

Sudden Valley Community Association

Sudden Valley Community Association
Balance Sheet
December 31, 2024 and December 31, 2023

	Unaudited** Dec 31, 2024	See Note** Dec 31, 2023	Inc / (Dec)
OPERATIONS			
Current Assets			
Operating Cash	\$ 857,147	\$ 678,244	\$ 178,903
Building Completion Deposit Fund	749,910	506,408	243,502
Member Receivables - Operations*	53,456	43,985	9,471
Other Receivables	16,109	16,560	(451)
Prepaid Expenses	84,726	70,215	14,511
Operating Lease ROU Assets	6,210	10,631	(4,421)
Inventory	5,824	5,659	166
Total Current Assets	1,773,382	1,331,702	441,681
Current Liabilities			
Accounts Payable	(143,316)	(226,676)	83,360
Accrued Vacation Liability	(76,335)	(64,195)	(12,140)
Accrued Payroll	(115,575)	(64,114)	(51,461)
Prepaid Assessments	(249,179)	(224,404)	(24,775)
Building Completion Deposits	(749,910)	(506,408)	(243,502)
Other Refundable Deposits	(9,956)	(5,896)	(4,060)
Operating Lease Liability	(6,210)	(10,631)	4,421
Prepaid Golf Memberships	(112,307)	(112,089)	(218)
Total Current Liabilities	(1,462,788)	(3,214,413)	(248,375)
Deferred Lease Revenue Liabilities			
Deferred Library Lease Revenue	(36,000)	-	(36,000)
Total Deferred Lease Revenue Liabilities	(36,000)	-	(36,000)
Operating Reserve Funds			
Emergency Operating Cash	363,815	362,252	1,563
Undesignated Reserves Cash	302,135	306,265	(4,130)
Total Operating Reserve Funds	665,950	668,517	(2,567)
Net Operating Assets	\$ 940,544	\$ 785,806	\$ 154,739
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,072,349	3,627,018	(554,669)
Roads Reserve Cash Fund	1,893,611	2,034,275	(140,664)
Board Density Reduction Cash Fund	87,889	87,688	201
Mailbox Cash Fund	151,970	126,445	25,525
CRRRF Capital Reserve Holding Cash	219,618	222,019	(2,401)
Mitigation Assignment of Savings Cash	49,821	49,688	133
LWWSD Assignment of Savings Cash	14,939	101,840	(86,901)
Member Receivables - Capital**	13,625	16,112	(2,487)
Total Capital Current Assets	5,503,822	6,265,085	(761,263)
Capital Fixed Assets			
Fixed Assets	17,109,114	15,373,162	1,735,952
Finance ROU Assets	58,661	136,464	(77,803)
Lots Held for Sale	236,456	236,456	-
Total Capital Assets	17,404,231	15,746,082	1,658,149
Long Term Liabilities			
CRRRF Loan 2022	(1,553,342)	(1,799,425)	246,082
Finance Leases	(44,203)	(106,596)	62,393
Total Long Term Liabilities	(1,581,414)	(1,906,021)	324,607
NET ASSETS	\$ 22,267,183	\$ 20,890,952	\$ 1,376,231
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	284,466	463,239	(178,773)
Net Income: Rec Special Assmt	-	(180,468)	180,468
Transfers Out from Operations to Capital	(145,600)	(32,799)	(112,801)
Current Year Net Income: Capital**	1,095,115	1,471,336	(376,221)
Transfers Into Capital from Operations	145,600	32,799	112,801
Retained Earnings**	5,232,892	4,950,121	282,771
Capital**	15,654,710	14,186,724	1,467,986
TOTAL MEMBER EQUITY	\$ 22,267,183	\$ 20,890,952	\$ 1,376,231

* The Association's internal policy is to write off any member receivables that are 30 days past due as bad debts for internal interim financial statement purposes. As per SVCA policy, Management continues to pursue collection of these receivables via all avenues allowed by Washington State laws. In addition, the Association records and bills finance charges on receivables that are thirty days past due at 1% per month. At December 31, 2024, and December 31, 2023, the balances of receivables written off were \$699,426 and \$623,674, respectively.

** Beginning with the 2020 year end audited financial statements, Accounting Standards Codification (ASC) 606 requires issued audited financial statements to reclassify unspent capital dues revenue, including related capital transfer fee collections, as a contract liability balance (unearned revenue), which is then reversed out in future years when capital dues/capital transfer fee collections are actually expended on capital related expenditures. This particular accounting standard change is only incorporated into the issued audited financial statements and is not factored into SVCA's internal monthly statements as it would obscure the reality of monthly capital dues/capital transfer fee revenues collected for internal monthly presentation purposes. See SVCA's 2020 through 2023 audited financial statements (2023 represents the most recently issued audited statements), which fully incorporate ASC 606 and comply with Generally Accepted Accounting Principals (GAAP).

