

Sudden Valley Community Association

Sudden Valley Community Association
Balance Sheet
February 28, 2025 and December 31, 2024

	Unaudited** Feb 28, 2025	Unaudited** Dec 31, 2024	Inc / (Dec)
OPERATIONS			
Current Assets			
Operating Cash	\$ 956,043	\$ 857,647	\$ 98,396
Building Completion Deposit Fund	720,250	749,910	(29,660)
Member Receivables - Operations*	-	53,456	(53,456)
Other Receivables	15,909	16,109	(200)
Prepaid Expenses	56,130	88,683	(32,553)
Operating Lease ROU Assets	5,869	6,210	(341)
Inventory	4,587	5,824	(1,237)
Total Current Assets	1,758,788	1,777,839	(19,051)
Current Liabilities			
Accounts Payable	(127,268)	(145,449)	18,181
Accrued Vacation Liability	(87,346)	(76,335)	(11,011)
Accrued Payroll	-	(115,575)	115,575
Prepaid Assessments	(543,545)	(249,179)	(294,366)
Building Completion Deposits	(720,250)	(749,910)	29,660
Other Refundable Deposits	(10,906)	(9,956)	(950)
Operating Lease Liability	(5,869)	(6,210)	341
Prepaid Golf Memberships	-	(112,307)	112,307
Total Current Liabilities	(1,495,184)	(3,464,921)	(30,263)
Deferred Lease Revenue Liabilities			
Deferred Library Lease Revenue	(34,667)	(36,000)	1,333
Total Deferred Lease Revenue Liabilities	(34,667)	(36,000)	1,333
Operating Reserve Funds			
Emergency Operating Cash	364,032	363,815	217
Undesignated Reserves Cash	336,098	302,135	33,963
Total Operating Reserve Funds	700,130	665,950	34,180
Net Operating Assets	\$ 929,067	\$ 942,868	\$ (13,801)
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,191,124	3,074,179	116,945
Roads Reserve Cash Fund	2,062,568	1,875,442	187,126
Board Density Reduction Cash Fund	87,913	87,889	24
Mailbox Cash Fund	156,479	151,970	4,509
CRRRF Capital Reserve Holding Cash	219,749	219,618	131
Mitigation Assignment of Savings Cash	49,837	49,821	16
LWWSD Assignment of Savings Cash	14,939	14,939	-
Member Receivables - Capital**	-	13,625	(13,625)
Total Capital Current Assets	5,782,609	5,487,483	295,126
Capital Fixed Assets			
Fixed Assets	17,016,644	17,125,452	(108,808)
Finance ROU Assets	45,694	58,661	(12,967)
Lots Held for Sale	236,456	236,456	-
Total Capital Assets	17,298,794	17,420,569	(121,775)
Long Term Liabilities			
CRRRF Loan 2022	(1,494,154)	(1,539,073)	44,919
Finance Leases	(33,541)	(44,203)	10,662
Total Long Term Liabilities	(1,527,695)	(1,583,276)	55,581
NET ASSETS	\$ 22,482,775	\$ 22,267,644	\$215,131
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	(14,556)	286,790	(301,346)
Transfers Out from Operations to Capital	-	(145,600)	145,600
Current Year Net Income: Capital**	229,687	1,093,252	(863,565)
Transfers Into Capital from Operations	-	145,600	(145,600)
Retained Earnings**	5,519,682	5,232,892	286,790
Capital**	16,747,962	15,654,710	1,093,252
TOTAL MEMBER EQUITY	\$ 22,482,775	\$22,267,644	\$215,131

* 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 February 28, 2025, and December 31, 2024, the balances of receivables written off were \$747,410 and \$699,426, 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**

