

Lowe's Ferry Property Owners Association - 2019 financial report

Please find enclosed the 2019 financial report for the Association and Marina. The Association closed 2019 with a surplus of \$55,031 or 27% of \$206,693 collected revenues. Spending was \$7,461 (12%) higher than the 2019 budget.

The largest budget item continues to be grounds maintenance and clean up, which totaled \$62,239 in 2018 or 41% of total spend. This was \$2,761 lower than budget due to the September drought and the reduced number of mowing cycles.

The negative budget variance was driven by three main items:

- 1) \$7,626 cost to repair the gravel walkway along Pride Road caused by the large spring rain event
- 2) \$9,000 cost to repair drainage issues in three locations... the majority of which was to install a drain at the end of Promontory Point to correct an original design flaw. Construction of several houses being built in this area over the past two years exacerbated the problem to the point that we had to correct the situation.
- 3) Unfortunately, we continue to spend significant cash on legal fees (\$8,715) as the Board deals with the various issues that arise in the community. We anticipate this will continue in 2020.

We were fortunate in 2019 to collect \$1,500 in clubhouse rental fees and over \$1000 interest income as we took advantage of the short term increase in interest rates to put \$100,000 into a CD. However, the number of dues paying lots are down to 135 for 2020 as two more lots were purchased and combined during the past year. As a result, our projected revenue for 2020 is \$3,500 lower than 2019.

The LFPOA total cash balance ended the year at \$169,810, of which 156,012 is in our capital fund. The general fund balance is \$13,797 as we begin 2020.

In the Marina, collected dues were \$14,400 in 2017 covering expenditures of \$14,031. \$8,115 was spent in 2019 to repair the walkway railings. The cash reserves in the Marina account are \$58,523.

Attached are three documents

- LFPOA 2019 Financial Statement
- LF Marina 2019 Financial Statement
- LFPOA trended Financial Statement and the 2020 Budget

The budgeted surplus for 2020 is \$52,000, which will provide for continued capital fund build.

Please feel free to write or call if you have questions.
Respectfully submitted,

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2019 Lowe's Ferry Property Owners Association Financial Statements

LFPOA Income Statement

	<u>Jan - Dec 2019</u>
Dues	204,000.00
Sale of Gate Fobs & remotes	175.00
Clubhouse Rental	1,500.00
Other Income	4.21
CD interest Income	<u>1,013.70</u>
Total Revenue	206,692.91
Bookkeeping & Service Fees	6,365.00
Bank Service Charges	69.00
Major repair (Walkway/Drainage) Clubhouse	16,626.25
Cleaning - Clubhouse	4,029.50
Direct TV- Clubhouse	1,948.76
Exterminator	1,285.00
Maintenance - Clubhouse & Gates	2,941.31
Pool	5,265.66
Propane - Clubhouse	237.40
Small Furniture/Fixtures	891.41
Security	318.00
Sewer	1,281.19
Refuse collection	391.48
Supplies Clubhouse	<u>97.51</u>
Sub-Total Clubhouse	18,687.22
Fire Protection	265.00
Grounds Maintenance & Clean-up	62,238.74
Total Insurance	12,293.60
Legal Fees	8,714.51
Meeting Expenses / Storage/Misc	1,496.45
Website	1,530.00
Office Supplies and Materials	1,638.88
Postage and Delivery	142.92
Property Taxes-common areas	4,487.98
Street Signs/Lights	0.00
Electricity	5,298.39
Telephone/Clubhouse & Gate	7,009.30
Water/Irrigation	<u>4,798.29</u>
Total Expense	<u>151,661.53</u>
Operating Surplus/(Deficit)	<u>55,031.38</u>

LFPOA Account Balance Sheet

<u>Assets</u>	<u>31-Dec-19</u>
Cash	169,809.98
Clubhouse & Pool, Furn & Fixtures	507,063.42
Accumulated depreciation	<u>(354,944.39)</u>
Clubhouse & Pool Net Book Value	152,119.03
Total Assets	<u>321,929.00</u>
Liabilities (pre paid Dues)	<u>0.00</u>
Equity	<u>321,929.00</u>
CH & Pool incl Furniture & Fixtures	152,119.03
Prior Years' Surplus (Deficit)	114,778.60
Current Year Surplus/(Deficit)	55,031.38

LFPOA Statement of Cash Flows

	<u>Operating Account</u>
Beginning Balance 01-01-2018	114,778.60
Ordinary Revenues	206,692.91
Ordinary Expenditures	<u>(151,661.53)</u>
Ending Balance 01-31-2018	169,809.98

Checkbooks reconciliation to ledger

	<u>LFPOA</u>	<u>Reserve</u>
Actual Cash before Adjustments	24,317.39	156,012.45
Adjustment to Marina acct	<u>(10,519.86)</u>	
Checkbook Bal after adjustments	13,797.53	156,012.45
Yr end Cash in Bank		169,809.98
Less Prepaid Dues		<u>0.00</u>
Yr End Book		169,809.98
check		0.00

2019 Lowe's Ferry Marina Financial Statements

Marina Operating Account

	<u>2019</u>
Revenues - Dues	14,400.00
-CD interest	404.98
Expenditures	
Property Tax	-761.47
Power Wash	-1,600.00
Maintenance - Railings	-8,115.00
Marina Insurance	-3,073.40
Utilities	-481.45
Surplus/(Deficit)	773.66
Revenues - New Slips	0.00
Construction Costs incl Gate	0.00
Surplus/(Deficit)	0.00