**Sudden Valley Community Association
Income Statement Summary**

UNAUDITED

	Current Month - December 2024			Year to Date - 12 Months Ending 12/31/2024			
	Operations & Operating Reserves	Operations Better / (Worse) Budget	Capital Reserves**	Operations & Operating Reserves	Operations Better / (Worse) Budget	Coll %	Capital Reserves**
REVENUE							
Current Year Dues & Assessments Income							
Dues & Assessments Income	222,528		230,678	2,672,588			2,770,734
Bad Debt Reserve	914		(2,015)	(54,791)			(40,781)
Net Current Year Assessment Income	<u>223,442</u>	<u>12,158</u>	<u>228,663</u>	<u>2,617,797</u>	<u>82,395</u>	97.9%	<u>2,729,953</u>
Bad Debt Recoveries - Prior Years			4,006				30,933
Golf Income	31,176	3,766	-	1,424,436	134,286		-
Marina Income	-	-	-	240,977	47,257		-
Rec Center & Pools Income	1,117	1,117	-	34,029	12,129		-
Legal & Collections Income	-	-	-	-	-		-
Other Income	8,495	3,751	-	145,198	56,748		-
Rental Income - Other	490	472	-	13,549	5,549		-
Area Z Rental Income	2	2	-	20,401	(3,599)		-
Lease Income	5,632	1,486	-	66,367	16,615		-
New Home Construction Fees	35,000	35,000	-	263,150	188,150		2,500
Capital Gain (Loss) on Sale of Assets	-	-	-	-	-		1,368
Investment Income	693	602	3,180	9,022	7,922		45,919
Total Revenue	306,047	58,354	235,849	4,834,926	547,452		2,810,673
EXPENSES							
Salaries & Benefits	318,270	(66,641)	-	2,407,632	82,359		-
Contracted & Professional Services	33,041	(3,770)	-	302,293	(119,493)		-
CC&Rs/ Mandates	55,211	(4,797)	-	554,469	(97,769)		-
Maintenance & Landscaping	27,506	(1,547)	-	417,533	22,644		-
Utilities	28,327	(7,287)	-	214,865	(12,554)		-
Administrative	34,842	(19,988)	-	200,696	(36,395)		-
Regulatory Compliance	(61,661)	66,265	290,809	241,633	(62,218)		290,809
Insurance Premiums	16,254	(2,022)	-	189,935	(19,156)		-
Other Expenses	-	83	-	-	1,000		-
Depreciation Expense	-	-	108,710	-	-		1,354,397
Interest expense	-	-	5,637	-	-		67,865
Total Expenses	451,790	(39,704)	405,156	4,529,056	(241,582)		1,713,071
Net Income (Loss)	(145,743)	18,650	(169,307)	305,870	305,870		1,097,602
Net UDR Activity for Operations							
Firewise	-			(5,734)			
Hazardous Tree Removal	-			(55,000)			
GM Recruiting Search	(633)			(25,128)			
Legal Expenses - Past Due Account Collections	(6,803)			(10,016)			
Net Income (Loss) with Board Approved UDR	(153,179)	18,650	(169,307)	209,992	305,870		1,097,602
Other Activity							
Net Other UDR Activity*	17,310			73,142			
AR Accrual - Prior Year Reversal	-		-	(43,985)			(16,112)
AR Accrual - Current Year	53,456		13,625	53,456			13,625
Lease Income- Library Prepaid Recognized	667			4,000			
Vacation Liability Accrual	9,478			(12,139)			
Total Other Activity	80,911		13,625	74,474			(2,487)
Grand Total Activity	(72,268)	18,650	(155,682)	284,466	305,870		1,095,115

*Prior year recoveries for operations are deposited into the Undesignated Reserve Account (UDR).

**Refer to the last footnote on the Balance Sheet (prior page) for a discussion of Accounting Standards Codification (ASC) 606 and capital dues revenue collections.

Sudden Valley Community Association

Sudden Valley Community Association
Reserve Cash Balance & Activity
 12 Months Actual, 0 Months Projected