<u>UNAUDITED</u>	Current Month - February 2025			Year to Date - 2 Months Ending 2/28/2025			
	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	237,744		246,298	476,199			493,173
Bad Debt Reserve	(8,375)		(3,771)	(25,812)			(17,994)
Net Current Year Assessment Income	229,369	3,263	242,527	450,387	(1,827)	94.6%	475,179
Bad Debt Recoveries - Prior Years			9,724				19,013
Golf Income	30,756	(19,588)	-	208,531	(13,991)		-
Marina Income	447	447	-	1,002	1,002		-
Rec Center & Pools Income	1,702	1,310	-	2,736	1,840		-
Legal & Collections Income	-	-	-	-	-		-
Other Income	14,081	2,349	-	46,077	26,392		-
Rental Income - Other	830	560	-	2,210	1,615		-
Area Z Rental Income	1,841	1,767	-	5,679	(765)		-
Lease Income	5,632	848	-	11,263	1,696		-
New Home Construction Fees	7,000	5,670	-	7,000	5,670		-
Capital Gain (Loss) on Sale of Assets	-	-	1,000	-	-		1,000
Investment Income	712	129	2,937	1,354	188		6,156
Total Revenue	292,370	(3,245)	256,188	736,239	21,820		501,348
EXPENSES							
Salaries & Benefits	197,666	(11,092)	-	371,413	(12,323)		-
Contracted & Professional Services	24,455	(11,538)	-	35,899	(3,654)		-
CC&Rs/ Mandates	43,067	(6,892)	-	90,481	(14,314)		-
Maintenance & Landscaping	28,605	20,981	-	63,815	2,909		-
Utilities	26,977	(3,195)	-	38,336	742		-
Administrative	9,824	5,565	-	31,851	(778)		-
Regulatory Compliance	44,609	(5,700)	3,264	54,385	(5,934)		30,029
Insurance Premiums	16,254	1,253	-	32,508	2,506		-
Other Expenses	217	199	-	217	616		-
Depreciation Expense	-	-	108,710	-	-		217,420
Interest expense	-	-	4,951	-	-		10,587
Total Expenses	391,674	(10,419)	116,925	718,905	(30,230)		258,036
Net Income (Loss)	(99,304)	(13,664)	139,263	17,334	(8,410)		243,312
Net UDR Activity for Operations							
Legal Expenses - Past Due Account Collections	(2,274)			(8,661)			
Net Income (Loss) with Board Approved UDR	(101,578)	(13,664)	139,263	8,673	(8,410)		243,312
Other Activity							
Net Other UDR Activity*	19,307			39,906			
AR Accrual - Prior Year Reversal	-		-	(53,456)			(13,625)
AR Accrual - Current Year	-		-	-			-
Lease Income- Library Prepaid Recognized	667			1,333			
Vacation Liability Accrual	(6,650)			(11,012)			
Total Other Activity	13,324		-	(23,229)			(13,625)
Grand Total Activity	(88,254)	(13,664)	139,263	(14,556)	(8,410)		229,687

*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
 2 Months Actual, 10 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 12/31/2024	3,074,179	1,875,442	219,618	87,889	151,970	64,760	\$ 5,473,858	363,815	302,135	\$ 665,950
Dues Received	239,951	247,280		-	4,418		491,649	-	45,281	45,281
Storm Water Mitigation Plan Fee		-					-			-
Investment Income	3,437	2,458	131	24	91	16	6,156	217	182	399
Sale of Assets	1,000			-			1,000			-
Mitigation Release	-	-				-	-			-
2025 Expenditures	(127,443)	(62,612)	-	-	-		(190,055)		(11,500)	(11,500)
Net Available Cash at 2/28/2025	3,191,124	2,062,568	219,749	87,913	156,479	64,776	\$ 5,782,609	364,032	336,098	\$ 700,130
10 Month Outlook										
Outlook - 2025 Dues (95% collections)	1,144,993	1,177,598			21,044		\$ 2,343,635			\$ -
Outlook - Prior Year Collections	16,577	17,049			305		33,931		32,736	32,736
CRRRF Loan Payments for year 2025	(277,533)						(277,533)			-
Obligated Expenses/Holdings	(994,765)	(512,132)	(219,749)			(64,776)	(1,791,422)		(18,379)	(18,379)
Net Usable Cash Balance 12/31/2025	3,080,396	2,745,083	-	87,913	177,828	-	\$ 6,091,219	364,032	350,454	\$ 714,487
Board Recommended Carryover Balance	(600,000)	(500,000)					\$ (1,100,000)			\$ -
Net Usable Cash 12/31/2025, After Recommendation	\$ 2,480,396	\$ 2,245,083	\$ -	\$ 87,913	\$ 177,828	\$ -	\$ 4,991,219	\$ 364,032	\$ 350,454	\$ 714,487
Net Current Year Cash Increase (Decrease)	6,217	869,641	(219,618)	24	25,858	(64,760)	\$ 617,361	217	48,319	\$ 48,537

*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
 February 1, 2025 to February 28, 2025
 CURRENT MONTH