Marina Balance Sheet

	<u>31-Dec-19</u>
<u>Assets</u>	
Cash	58,523.33
Marina @ Cost	368,131.16
Acc. Depreciation	(101,855.34)
Marina (NBV)	266,275.82
Total Assets	324,799.15
Liabilities (pre paid Dues)	0.00
Equity	324,799.15
Prior Years' Surplus (Deficit)	57,749.67
Current Year Surplus/(Deficit)	773.66

January 25, 2020

Lowe's Ferry Property Association Financial Statements

	2011 Actual	2012 Budget	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2019 Budget	Variance	2020 Budget
Dues	125,250	125,250	124,575	124,875	138,000	137,560	137,000	205,200	204,750	204,000	204,750	-750	202,500
Sale of Cove slips			10,000	0	0	0							
Sale of Gate Fobs/ Other			225	2,500	50	460	100	228	488	175	200	-25	200
interest Income	17	10	7	2	2	2	36	9	10	1,018	12	1,006	500
Club House Rental				1,000	500	0				1,500		1,500	
Legal Fees Reimbursement				824									
Drainage Repair Assessment				31,000	3,500	0							
Total Income	125,267	125,260	134,807	160,201	142,052	138,022	137,136	205,437	205,247	206,693	204,962	1,731	203,200
Accounting/Bookkeeping Fees	5,515	5,515	5,000	5,825	5,825	5,825	5,852	5,975	6,567	6,365	6,750	385	6,800
Bank Service Charges	130	100	16	32	37	44	64	52	59	69	60	-9	75
Major repair (Walkway/Drainage)	14,261	17,000	30,399	7,926	1,635	24,888	862	10,334	2,526	16,626	6,700	-9,926	10,000
Clubhouse													
Cleaning - Clubhouse	2,080	2,100	2,420	2,720	2,560	2,560	2,720	2,969	3,840	4,030	3,840	-190	4,000
Direct TV- Clubhouse	1,292	1,300	1,331	1,595	1,735	1,758	1,883	2,000	2,117	1,949	2,220	271	2,000
Exterminator	346	350	647	624	636	656	656	665	668	1,285	700	-585	1,300
Maintenance - Clubhouse	2,419	1,525	5,074	975	8,051	1,648	1,000	4,327	5,031	2,941	5,000	2,059	5,000
Pool	1,850	1,850	4,015	3,260	3,090	3,145	4,300	3,984	3,748	5,266	5,000	-266	5,000
Propane - Clubhouse	452	500	180	454	231	149	237	237	237	237	300	63	300
Small Furniture/Fixtures	928	750	116	2,820	0	1,619	0	393	1,409	891	2,000	1,109	2,000
Security and Fire monitoring	318	500	550	318	318	318	584	318	3,656	318	400	82	400
Sewer	1,235	1,250	1,241	1,250	1,359	1,248	1,245	1,101	1,056	1,281	1,400	119	1,400
Refuse collection			224	257	264	276	303	332	363	391	400	9	400
Supplies Clubhouse	125	150	208	234	88	71	99	265	137	98	300	202	300
Total Clubhouse	11,045	10,275	16,005	14,507	18,331	13,448	13,027	16,591	22,262	18,687	21,560	2,873	22,100
Fire Protection	211	211	211	211	211	240	240	240	240	265	250	-15	250
Drainage Repair		3,000		47,151	3,725								
Grounds Maintenance & Clean-up	49,079	49,000	49,087	51,108	43,553	77,733	70,983	59,625	71,230	62,239	65,000	2,761	62,000
Insurance	6,145	6,465	5,857	6,208	8,783	7,940	6,770	9,355	15,034	12,294	11,750	-544	12,000
Legal Fees	738	500	1,926	162	3,232	1,000	11,304	33,424	32,344	8,715	5,000	-3,715	10,000
Meeting Expenses / Storage/Misc	0	1,000	756	703	708	889	1,176	396	618	1,496	600	-896	1,600
Website	0	120	383	24	25	22	1,472	645	1,020	1,530	1,000	-530	1,500
Office Supplies and Materials	5	120	127	103	58	61	104	135	149	1,639	150	-1,489	150
Postage and Delivery	185	150	107	148	114	162	218	98	83	143	150	7	150
Property Taxes	11,563	6,200	6,057	5,371	5,411	5,342	4,968	4,968	6,289	4,488	5,500	1,012	5,000
Street Signs/Lights	224	25	1,204	278	6,512	2,199	1,675	2,575	0	0	3,000	3,000	3,000
Electricity	3,064	3,200	4,121	4,269	4,907	4,794	4,782	4,723	5,133	5,298	5,000	-298	5,000
Telephone/Clubhouse & Gate	4,489	4,500	2,934	3,185	3,174	5,207	5,424	6,298	6,773	7,009	6,500	-509	6,775
Water/Irrigation	8,876	9,000	7,404	9,657	4,819	3,009	2,147	3,785	7,223	4,798	3,500	-1,298	4,800
Total Expense	115,530	116,436	131,595	156,868	111,061	152,803	131,064	159,218	177,550	151,662	142,470	-9,192	151,200
Ordinary Surplus/(Deficit)	9,737	8,824	3,212	3,333	30,992	-14,781	6,072	46,219	27,697	55,031	62,492	-7,461	52,000
Insurance Recovery Income	8,109												
Total Surplus/(Deficit)	17,846	8,824	3,212	3,333	30,992	-14,781	6,072	46,219	27,697	55,031	62,492	-7,461	52,000
	14%	7%	2%	2%	22%	-11%	4%	22%	13%	27%	30%	-12%	26%