

FINANCIAL SUMMARY REPORT

Prepared for the Board of Directors by the Cedar Run HOA Budget and Finance Committee

FINANCIAL RESULTS – JUNE 30, 2021

This is a report that includes an overview of the 2nd quarter Balance Sheet and Income Statement, year to date HOA committee expense balances, and Homeowner Delinquency information summary. There were no unbudgeted items during the quarter and expenses were 18% under the budgeted amount set for the six month period ending on June 30th.

BALANCE SHEET

Our Association held \$65,792.31 in cash including reserves with assets totaling \$91,305.40 as of June 30th. The total balance of funds allocated in the budget for the community's reserves of \$66,040.70 remain moderately stable.

Balance Sheet (Snapshot of Current Financials)

Assets

Cash (Total Cash in Bank Accounts)	65,792.31
Funds Due To / Due From Reserves	(66,040.70)
Total Operating Funds	(248.39)
Reserve Funds (Due To / Due From Operating Funds)	66,040.70
Net HO Past Due / (Prepays)	25,513.09
Owner Collection Costs to HCS	-
Total Assets (including Reserves)	\$ 91,305.40

Reserves

Reserve - Contingency	24,094.63
Reserve - Fence	21,518.82
Reserve - Sign	20,427.25
	66,040.70
Retained Earnings	-
Total Reserves	\$ 66,040.70

NOTE: The amount of total reserves on the Balance Sheet is more than the total cash on hand due to past due assessments owed to the community. The breakdown of the Asset line items allows the Board to view the difference in operating cash and the amount that has been allocated to the reserve line items.

INCOME STATEMENT

The Association's income amounted to \$41,630.00 at the end of June. Total year to date expenses are \$17,345.30, which is 18% (\$3,799.20) under the budgeted amount set for the six-month period of calendar year 2021. There may be unbudgeted additional landscaping costs of approximately \$2,800.00 in the third quarter for power washing the community fence. The budgeted postage costs totaling \$90.00 may also appear in the 3rd quarter for self-addressed return envelopes (\$15.63) and pre-paid postage (\$75) for proxies mailed to the 125 homeowners for the annual meeting to be held upon the approval of the Board and in accordance with COVID-19 pandemic protocols set by the Commonwealth of Virginia.

Income Statement

<u>Income</u>	<u>Current Qtr</u>	<u>Year To Date</u>
Residential Assessments	-	40,625.00
Working Capital	-	-
Late Fees	-	875.00
Other Income	130.00	130.00
Total Income	\$ 130.00	\$ 41,630.00

Expense

Administrative	(86.09)	680.85
Insurance	79.00	903.00
Utilities	32.30	47.95
Landscaping	3,070.00	6,010.00
Operations	35.00	115.00
Professional Services	1,657.47	3,838.50
Reserve Expenses	2,875.00	5,750.00
Total Expenses	\$ 7,662.68	\$ 17,345.30

Net Income / (Loss) \$ (7,532.68) \$ 24,284.70

PETTY CASH & COMMITTEE EXPENSES

The petty cash account and committee year to date budget expense balances as of June 30, 2021 are listed below. Communication expenses in the sum of \$14.85 for monthly website application fee (\$4.95/m) along with landscaping/ground expenses totaling \$130.00 for mowing services (\$65/m) for the abandoned property 5020 Cedar Acres are reported during this quarter.

Committee Budget & Expense Year To Date Balance				
	Annual Budget	Other Income	Expenses	Remaining Balance
Petty Cash - Communication Expenses & as needed				
Miscellaneous Purchases	\$ -	\$ 352.68	\$ (14.85)	\$ 337.83
Neighborhood Watch Committee	100.00	-	-	\$ 100.00
Welcome Committee	250.00	-	-	\$ 250.00
Social and Events Committee	100.00	-	-	\$ 100.00
Grounds Committee	1,850.00	-	(130.00)	\$ 1,720.00
Board Support	500.00	-	-	\$ 500.00
Total	\$ 2,800.00	\$ -	\$ (130.00)	\$ 3,007.83

DELINQUENCIES / COLLECTIONS REPORT

Currently there are 14 of our 125 occupied homes in collections as of June 30, 2021 (see attached Appendix A – Homeowner Delinquency Summary Report). The delinquency rate is slightly lower at 11.2% from the prior quarter (12.8%) as a few homeowner's settled their accounts. However, the total outstanding amount owed to the community increased by 20% (\$4,510.29). This is a result of the same recurring delinquent homeowners not paying the 2021 annual assessments that were due in January. The Association has implemented more aggressive policies and procedures to address these repetitive delinquencies.