

Sudden Valley Community Association

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

	Unaudited** Jan 31, 2025	Unaudited** Dec 31, 2024	Inc / (Dec)
OPERATIONS			
Current Assets			
Operating Cash	\$ 877,968	\$ 857,647	\$ 20,321
Building Completion Deposit Fund	719,910	749,910	(30,000)
Member Receivables - Operations*	-	53,456	(53,456)
Other Receivables	16,009	16,109	(100)
Prepaid Expenses	72,257	88,683	(16,426)
Operating Lease ROU Assets	6,040	6,210	(170)
Inventory	5,898	5,824	74
Total Current Assets	1,698,082	1,777,839	(79,757)
Current Liabilities			
Accounts Payable	(134,871)	(145,449)	10,578
Accrued Vacation Liability	(80,696)	(76,335)	(4,361)
Accrued Payroll	-	(115,575)	115,575
Prepaid Assessments	(376,877)	(249,179)	(127,698)
Building Completion Deposits	(719,910)	(749,910)	30,000
Other Refundable Deposits	(10,606)	(9,956)	(650)
Operating Lease Liability	(6,040)	(6,210)	170
Prepaid Golf Memberships	-	(112,307)	112,307
Total Current Liabilities	(1,329,000)	(3,464,921)	135,921
Deferred Lease Revenue Liabilities			
Deferred Library Lease Revenue	(35,333)	(36,000)	667
Total Deferred Lease Revenue Liabilities	(35,333)	(36,000)	667
Operating Reserve Funds			
Emergency Operating Cash	363,929	363,815	114
Undesignated Reserves Cash	318,468	302,135	16,333
Total Operating Reserve Funds	682,397	665,950	16,447
Net Operating Assets	\$ 1,016,146	\$ 942,868	\$ 73,279
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,053,060	3,074,179	(21,119)
Roads Reserve Cash Fund	1,995,783	1,875,442	120,341
Board Density Reduction Cash Fund	87,901	87,889	12
Mailbox Cash Fund	154,182	151,970	2,212
CRRRF Capital Reserve Holding Cash	219,687	219,618	69
Mitigation Assignment of Savings Cash	49,830	49,821	9
LWWSD Assignment of Savings Cash	14,939	14,939	-
Member Receivables - Capital**	-	13,625	(13,625)
Total Capital Current Assets	5,575,382	5,487,483	87,899
Capital Fixed Assets			
Fixed Assets	17,107,443	17,125,452	(18,009)
Finance ROU Assets	52,178	58,661	(6,483)
Lots Held for Sale	236,456	236,456	-
Total Capital Assets	17,396,077	17,420,569	(24,492)
Long Term Liabilities			
CRRRF Loan 2022	(1,516,957)	(1,539,073)	22,117
Finance Leases	(38,881)	(44,203)	5,322
Total Long Term Liabilities	(1,555,838)	(1,583,276)	27,438
NET ASSETS	\$ 22,431,767	\$ 22,267,644	\$164,123
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	73,699	286,790	(213,091)
Transfers Out from Operations to Capital	-	(145,600)	145,600
Current Year Net Income: Capital**	90,424	1,093,252	(1,002,828)
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	\$ 22,431,767	\$22,267,644	\$164,123

