2026 Treasurer's Report – Sudden Valley Community Association

As Treasurer and Chair of the Finance Committee (FC), I want to share an overview of our financial oversight, this year's budget process, and the factors driving the 2026 dues increase. My goal is always to help our community understand how Sudden Valley's financial system works and how we steward member dollars.

Financial Oversight & Controls

The Finance Committee reviews a wide range of expenses—from **$7,000 bridge inspections**, **$47,000 pool service contracts**, and **$120,000 gym equipment**, to **$430,000 for four roads and twenty-three culverts**, among many others.

I also serve on the **Executive Team**, which reviews and participates in Sudden Valley's financial checks and balances. Two Executive Team members, including the Treasurer, sign checks. Before any check is signed, it goes through a multi-layer review:

- Department heads review and submit invoices.
- The General Manager reviews all capital and administrative invoices.
- Accounts Payable enters approved bills into the accounting system and prepares checks.
- The accountant and Finance Director verify accuracy and correct GL coding.
- Copies of the invoice, accounting entry, and check are printed for review.
- Two Executive Team members review all documents and sign the check.
- Questions are routed to the GM, Finance Director, or Accounts Payable.

Summary: Every invoice and payment is reviewed by department heads, the GM, Accounts Payable, the accountant, the Finance Director, and two Executive Team members.

This year, **Lason Gross auditors commended Sudden Valley for strong financial controls and clean year-over-year books**.

Committee Work & Financial Reporting Improvements

Throughout 2026, I presented financials at multiple FC meetings. I streamlined reporting by:

- Providing **year-to-year comparisons**
- Flagging categories **over or under budget**
- Writing clear **variance explanations**

For those who tuned in, I hope these improvements made the financials easier to understand. I have additional ideas to help members better interpret our statements and spreadsheets.

Budget Development Process

Why There Is a 6% Dues Increase

The increase is driven in part by **basic operational costs**, not new programs. Sudden Valley is a large community with employees, buildings, amenities, roads, and culverts to maintain. Key cost pressures include:

- **Employee health insurance: ↑ 8.9%**
- **Gas & diesel: ↑ $1 per gallon** in the past month
- **Pool and Building heating & energy:** may increase ↑ **13–17%**
- **Rising cost of materials**

Much of the 6% increase simply offsets these unavoidable expenses.

Sudden Valley also has **aging infrastructure**. Even if you don't personally use certain amenities, others rely on them:

- Pool users benefit from the **new heater**
- Gym users appreciate **new equipment**
- Marina Park users look forward to **court improvements**
- Members living on Appaloosa Ct or Yearling Pl appreciate the **asphalt repairs**
- Area Z : **All of us** during snow events— will benefit from the **new bridge** that allows plows to reach homes more quickly

These investments ensure safety, access, and quality of life across the community.

Sudden Valley's financial system is complex and designed to safeguard member dollars. Throughout 2026, our committees, staff, and auditors worked to strengthen reporting, uphold controls, and build a budget that reflects both rising costs and the realities of aging infrastructure. The 6% dues increase is not driven by new programs, but by essential operational needs and the investments required to maintain safety, access, and quality of life across our community. Thank you to all members and staff who continue to support responsible stewardship of Sudden Valley's resources.