Whole \$

UNAUDITED

Department	Actual Revenue	Revenue B / (W)	Actual Salary Benefits	Salary & Benefits B / (W)	Actual Other Expense *	Other Exp B / (W)*	Net Income / (Loss) *	Net B / (W)*
ACC / Security	9,254	2,266	8,190	(1,075)	40,591	(5,217)	(39,527)	(4,026)
Accounting	2,374	(174)	28,913	1,128	2,491	2,219	(29,030)	3,173
Administration	53	(49)	33,367	3,058	21,690	(13,167)	(55,004)	(10,158)
Common Costs	10,109	6,193	-	-	66,074	(5,437)	(55,965)	756
Facilities	7,473	2,449	4,101	530	17,252	2,076	(13,880)	5,055
Maintenance	-	-	44,739	(8,346)	7,162	11,144	(51,901)	2,798
Subtotal	29,263	10,685	119,310	(4,705)	155,260	(8,382)	(245,307)	(2,402)
Golf	30,756	(19,588)	56,657	2,276	30,526	9,149	(56,427)	(8,163)
Marina	447	357	-	-	1,128	(224)	(681)	133
Rec/ Pools/ Parks	2,532	2,036	21,699	(8,663)	7,091	132	(26,258)	(6,495)
Subtotal	33,735	(17,195)	78,356	(6,387)	38,745	9,057	(83,366)	(14,525)
Subtotal Operations before Ops Dues	62,998	(6,510)	197,666	(11,092)	194,005	675	(328,673)	(16,927)
Ops Dues Earned	237,744						237,744	
Curr Yr Bad Debts Activity	(8,375)						(8,375)	
Net Ops Dues	229,369	3,263					229,369	3,263
Net Operations	292,367	(3,247)	197,666	(11,092)	194,005	675	(99,304)	(13,664)
Net BOD Approved UDR Activity for Operations								
Legal Expenses - Past Due Account Collections	-		-		2,274		(2,274)	
Net Operations with Board Approved UDR	292,367	(3,247)	197,666	(11,092)	196,279	675	(101,578)	(13,664)
Other Operating Activity								
UDR Activity	21,969				2,662		19,307	
AR Accrual - Prior Year Reversal	-				-		-	
AR Accrual - Current Year	-				-		-	
Lease Income- Library Prepaid Recognized	667				-		667	
Vacation Liability Accrual	-				6,650		(6,650)	
Total Other Operating Activity	22,636				9,312		13,324	
Grand Total Operations Activity	315,003	(3,247)	197,666	(11,092)	205,591	675	(88,254)	(13,664)

* Excludes Depreciation

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

Sudden Valley Community Association
Operations - By Department
January 1, 2025 to February 28, 2025
YEAR TO DATE

Whole \$

UNAUDITED

Department	Actual Revenue	Revenue B / (W)	Actual Salary Benefits	Salary & Benefits B / (W)	Actual Other Expense *	Other Exp B / (W)*	Net Income / (Loss) *	Net B / (W)*
ACC / Security	31,899	22,856	14,474	(872)	74,805	1,322	(57,380)	23,306
Accounting	4,340	(774)	55,396	2,020	7,106	(1,517)	(58,162)	(271)
Administration	185	83	64,636	4,993	31,732	(14,768)	(96,183)	(9,692)
Common Costs	18,006	10,174	-	-	103,670	(13,895)	(85,664)	(3,721)
Facilities	16,942	598	8,199	683	28,063	12,110	(19,320)	13,391
Maintenance	-	-	80,546	(10,579)	13,352	7,791	(93,898)	(2,788)
Subtotal	71,372	32,937	223,251	(3,755)	258,728	(8,957)	(410,607)	20,225
Golf	208,531	(13,991)	108,469	5,054	74,742	(7,070)	25,320	(16,007)
Marina	1,002	912	-	-	1,764	(255)	(762)	657
Rec/ Pools/ Parks	4,946	3,788	39,693	(13,622)	12,257	(1,624)	(47,004)	(11,458)
Subtotal	214,479	(9,291)	148,162	(8,568)	88,763	(8,949)	(22,446)	(26,808)
Subtotal Operations before Ops Dues	285,851	23,646	371,413	(12,323)	347,491	(17,906)	(433,053)	(6,583)
Ops Dues Earned	476,199						476,199	
Curr Yr Bad Debts Activity	(25,812)						(25,812)	
Net Ops Dues	450,387	(1,827)					450,387	(1,827)
Net Operations	736,238	21,819	371,413	(12,323)	347,491	(17,906)	17,334	(8,410)
Net BOD Approved UDR Activity for Operations								
Legal Expenses - Past Due Account Collections	-		-		8,661		(8,661)	
Net Operations with Board Approved UDR	736,238	21,819	371,413	(12,323)	356,152	(17,906)	8,673	(8,410)
Other Operating Activity								
UDR Activity	42,778				2,872		39,906	
AR Accrual - Prior Year Reversal	(53,456)				-		(53,456)	
AR Accrual - Current Year	-				-		-	
Lease Income- Library Prepaid Recognized	1,333				-		1,333	
Vacation Liability Accrual	-				11,012		(11,012)	
Total Other Operating Activity	(9,345)				13,884		(23,229)	
Grand Total Operations Activity	726,893	21,819	371,413	(12,323)	370,036	(17,906)	(14,556)	(8,410)

* Excludes Depreciation

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

Sudden Valley Community Association

SUDDEN VALLEY COMMUNITY ASSOCIATION - LOTS & DUES ANALYSIS 2025

	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	16	82	98	276	2,529	2,805	24	103	2	8	3	10	18	37	2	8	292	2,611	2,903	49	166	215	341	2,777	3,118	774	0	3	777	740	0	6	1,523	4,641	
Feb	18	96	114	277	2,527	2,804	16	82	8	24	0	6	19	34	2	8	295	2,623	2,918	45	154	199	340	2,777	3,117	775	0	3	778	740	0	6	1,524	4,641	
Mar	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
Apr	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
May	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
Jun	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
Jul	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
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