* 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 January 31, 2025, and December 31, 2024, the balances of receivables written off were \$763,238 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 - January 2025			Year to Date - 1 Month Ending 1/31/2025			
	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	238,454		246,874	238,454			246,874
Bad Debt Reserve	(17,437)		(14,223)	(17,437)			(14,223)
Net Current Year Assessment Income	221,017	(5,090)	232,651	221,017	(5,090)	92.7%	232,651
Bad Debt Recoveries - Prior Years			9,290				9,290
Golf Income	177,775	5,597	-	177,775	5,597		-
Marina Income	555	555	-	555	555		-
Rec Center & Pools Income	1,034	530	-	1,034	530		-
Legal & Collections Income	-	-	-	-	-		-
Other Income	31,997	24,043	-	31,997	24,043		-
Rental Income - Other	1,380	1,055	-	1,380	1,055		-
Area Z Rental Income	3,838	(2,532)	-	3,838	(2,532)		-
Lease Income	5,632	799	-	5,632	799		-
New Home Construction Fees	-	-	-	-	-		-
Capital Gain (Loss) on Sale of Assets	-	-	-	-	-		-
Investment Income	642	59	3,220	642	59		3,220
Total Revenue	443,870	25,016	245,161	443,870	25,016		245,161
EXPENSES							
Salaries & Benefits	173,746	(1,230)	-	173,746	(1,230)		-
Contracted & Professional Services	11,446	7,882	-	11,446	7,882		-
CC&Rs/ Mandates	47,415	(7,423)	-	47,415	(7,423)		-
Maintenance & Landscaping	35,210	(18,072)	-	35,210	(18,072)		-
Utilities	11,359	3,937	-	11,359	3,937		-
Administrative	22,027	(6,343)	-	22,027	(6,343)		-
Regulatory Compliance	9,775	(233)	26,765	9,775	(233)		26,765
Insurance Premiums	16,254	1,253	-	16,254	1,253		-
Other Expenses	-	417	-	-	417		-
Depreciation Expense	-	-	108,710	-	-		108,710
Interest expense	-	-	5,637	-	-		5,637
Total Expenses	327,232	(19,812)	141,112	327,232	(19,812)		141,112
Net Income (Loss)	116,638	5,204	104,049	116,638	5,204		104,049
Net UDR Activity for Operations							
Legal Expenses - Past Due Account Collections	(6,387)			(6,387)			
Net Income (Loss) with Board Approved UDR	110,251	5,204	104,049	110,251	5,204		104,049
Other Activity							
Net Other UDR Activity*	20,599			20,599			
AR Accrual - Prior Year Reversal	(53,456)		(13,625)	(53,456)			(13,625)
AR Accrual - Current Year	-		-	-			-
Lease Income- Library Prepaid Recognized	667			667			
Vacation Liability Accrual	(4,362)			(4,362)			
Total Other Activity	(36,552)		(13,625)	(36,552)			(13,625)
Grand Total Activity	73,699	5,204	90,424	73,699	5,204		90,424

*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
 1 Month Actual, 11 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	117,562	121,291		-	2,165		241,018	-	22,827	22,827
Storm Water Mitigation Plan Fee		-					-			-
Investment Income	1,811	1,271	69	12	47	9	3,220	114	94	208
Sale of Assets	-			-			-			-
Mitigation Release	-	-				-	-			-
2025 Expenditures	(140,492)	(2,221)	-	-	-		(142,713)		(6,588)	(6,588)
Net Available Cash at 1/31/2025	3,053,060	1,995,783	219,687	87,901	154,182	64,769	\$ 5,575,382	363,929	318,468	\$ 682,397
11 Month Outlook										
Outlook - 2025 Dues (95% collections)	1,259,493	1,295,357			23,149		\$ 2,577,999			\$ -
Outlook - Prior Year Collections	18,235	18,754			335		37,324		36,009	36,009
CRRRF Loan Payments for year 2025	(305,286)						(305,286)			-
Obligated Expenses/Holdings	(968,967)	(140,091)	(219,687)			(64,769)	(1,393,514)		(20,653)	(20,653)
Net Usable Cash Balance 12/31/2025	3,056,535	3,169,803	-	87,901	177,667	-	\$ 6,491,906	363,929	333,824	\$ 697,754
Board Recommended Carryover Balance	(600,000)	(500,000)					\$ (1,100,000)			\$ -
Net Usable Cash 12/31/2025, After Recommendation	\$ 2,456,535	\$ 2,669,803	\$ -	\$ 87,901	\$ 177,667	\$ -	\$ 5,391,906	\$ 363,929	\$ 333,824	\$ 697,754
Net Current Year Cash Increase (Decrease)	(17,644)	1,294,361	(219,618)	12	25,697	(64,760)	\$ 1,018,048	114	31,689	\$ 31,804

