHER INCOME							
4210	Interest Income - Reserves	108.40	0.00	108.40	1,243.22	0.00	1,243.22	0.00
	Total OTHER INCOME	108.40	0.00	108.40	1,243.22	0.00	1,243.22	0.00
	Total Reserve Income	690.40	582.00	108.40	8,227.22	6,984.00	1,243.22	6,984.00
	Total Reserve Income	690.40	582.00	108.40	8,227.22	6,984.00	1,243.22	6,984.00
	Total Reserve Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Net Reserve	690.40	582.00	108.40	8,227.22	6,984.00	1,243.22	6,984.00
	Total Income	690.40	582.00	108.40	8,227.22	6,984.00	1,243.22	6,984.00
	Total Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Net Income	690.40	582.00	108.40	8,227.22	6,984.00	1,243.22	6,984.00

Balance Sheet - Accrual

Properties: The Meadows Ferndale HOA - Monument Drive; Brian Court; Jenjar Ave; April Lane; salty View Lane; Cleo Lane Ferndale, WA 98248

As of: 12/31/2024

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	69,303.95
Total OPERATING CASH		69,303.95
RESERVES CASH		
1110	Main Reserves	64,294.10
Total RESERVES CASH		64,294.10
Total Cash		133,598.05
ACCOUNTS RECEIVABLE		
1210	Accounts Receivable	3,579.41
Total ACCOUNTS RECEIVABLE		3,579.41
TOTAL ASSETS		137,177.46
LIABILITIES & CAPITAL		
Liabilities		
PAYABLES		
2010	Accounts Payable	493.91
2020	Pre-paid Assessments	9,020.00
Total PAYABLES		9,513.91
Total Liabilities		9,513.91
Capital		
FUND BALANCES		
3010	Operating Fund	43,517.26
3020	Reserves Fund	52,045.07
Total FUND BALANCES		95,562.33
Calculated Retained Earnings		64,405.20
Calculated Prior Years Retained Earnings		-32,303.98
Total Capital		127,663.55
TOTAL LIABILITIES & CAPITAL		137,177.46