

GREEN VALLEY DESERT HILLS NO. 5, INC
(A Non-Profit HOA Corporation)
FY2019/2020 YEAR-END FINANCIAL REPORT

A Personal Note: As my association with the Desert Hills No. 5 board of directors comes to an end, this is the last financial report I will provide. It has been a pleasure to be able to contribute, in some small way, to the operation of the organization. Best wishes to the incoming financial team and the board of directors of which they are a part.

Report Summary: This document is comprised by three financial reports exported from accounting records (subsequent pages) and related narratives (below). The reporting period spans 10/1/2019 to 9/30/2020. FY2019 financial performance is positive. Highlights include:

- There were 18 property transfers which provided income of \$1,369 from transfer fees.
- Significant increase in street reserve fund balance.
- Income and expenses are at or near budgeted values.
- Year-over-year increase in net income.

Balance Sheet (page 2): This report lists HOA asset values for current and previous reporting periods and indicates the year-over-year asset value change on cash and percentage basis. As you will note, all HOA assets are in cash equivalents (checking, savings and certificates of deposit). During FY2019: **1)** total assets increased \$31,255 or 10.95%. **2)** equity increased by \$28,877 or 10.94%. Equity is the portion of total assets reserved (restricted use) for operational emergencies and future street maintenance/repairs. Two changes in asset investment occurred during the reporting period **1)** upon Washington Federal CD#404 maturity, its funds were withdrawn and deposited in BMO Harris CD8491 to achieve higher return on investment. **2)** \$25,000, from retained earnings, was invested in BMO Harris CD7179.

Budget Performance (page 3): This report shows how actual income and expenses performed against budgeted amounts. While some line items were either over or under budget. total income was spot on to budget and expenses are 8% less than budget. These amounts result in a net income 6% higher than budgeted. The only single budget line item, on which I will comment, is **Interest Income-Street Fund**. Most of the 20% shortfall in this budget line item is Washington Federal posted the FY2020 last quarter earned interest on October 1. Therefore, the \$637 earned interest during the last quarter of FY2019 is applied to the first quarter of FY2020.

Profit and Loss Year-Over-Year Comparison (page 4): This report compares FY2019 income and expense to FY2018 levels. The report shows there was little change to income. There was a decrease of 15% in expenses. Therefore a 14.5% increase in net income was achieved in FY2019 reporting period.

Report submitted by,

Danny L Puckett

Danny L. Puckett

Green Valley Desert Hills No. 5, Inc.
Balance Sheet Prev Year Comparison
As of September 30, 2020

	Sep 30, 20	Sep 30, 19	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
BMOHarris Road Res CD7179	25,457.41	0.00	25,457.41	100.0%
BMOHarris Road Res CD8491	99,392.20	0.00	99,392.20	100.0%
BMOHarris Road Res CD9688	25,943.57	25,465.94	477.63	1.9%
Chase - Checking	7,657.03	3,403.50	4,253.53	125.0%
Chase High Yield Savings	16,392.60	18,267.56	-1,874.96	-10.3%
Wash Fed - Res 0199	10,542.85	10,387.59	155.26	1.5%
Wash Fed - Res 0207	10,542.85	10,387.59	155.26	1.5%
Wash Fed - Res 0215	10,542.85	10,387.59	155.26	1.5%
Wash Fed - Road Fund Res #404	0.00	98,330.17	-98,330.17	-100.0%
Wash Fed - Road Fund Res #420	57,959.48	57,315.97	643.51	1.1%
Wash Fed - Road Fund Res #7057	52,355.14	51,584.12	771.02	1.5%
Total Checking/Savings	316,785.98	285,530.03	31,255.95	11.0%
Accounts Receivable				
Accounts Receivable	-240.00	0.00	-240.00	-100.0%
Total Accounts Receivable	-240.00	0.00	-240.00	-100.0%
Other Current Assets				
Prepaid De Anza Wall - Contra	-18,275.47	-18,275.47	0.00	0.0%
Prepaid De Anza Wall Costs	18,275.47	18,275.47	0.00	0.0%
Total Other Current Assets	0.00	0.00	0.00	0.0%
Total Current Assets	316,545.98	285,530.03	31,015.95	10.9%
TOTAL ASSETS	<u>316,545.98</u>	<u>285,530.03</u>	<u>31,015.95</u>	<u>10.9%</u>
LIABILITIES & EQUITY				
Equity				
Operating	10,000.00	10,000.00	0.00	0.0%
Restricted Funds - Streets	292,736.35	263,858.97	28,877.38	10.9%
Retained Earnings	-17,206.32	-15,391.65	-1,814.67	-11.8%
Net Income	31,015.95	27,062.71	3,953.24	14.6%
Total Equity	316,545.98	285,530.03	31,015.95	10.9%
TOTAL LIABILITIES & EQUITY	<u>316,545.98</u>	<u>285,530.03</u>	<u>31,015.95</u>	<u>10.9%</u>

