

Sudden Valley Community Association

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

	Unaudited** Jul 31, 2024	Unaudited** Dec 31, 2023	Inc / (Dec)
OPERATIONS			
Current Assets			
Operating Cash	\$ 831,093	\$ 678,244	\$ 152,849
Building Completion Deposit Fund	754,165	506,408	247,757
Member Receivables - Operations*	-	43,985	(43,985)
Other Receivables	17,913	16,560	1,353
Prepaid Expenses	149,180	70,215	78,965
Operating Lease ROU Assets	7,055	10,631	(3,576)
Inventory	7,818	5,659	2,160
Total Current Assets	1,767,224	1,331,702	435,523
Current Liabilities			
Accounts Payable	(105,114)	(226,676)	121,562
Accrued Vacation Liability	(81,161)	(64,195)	(16,966)
Accrued Payroll	-	(64,114)	64,114
Prepaid Assessments	(286,253)	(224,404)	(61,849)
Building Completion Deposits	(754,165)	(506,408)	(247,757)
Other Refundable Deposits	(10,456)	(5,896)	(4,560)
Operating Lease Liability	(7,055)	(10,631)	3,576
Prepaid Golf Memberships	-	(112,089)	112,089
Total Current Liabilities	(1,244,204)	(3,214,413)	(29,791)
Deferred Lease Revenue Liabilities			
Deferred Library Lease Revenue	(39,333)	-	(39,333)
Total Deferred Lease Revenue Liabilities	(39,333)	-	(39,333)
Operating Reserve Funds			
Emergency Operating Cash	363,204	362,252	952
Undesignated Reserves Cash	307,470	306,265	1,205
Total Operating Reserve Funds	670,674	668,517	2,157
Net Operating Assets	\$ 1,154,361	\$ 785,806	\$ 368,556
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,394,781	3,627,018	(232,237)
Roads Reserve Cash Fund	2,161,345	2,034,275	127,070
Board Density Reduction Cash Fund	87,815	87,688	127
Mailbox Cash Fund	141,313	126,445	14,868
CRRRF Capital Reserve Holding Cash	219,249	222,019	(2,770)
Mitigation Assignment of Savings Cash	49,772	49,688	84
LWWSD Assignment of Savings Cash	14,931	101,840	(86,909)
Member Receivables - Capital**	-	16,112	(16,112)
Total Capital Current Assets	6,069,206	6,265,085	(195,879)
Capital Fixed Assets			
Fixed Assets	16,342,132	15,373,162	968,970
Finance ROU Assets	91,079	136,464	(45,385)
Lots Held for Sale	236,456	236,456	-
Total Capital Assets	16,669,667	15,746,082	923,585
Long Term Liabilities			
CRRRF Loan 2022	(1,647,363)	(1,799,425)	152,061
Finance Leases	(70,528)	(106,596)	36,068
Total Long Term Liabilities	(1,717,891)	(1,906,021)	188,129
NET ASSETS	\$ 22,175,342	\$ 20,890,952	\$ 1,284,390
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	503,113	463,239	39,874
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**	784,627	1,471,336	(686,709)
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	\$ 22,175,342	\$ 20,890,952	\$ 1,284,390

* The Association's internal policy is to write off any member receivables that are 30 days past due as bad debts for internal 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 July 31, 2024, and December 31, 2023, the balances of receivables written off were \$754,155 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, 2021, and 2022 audited financial statements (2022 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**

