

Lowe's Ferry Property Owners Association - 2018 financial report

Please find enclosed the 2018 financial report for the Association and Marina.

The Association closed 2018 with a surplus of \$27,697 or 13% of \$205,247 collected revenues. Spending was \$34,811 (56%) higher than the 2018 budget.

The largest budget item continues to be grounds maintenance and clean up, which totaled \$71,230 in 2018 or 40% of total spend. This was \$6,230 higher than budget due to the above average rainfall requiring extra mowing cycles.

The largest negative budget variance was in legal fees (\$22,340) driven by the Board's actions to foreclose on lot 146 so that we have the legal right to remediate the site to its natural state. We believe that the extraordinary high legal costs related to this issue are behind us.

Other items of significance included \$15,034 insurance costs, \$3,500 of which were related to 2017 due to a late arriving invoice. Insurance costs have increased over the past couple of years as the Board has increased the Association's liability coverage due to the realization that much of our common land is under water. Other notable variances are in Security (\$3,256) and Water/Irrigation (\$4,223). We invested this year in upgrading our camera security system in the Clubhouse and Pool, and we had a problem with an undetected underground water leak.

The LFPOA total cash balance ended the year at \$117,179, of which 100,000 is in our capital fund. The general fund balance is \$17,179 as we begin 2019.

In the Marina, collected dues were \$14,400 in 2017 covering expenditures of \$5,862, bringing the cash reserves in the Marina account to \$58,349.

Attached are three documents

- LFPOA 2018 Financial Statement
- LF Marina 2018 Financial Statement
- LFPOA trended Financial Statement and the 2019 Budget

The budgeted surplus for 2019 is \$62,492, 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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LFPOA Treasurer

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