*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
January 1, 2025 to January 31, 2025
CURRENT MONTH

Whole \$

UNAUDITED

<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
ACC / Security	22,645	20,590	6,283	204	34,213	6,540	(17,851)	27,334
Accounting	1,965	(601)	26,482	893	4,616	(3,737)	(29,133)	(3,445)
Administration	132	132	31,269	1,935	10,043	(1,601)	(41,180)	466
Common Costs	7,897	3,981	-	-	37,596	(8,459)	(29,699)	(4,478)
Facilities	9,470	(1,901)	4,098	153	10,811	10,034	(5,439)	8,286
Maintenance	-	-	35,808	(2,234)	6,190	(3,353)	(41,998)	(5,587)
Subtotal	42,109	22,201	103,940	951	103,469	(576)	(165,300)	22,576
Golf	177,775	5,597	51,812	2,778	44,215	(16,218)	81,748	(7,843)
Marina	555	555	-	-	636	(31)	(81)	524
Rec/ Pools/ Parks	2,414	1,752	17,994	(4,959)	5,166	(1,756)	(20,746)	(4,963)
Subtotal	180,744	7,904	69,806	(2,181)	50,017	(18,005)	60,921	(12,282)
Subtotal Operations before Ops Dues	222,853	30,105	173,746	(1,230)	153,486	(18,581)	(104,379)	10,294
Ops Dues Earned	238,454						238,454	
Curr Yr Bad Debts Activity	(17,437)						(17,437)	
Net Ops Dues	<u>221,017</u>	<u>(5,090)</u>					<u>221,017</u>	<u>(5,090)</u>
Net Operations	<u>443,870</u>	<u>25,015</u>	<u>173,746</u>	<u>(1,230)</u>	<u>153,486</u>	<u>(18,581)</u>	<u>116,638</u>	<u>5,204</u>
Net BOD Approved UDR Activity for Operations								
Legal Expenses - Past Due Account Collections	-		-		6,387		(6,387)	
Net Operations with Board Approved UDR	<u>443,870</u>	<u>25,015</u>	<u>173,746</u>	<u>(1,230)</u>	<u>159,873</u>	<u>(18,581)</u>	<u>110,251</u>	<u>5,204</u>
Other Operating Activity								
UDR Activity	20,809				210		20,599	
AR Accrual - Prior Year Reversal	(53,456)				-		(53,456)	
AR Accrual - Current Year	-				-		-	
Lease Income- Library Prepaid Recognized	667				-		667	
Vacation Liability Accrual	-				4,362		(4,362)	
Total Other Operating Activity	<u>(31,980)</u>				<u>4,572</u>		<u>(36,552)</u>	
Grand Total Operations Activity	<u>411,890</u>	<u>25,015</u>	<u>173,746</u>	<u>(1,230)</u>	<u>164,445</u>	<u>(18,581)</u>	<u>73,699</u>	<u>5,204</u>

* Excludes Depreciation

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

Sudden Valley Community Association
Operations - By Department
January 1, 2025 to January 31, 2025
YEAR TO DATE

Whole \$

UNAUDITED

<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
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Net BOD Approved UDR Activity for Operations								
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Net Operations with Board Approved UDR	<u>443,870</u>	<u>25,015</u>	<u>173,746</u>	<u>(1,230)</u>	<u>159,873</u>	<u>(18,581)</u>	<u>110,251</u>	<u>5,204</u>
Other Operating Activity								
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* 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							
	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	Avail.	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		6	1,523	4,641		
Feb	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	0
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	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	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	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	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	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	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	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	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	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	0

LLE = Lot Line Eraser
 CTB = Covenant to Bind