<u>UNAUDITED</u>	Current Month - July 2024			Year to Date - 7 Months Ending 7/31/2024			
	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	222,585		230,752	1,559,049			1,616,305
Bad Debt Reserve	(497)		(827)	(39,373)			(31,749)
Net Current Year Assessment Income	222,088	10,805	229,925	1,519,676	40,691	97.5%	1,584,556
Bad Debt Recoveries - Prior Years			2,321				23,201
Golf Income	206,149	(3,963)	-	915,704	67,850		-
Marina Income	6,306	6,306	-	236,552	42,832		-
Rec Center & Pools Income	11,006	5,474	-	22,910	7,931		-
Legal & Collections Income	-	-	-	-	-		-
Other Income	21,249	6,851	-	90,681	35,574		-
Rental Income - Other	1,426	839	-	9,426	3,029		-
Area Z Rental Income	3,631	(2,610)	-	14,760	(3,024)		-
Lease Income	5,532	1,386	-	38,010	8,988		-
New Home Construction Fees	8,450	1,138	-	165,800	90,800		2,500
Capital Gain (Loss) on Sale of Assets	-	-	-	-	-		1,368
Investment Income	922	831	4,335	4,718	4,076		28,397
Total Revenue	486,759	27,057	236,581	3,018,237	298,747		1,640,022
EXPENSES							
Salaries & Benefits	203,551	16,497	-	1,273,377	65,294		-
Contracted & Professional Services	19,701	(2,280)	-	144,681	(52,104)		-
CC&Rs/ Mandates	51,754	(15,705)	-	306,111	(51,084)		-
Maintenance & Landscaping	44,862	(15,096)	-	258,329	17,260		-
Utilities	10,731	1,152	-	117,955	(3,378)		-
Administrative	19,249	(2,216)	-	112,204	(16,626)		-
Regulatory Compliance	17,924	(4,819)	-	128,878	(45,548)		-
Insurance Premiums	16,260	(2,030)	-	106,327	(6,706)		-
Other Expenses	-	83	-	-	583		-
Depreciation Expense	-	-	112,312	-	-		800,032
Interest expense	-	-	6,037	-	-		39,251
Total Expenses	384,032	(24,414)	118,349	2,447,862	(92,309)		839,283
Net Income (Loss)	102,727	2,643	118,232	570,375	206,438		800,739
Net UDR Activity for Operations							
Firewise	-			(5,734)			
Hazardous Tree Removal	(10,518)			(33,561)			
GM Recruiting Search	(3,464)			(9,630)			
Net Income (Loss) with Board Approved UDR	88,745	2,643	118,232	521,450	206,438		800,739
Other Activity							
Net Other UDR Activity*	5,706			42,614			
AR Accrual - Prior Year Reversal	-		-	(43,985)			(16,112)
AR Accrual - Current Year	-		-	-			-
Vacation Liability Accrual	(3,573)			(16,966)			
Total Other Activity	2,133		-	(18,337)			(16,112)
Grand Total Activity	90,878	2,643	118,232	503,113	206,438		784,627

*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
 7 Months Actual, 5 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	779,097	807,532		-	14,524		1,601,152	-	62,026	62,026
Storm Water Mitigation Plan Fee		2,500					2,500			-
Investment Income	16,292	10,956	579	127	344	98	28,397	952	839	1,791
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	(1,174,593)	(780,841)	(3,349)	-	-		(1,958,784)		(61,660)	(61,660)
Net Available Cash at 7/31/2024	3,394,781	2,161,345	219,249	87,815	141,313	64,703	\$ 6,069,206	363,204	307,470	\$ 670,674
5 Month Outlook										
Outlook - 2024 Dues (95% collections)	535,173	550,443			9,933		\$ 1,095,549			\$ -
Outlook - Prior Year Collections	8,290	8,526			154		16,970		16,364	16,364
CRRRF Loan Payments for year 2024	(138,766)						(138,766)			-
Obligated Expenses/Holdings	(1,480,787)	(739,253)	(219,249)			(64,703)	(2,503,992)		(98,992)	(98,992)
Net Usable Cash Balance 12/31/2024	2,318,690	1,981,061	-	87,815	151,400	-	\$ 4,538,967	363,204	224,842	\$ 588,046
Board Recommended Carryover Balance	(600,000)	(500,000)					\$ (1,100,000)			\$ -
Net Usable Cash 12/31/2024, After Recommendation	\$ 1,718,690	\$ 1,481,061	\$ -	\$ 87,815	\$ 151,400	\$ -	\$ 3,438,967	\$ 363,204	\$ 224,842	\$ 588,046
Net Current Year Cash Increase (Decrease)	(1,308,328)	(53,214)	(222,019)	127	24,955	(151,528)	\$ (1,710,006)	952	(81,423)	\$ (80,471)