UNAUDITED

	Capital Reserve Funds						Operating Reserve Funds			
	CRRRF	Roads	CRRRF Capital Reserve Holding Cash	Board Density Reduction	Mailbox	Mitigation Assignment of Savings*	Total Capital Reserve Funds	Emergency Ops	UDR	Total Operating Reserve Funds
Net Available Cash 12/31/2023	3,627,018	2,034,275	222,019	87,688	126,445	151,528	\$ 6,248,973	362,252	306,265	\$ 668,517
Dues Received	1,339,755	1,384,878		-	24,938		2,749,570	-	111,018	111,018
Storm Water Mitigation Plan Fee		2,500					2,500			-
Investment Income	26,262	17,767	949	201	586	155	45,919	1,563	1,327	2,890
Sale of Assets	1,368			-			1,368			-
Board Approved Transfer- Marina Dock Replacement	105,600									-
Board Approved Transfer- Other Transfers	40,000						40,000			-
Mitigation Release	-	86,923				(86,923)	-			-
2024 Expenditures	(2,067,653)	(1,632,732)	(3,350)	-	-		(3,703,734)		(116,475)	(116,475)
Net Available Cash at 12/31/2024	3,072,349	1,893,611	219,618	87,889	151,970	64,760	\$ 5,490,197	363,815	302,135	\$ 665,950
0 Month Outlook										
Outlook - 2024 Dues (95% collections)	-	-			-		\$ -			\$ -
Outlook - Prior Year Collections	-	-			-		-		-	-
CRRRF Loan Payments for year 2024	-						-			-
Obligated Expenses/Holdings	(1,005,545)	(158,651)	(219,618)			(64,760)	(1,448,574)		(27,040)	(27,040)
Net Usable Cash Balance 12/31/2024	2,066,804	1,734,960	-	87,889	151,970	-	\$ 4,041,623	363,815	275,095	\$ 638,910
Board Recommended Carryover Balance	(600,000)	(500,000)					(1,100,000)			-
Net Usable Cash 12/31/2024, After Recommendation	\$ 1,466,804	\$ 1,234,960	\$ -	\$ 87,889	\$ 151,970	\$ -	\$ 2,941,623	\$ 363,815	\$ 275,095	\$ 638,910
Net Current Year Cash Increase (Decrease)	(1,560,214)	(299,315)	(222,019)	201	25,525	(151,528)	\$ (2,207,350)	1,563	(31,170)	\$ (29,607)

*Note, when mitigation period has ended, unspent funds will be returned to the source account, Roads and CRRRF.

Sudden Valley Community Association
Operations - By Department
December 1, 2024 to December 31, 2024
CURRENT MONTH

Whole \$

UNAUDITED

<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
ACC / Security	35,000	34,771	7,103	3,159	(16,483)	55,907	44,380	93,837
Accounting	2,185	952	45,257	(4,544)	3,388	5,129	(46,460)	1,537
Administration	214	99	88,183	(35,909)	21,463	(4,422)	(109,432)	(40,232)
Common Costs	6,789	3,531	-	-	34,172	(8,962)	(27,383)	(5,431)
Facilities	5,634	1,488	7,217	(1,270)	24,320	(9,753)	(25,903)	(9,535)
Maintenance	-	-	63,225	(15,710)	15,785	7,842	(79,010)	(7,868)
Subtotal	49,822	40,841	210,985	(54,274)	82,645	45,741	(243,808)	32,308
Golf	31,176	3,766	87,870	(9,848)	43,588	(19,472)	(100,282)	(25,554)
Marina	-	-	-	-	952	421	(952)	421
Rec/ Pools/ Parks	1,607	1,589	19,415	(2,519)	6,335	247	(24,143)	(683)
Subtotal	32,783	5,355	107,285	(12,367)	50,875	(18,804)	(125,377)	(25,816)
Subtotal Operations before Ops Dues	82,605	46,196	318,270	(66,641)	133,520	26,937	(369,185)	6,492
Ops Dues Earned	222,528						222,528	
Curr Yr Bad Debts Activity	914						914	
Net Ops Dues	223,442	12,158					223,442	12,158
Net Operations	306,047	58,354	318,270	(66,641)	133,520	26,937	(145,743)	18,650
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		-		-	
Hazardous Tree Removal	-		-		-		-	
GM Recruiting Search	-		-		633		(633)	
Legal Expenses - Past Due Account Collections	-		-		6,803		(6,803)	
Net Operations with Board Approved UDR	306,047	58,354	318,270	(66,641)	140,956	26,937	(153,179)	18,650
Other Operating Activity								
UDR Activity	17,871				561		17,310	
AR Accrual - Prior Year Reversal	-				-		-	
AR Accrual - Current Year	53,456				-		53,456	
Lease Income- Library Prepaid Recognized	667				-		667	
Vacation Liability Accrual	-				(9,478)		9,478	
Total Other Operating Activity	71,994				(8,917)		80,911	
Grand Total Operations Activity	378,041	58,354	318,270	(66,641)	132,039	26,937	(72,268)	18,650

* Excludes Depreciation

B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association
Operations - By Department
January 1, 2024 to December 31, 2024
YEAR TO DATE

