

Cypress Home Owners Association

February 2008

December 2007 Year-to-date Income Statement

Modified accrual basis

	12 Months	Budget	Variance
Income:			
Assessments	630,000.00	630,000.00	0.00
Special Assessments	56,182.00	65,004.00	(8,822.00)
Fines	0.00	0.00	0.00
Late Charges	3,498.44	2,400.00	1,098.44
Collection Fees	20.00	0.00	20.00
Keys	650.00	0.00	650.00
Reserve Interest	13,587.37	4,800.00	8,787.37
Misc. Income	100.00	0.00	100.00
Total Income	704,037.81	702,204.00	1,833.81
Expense & Allocation:			
Utilities			
Electricity	28,361.49	24,000.00	(4,361.49)
Gas	2,139.74	4,200.00	2,060.26
Water	38,427.72	37,200.00	(1,227.72)
Telephone	305.96	276.00	(29.96)
Trash/Waste Disposal	54,832.45	48,000.00	(6,832.45)
Total Utilities	124,067.36	113,676.00	(10,391.36)
Landscape	81,693.20	104,640.00	22,946.80
Total Landscape	81,693.20	104,640.00	22,946.80
Buildings & Grounds			
Cleaning Common Area	4,457.87	3,300.00	(1,157.87)
Clubhouse Cleaning	1,861.75	2,400.00	538.25
Pest Control Service	810.00	2,400.00	1,590.00
Common Area Repairs	60,563.13	50,400.00	(10,163.13)
Painting & Décor	1,753.58	0.00	(1,753.58)
Total B & G	69,446.53	58,500.00	(10,946.33)
Pool Maint.	11,082.03	12,000.00	917.97
Total Pools	11,082.03	12,000.00	917.97
Administration			
Insurance	232,617.93	205,728.00	(26,889.93)
Licenses & Permits	1,475.00	1,500.00	25.00
Advertising	150.00	0.00	(150.00)
Management Serv.	33,200.00	33,600.00	400.00
Printing & Postage	1,051.65	360.00	(691.65)
Federal Income Tax	2,800.00	0.00	(2,800.00)
State Income Tax	1,410.00	0.00	(1,410.00)
Prof. Services	180.00	0.00	(180.00)
Legal & Accounting	5,241.68	4,200.00	(1,041.68)
Office Supplies	690.24	240.00	(450.24)
Miscellaneous Expense	569.15	1,200.00	630.85
Total Administration	279,385.65	246,828.00	(32,557.65)
Total Expense	565,674 .57	535,644.00	(30,030.57)
Reserve Allocation			
Total Fund & Res. Alloc.	187,417.00	90,000.00	(97,417.00)
Total Expense & Alloc.	753,091.57	625,644.00	(127,447.57)
Net Surplus/(Deficit)	(49,053.76)	76,560.00	(125,613.76)

Treasurer's Report

Karen Hesky

Your new Board of Directors will be working hard this year to make sure our HOA is on its way to being fiscally sound again. But the problems have built up over the last several years and will take a few years to correct.

We face three major issues: a high delinquency balance of approximately \$58,300, a weak reserve fund balance of approximately 22%, and many components (assets) rated in the re-serve study as having a zero useful life (some dating back several years).

The high number of delinquencies directly affects the budget. Home-owners who do not pay their monthly assessments prevent the Association from fulfilling its responsibility to properly maintain the complex.

The delinquencies also negatively impact the ability of new home buyers to obtain home loans. We recently learned that a prospective buyer was denied a loan based on the high number of delinquencies; this unit remains on the market.

We encourage homeowners in financial difficulty to contact us so we can work with you sooner rather than later to ward off liens and foreclosures. Together we can find creative solutions that will benefit us all.

Board of Directors

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Cash on Hand: Operating Account \$83,336 Reserve Account \$205,417