*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
July 1, 2024 to July 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	19,450	11,908	-	7,098	27,002	5,508	(7,552)	24,514
Accounting	3,989	(6,136)	28,877	(708)	20,101	(11,595)	(44,989)	(18,439)
Administration	1,035	824	34,743	1,387	14,387	(4,958)	(48,095)	(2,747)
Common Costs	4,747	1,489	-	-	41,129	(15,920)	(36,382)	(14,431)
Facilities	9,162	(1,224)	3,743	484	9,361	3,295	(3,942)	2,555
Maintenance	-	-	23,256	(433)	2,777	6,001	(26,033)	5,568
Subtotal	38,383	6,861	90,619	7,828	114,757	(17,669)	(166,993)	(2,980)
Golf	206,149	(3,963)	76,334	5,394	42,556	(12,602)	87,259	(11,171)
Marina	7,706	7,040	-	-	665	423	7,041	7,463
Rec/ Pools/ Parks	12,432	6,313	36,598	3,275	22,502	(11,062)	(46,668)	(1,474)
Subtotal	226,287	9,390	112,932	8,669	65,723	(23,241)	47,632	(5,182)
Subtotal Operations before Ops Dues	264,670	16,251	203,551	16,497	180,480	(40,910)	(119,361)	(8,162)
Ops Dues Earned	222,585						222,585	
Curr Yr Bad Debts Activity	(497)						(497)	
Net Ops Dues	222,088	10,805					222,088	10,805
Net Operations	486,758	27,056	203,551	16,497	180,480	(40,910)	102,727	2,643
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		-		-	
Hazardous Tree Removal	-		-		10,518		(10,518)	
GM Recruiting Search	-		-		3,464		(3,464)	
Net Operations with Board Approved UDR	486,758	27,056	203,551	16,497	194,462	(40,910)	88,745	2,643
Other Operating Activity								
UDR Activity	5,896				190		5,706	
AR Accrual - Prior Year Reversal	-				-		-	
AR Accrual - Current Year	-				-		-	
Vacation Liability Accrual	-				3,573		(3,573)	
Total Other Operating Activity	5,896				3,763		2,133	
Grand Total Operations Activity	492,654	27,056	203,551	16,497	198,225	(40,910)	90,878	2,643

* Excludes Depreciation

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

Sudden Valley Community Association
Operations - By Department
January 1, 2024 to July 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	203,960	127,355	-	49,689	281,013	(74,686)	(77,053)	102,358
Accounting	17,384	(9,031)	199,602	(2,406)	48,981	(17,649)	(231,199)	(29,086)
Administration	3,124	1,535	249,400	3,533	76,528	(23,236)	(322,804)	(18,168)
Common Costs	30,325	7,516	-	-	270,473	(62,506)	(240,148)	(54,990)
Facilities	52,770	5,964	26,224	3,365	88,862	38,234	(62,316)	47,563
Maintenance	-	-	214,253	853	40,129	15,059	(254,382)	15,912
Subtotal	307,563	133,339	689,479	55,034	805,986	(124,784)	(1,187,902)	63,589
Golf	915,704	67,850	442,990	7,551	266,703	(18,445)	206,011	56,956
Marina	242,960	45,907	-	-	10,193	1,280	232,767	47,187
Rec/ Pools/ Parks	32,335	10,960	140,908	2,709	91,604	(15,654)	(200,177)	(1,985)
Subtotal	1,190,999	124,717	583,898	10,260	368,500	(32,819)	238,601	102,158
Subtotal Operations before Ops Dues	1,498,562	258,056	1,273,377	65,294	1,174,486	(157,603)	(949,301)	165,747
Ops Dues Earned	1,559,049						1,559,049	
Curr Yr Bad Debts Activity	(39,373)						(39,373)	
Net Ops Dues	<u>1,519,676</u>	<u>40,691</u>					<u>1,519,676</u>	<u>40,691</u>
Net Operations	<u>3,018,238</u>	<u>298,747</u>	<u>1,273,377</u>	<u>65,294</u>	<u>1,174,486</u>	<u>(157,603)</u>	<u>570,375</u>	<u>206,438</u>
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		5,734		(5,734)	
Hazardous Tree Removal	-		-		33,561		(33,561)	
GM Recruiting Search	-		-		9,630		(9,630)	
Net Operations with Board Approved UDR	<u>3,018,238</u>	<u>298,747</u>	<u>1,273,377</u>	<u>65,294</u>	<u>1,223,411</u>	<u>(157,603)</u>	<u>521,450</u>	<u>206,438</u>
Other Operating Activity								
UDR Activity	55,400				12,786		42,614	
AR Accrual - Prior Year Reversal	(43,985)				-		(43,985)	
AR Accrual - Current Year	-				-		-	
Vacation Liability Accrual	-				16,966		(16,966)	
Total Other Operating Activity	<u>11,415</u>				<u>29,752</u>		<u>(18,337)</u>	
Grand Total Operations Activity	<u>3,029,653</u>	<u>298,747</u>	<u>1,273,377</u>	<u>65,294</u>	<u>1,253,163</u>	<u>(157,603)</u>	<u>503,113</u>	<u>206,438</u>

* 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		Avail.				
	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev					Total	Perm	WD10	Total	Total		
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

LLE = Lot Line Eraser
 CTB = Covenant to Bind