Whole \$

UNAUDITED

<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
ACC / Security	326,156	248,406	7,103	84,389	551,230	(170,810)	(232,177)	161,985
Accounting	27,109	(14,391)	369,716	(6,651)	90,125	(14,024)	(432,732)	(35,066)
Administration	6,438	4,238	489,106	(23,315)	145,188	(28,583)	(627,856)	(47,660)
Common Costs	50,534	11,434	-	-	484,466	(118,951)	(433,932)	(107,517)
Facilities	86,769	13,017	50,302	3,851	156,258	45,192	(119,791)	62,060
Maintenance	-	-	413,376	(1,291)	99,328	41,909	(512,704)	40,618
Subtotal	497,006	262,704	1,329,603	56,983	1,526,595	(245,267)	(2,359,192)	74,420
Golf	1,424,436	134,286	818,914	30,351	445,684	(69,256)	159,838	95,381
Marina	248,110	50,390	-	-	14,384	3,386	233,726	53,776
Rec/ Pools/ Parks	47,577	17,677	259,115	(4,975)	134,761	(12,804)	(346,299)	(102)
Subtotal	1,720,123	202,353	1,078,029	25,376	594,829	(78,674)	47,265	149,055
Subtotal Operations before Ops Dues	2,217,129	465,057	2,407,632	82,359	2,121,424	(323,941)	(2,311,927)	223,475
Ops Dues Earned	2,672,588						2,672,588	
Curr Yr Bad Debts Activity	(54,791)						(54,791)	
Net Ops Dues	2,617,797	82,395					2,617,797	82,395
Net Operations	4,834,926	547,452	2,407,632	82,359	2,121,424	(323,941)	305,870	305,870
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		5,734		(5,734)	
Hazardous Tree Removal	-		-		55,000		(55,000)	
GM Recruiting Search	-		-		25,128		(25,128)	
Legal Expenses - Past Due Account Collections	-		-		10,016		(10,016)	
Net Operations with Board Approved UDR	4,834,926	547,452	2,407,632	82,359	2,217,302	(323,941)	209,992	305,870
Other Operating Activity								
UDR Activity	93,588				20,446		73,142	
AR Accrual - Prior Year Reversal	(43,985)				-		(43,985)	
AR Accrual - Current Year	53,456				-		53,456	
Lease Income- Library Prepaid Recognized	4,000				-		4,000	
Vacation Liability Accrual	-				12,139		(12,139)	
Total Other Operating Activity	107,059				32,585		74,474	
Grand Total Operations Activity	4,941,985	547,452	2,407,632	82,359	2,249,887	(323,941)	284,466	305,870

* Excludes Depreciation

B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association

SUDDEN VALLEY COMMUNITY ASSOCIATION - LOTS & DUES ANALYSIS 2024

	SVCA Owned Lots																											LLE & CTB	Dues Exempt	Total Non Billable Lots	Total All Lots		
	Actual Year Prepaid			Actual Current			Actual 1 Mth Due		Actual 2 Mth Due		Actual 3 Mth Due		Actual 4+ Mth Due		Pmt Plans		Total Prepaid & Current			Total Not Current			Total Billable Lots			Restricted						Total	
	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Perm						WD10
Jan	20	96	116	301	2,517	2,818	24	62	5	13	1	11	16	40	1	14	321	2,613	2,934	47	140	187	368	2,753	3,121	774	0	3	777	737	6	1,520	4,641
Feb	22	104	126	303	2,508	2,811	14	59	10	22	3	6	15	42	1	12	325	2,612	2,937	43	141	184	368	2,753	3,121	774	0	3	777	737	6	1,520	4,641
Mar	23	114	137	307	2,510	2,817	11	57	4	9	4	7	17	44	1	12	330	2,624	2,954	37	129	166	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Apr	27	121	148	308	2,532	2,840	5	31	4	13	1	4	21	38	1	14	335	2,653	2,988	32	100	132	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
May	28	123	151	304	2,508	2,812	13	58	3	11	0	6	18	34	1	13	332	2,631	2,963	35	122	157	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Jun	29	136	165	293	2,482	2,775	17	65	9	17	1	5	16	37	2	11	322	2,618	2,940	45	135	180	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Jul	31	152	183	293	2,476	2,769	11	51	7	15	7	10	16	35	2	14	324	2,628	2,952	43	125	168	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Aug	31	169	200	293	2,436	2,729	8	79	4	10	6	9	22	37	2	14	324	2,605	2,929	42	149	191	366	2,754	3,120	774	0	3	777	738	6	1,521	4,641
Sep	34	201	235	290	2,427	2,717	11	58	0	14	4	6	24	35	2	13	324	2,628	2,952	41	126	167	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641
Oct	51	298	349	281	2,350	2,631	6	53	2	4	0	6	23	31	2	12	332	2,648	2,980	33	106	139	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641
Nov	108	728	836	218	1,904	2,122	9	55	4	20	2	2	21	33	3	12	326	2,632	2,958	39	122	161	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641
Dec	2	48	50	329	2,579	2,908	5	52	5	20	1	11	20	36	3	8	331	2,627	2,958	34	127	161	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641

LLE = Lot Line Eraser
 CTB = Covenant to Bind