

Treasurer's Report
Knoll's/Ravenna Hills HOA
Month of: July 31, 2019

To Board Members,

This report will outline the activities conducted by the Treasurer in regards to the financial documents and banking transactions with Home Loan State Bank (Stephanie Bear) and Accounting CPA firm Les McPherson Consulting and Professional Accounting (Les McPherson) and Bookkeeper Representative (Shannon Padilla).

Banking

Home Loan State Bank:

Bank account statements for month ending June 30, 2019 for both HOA's were obtained for accounts 8301, 8402, 8401, 8402, 9901 and 10001. Accounts 9902 and 10001 are interest only accounts and are updated quarterly, however are updated manually for cash management purposes throughout the year on a monthly basis.

The electronic bank transfers to Capital Reserves, Street Funds and RH dues to KN's were transacted and confirmed for the month of July.

Each account was reviewed and all activity was updated to the cash analysis spreadsheet.

Financial Document Review
(Knolls & Ravenna Hills)
July 31, 2019

The following reports were received from McPherson Consulting and Professional Accounting via email from Les McPherson, CPA, CGMA for month ending July 31, 2019 for both HOA's.

Trial Balance
Balance Sheet
General Ledger
Statement of Income A
Statement of Income B
Schedule 1 – Multi-period Statement of Income
Schedule 2 – Statement of Income Budget vs. Actual
A/R Aging Summary
A/P Aging Report
Deposits Knolls/RH
Check Register Knolls/RH
Chart of Accounts Knolls/RH

Treasurer's Report
Knoll's/Ravenna Hills HOA
Month of: July 31, 2019

Balance Sheet

Final Balance Sheets for both HOA's were reviewed against the Trial Balance and found to be reported and supported by the General Ledger activity analysis for this reporting period ending July 31, 2019.

Statement of Income –Knolls

The month of July Net Loss of <\$339> was impacted by the new website page charges (\$1,908) being developed by Melinda McCaw Media. There is expected to be a subsequent charge as this was a down payment required with a balance due when project has been completed.

The contract with Bray HOA Management was not renewed and the services provided by them ended on July 31, 2019. The management fee structure for renewal was raised from \$200 per month to a renewal amount of \$475 per month. There was also a termination statement in the renewal contract that did not comply with our covenants, i.e. either party can terminate the contract with/without cause. This statement was changed in the new renewal contract for 2019.

The net profit YTD was higher than budgeted by \$8,958 primarily due fence and irrigation expenses lower than originally budgeted thru July. Utilities and snow removal also contributed to the higher profit over budget.

The legal expense for accruing for CCR updates is continuing to accumulate (\$1,323) to cover anticipated expenses upon initiation in the future is also contributing to profit over budget at this time. The legal CCR accrual will become an amount to accumulate for covering anticipated CCR expense when this update is commenced.

As of July 31, 2019, there is one homeowner yet to remit their annual HOA dues totaling \$499.00 outstanding. One partial payment of \$100 and a \$1 credit leaving a balance of \$499. This will be discussed at the next scheduled board meeting. Registered mail is to be attempted for a second time.

Cash projected revenue is anticipated to be sufficient of covering the 2019 budgeted expenses from the initial review of expected cash revenues against budgeted revenues.

The Financial Statements and the Treasurer's Report will be uploaded to the new webpage when it becomes operational which is expected in the next month or shortly thereafter. You can request a copy from me at bandcbishop@charter.net and I will get you a copy promptly.

Statement of Income – Ravenna Hills

The month of July Net Loss of <\$1,928> against a budget Net Loss of <\$2,992> was lower than budget due to not yet occurring expenses for fence repairs, postage & supplies and irrigations system costs and CCR update legal fees being accrued this month for anticipated expenses later this year.

Treasurer's Report
Knoll's/Ravenna Hills HOA
Month of: July 31, 2019

Statement of Income – Ravenna Hills (continued)

The contract with Bray HOA Management was not renewed and the services provided by them ended on July 31, 2019. The management fee structure for renewal was raised from \$200 per month to a renewal amount of \$225 per month. There was also a termination statement in the renewal contract that did not comply with our covenants - i.e. either party can terminate the contract with/without cause. This statement was changed in the new renewal contract for 2019.

The new website page charge of \$742 for the development a webpage by Melinda McCaw Media to communicate to homeowners for meeting minutes, financial statements, treasurer's report and to be in place for processing and handing HOA issues. There is expected to be a subsequent charge as this was a down payment required with a balance due when project has been completed.

The past due amounts reported last month has been collected. There is no past due accounts as of July 31, 2019 in Ravenna Hills.

Cash projected revenue for 2019 is anticipated to be sufficient of covering budgeted expenses and for all cash transfers to the Knolls Master Association and the Capital Reserve and Street Fund accounts with the stipulation that overdue dues will be remitted to avoid any negative impact on cash receipts needed to cover budgeted expenses.

Other

None

Respectfully submitted

Bob Bishop
Treasurer
08-06-2019