Green Valley Desert Hills No. 5, Inc.
Budget Performance
 October 2019 through September 2020

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 10/07/2020
 Accrual Basis

	Oct '19 - Sep 20	Budget	% of Budget
Income			
Revenues			
Homeowners Dues	46,796.00	47,040.00	99.48%
Interest Income-General	4.77	5.00	95.4%
Interest Income-Street Fund	3,877.38	4,672.00	82.99%
Late Fees	213.60	150.00	142.4%
Transfer Fees	1,368.54	350.00	391.01%
Total Revenues	52,260.29	52,217.00	100.08%
Total Income	52,260.29	52,217.00	100.08%
Gross Profit	52,260.29	52,217.00	100.08%
Expense			
Mainternance			
Common Area Maintenance	13,656.00	13,656.00	100.0%
Maintenance - Other	2,141.25	4,750.00	45.08%
Total Mainternance	15,797.25	18,406.00	85.83%
Mgmt (General and Admin)			
Bank Charges	3.60	25.00	14.4%
Christmas Decorations	0.00	50.00	0.0%
Computer Equipment	634.09	800.00	79.26%
GVCCC Dues	1,862.00	0.00	100.0%
Legal	0.00	500.00	0.0%
Membership Mailings	300.65	275.00	109.33%
Office Supplies and Expenses	116.68	450.00	25.93%
Potluck Expenses	0.00	40.00	0.0%
Web Hosting	194.88	200.00	97.44%
Total Mgmt (General and Admin)	3,111.90	2,340.00	132.99%
Taxes and Insurance			
Fee-Corp Annual Filing	10.00	10.00	100.0%
Insurance-Directors and Officer	639.00	655.00	97.56%
Taxes-Income-Federal	1,431.00	1,456.00	98.28%
Taxes-Income-State	243.00	210.00	115.71%
Taxes-Real Estate	12.46	13.00	95.85%
Total Taxes and Insurance	2,335.46	2,344.00	99.64%
Total Expense	21,244.61	23,090.00	92.01%
Net Income	31,015.68	29,127.00	106.48%

Green Valley Desert Hills No. 5, Inc.
Profit & Loss Year-Over-Year Comparison
Fiscal Year 2019-20

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10/07/2020
Accrual Basis

	Oct '19 - Sep 20	Oct '18 - Sep 19	% Change
Income			
Revenues			
Homeowners Dues	46,796.00	46,020.00	1.69%
Interest Income-General	4.77	6.20	-23.07%
Interest Income-Street Fund	3,877.38	4,864.54	-20.29%
Late Fees	213.60	283.20	-24.58%
Transfer Fees	1,368.54	875.52	56.31%
Total Revenues	52,260.29	52,049.46	0.41%
Total Income	52,260.29	52,049.46	0.41%
Gross Profit	52,260.29	52,049.46	0.41%
Expense			
Mainternance			
Common Area Maintenance	13,656.00	13,656.00	0.0%
Maintenance - Other	2,141.25	4,505.45	-52.47%
Total Mainternance	15,797.25	18,161.45	-13.02%
Mgmt (General and Admin)			
Bank Charges	3.60	77.85	-95.38%
Christmas Decorations	0.00	22.49	-100.0%
Computer Equipment	634.09	0.00	100.0%
GVCCC Dues	1,862.00	1,862.00	0.0%
Legal	0.00	878.00	-100.0%
Membership Mailings	300.65	408.45	-26.39%
Office Supplies and Expenses	116.68	205.21	-43.14%
Potluck Expenses	0.00	26.34	-100.0%
Revised CC&R's/ ByLaws	0.00	892.00	-100.0%
Storage	0.00	338.40	-100.0%
Web Hosting	194.88	95.88	103.25%
Total Mgmt (General and Admin)	3,111.90	4,806.62	-35.26%
Taxes and Insurance			
Fee-Corp Annual Filing	10.00	10.00	0.0%
Insurance-Directors and Officer	639.00	639.00	0.0%
Taxes-Income-Federal	1,431.00	1,159.00	23.47%
Taxes-Income-State	243.00	198.00	22.73%
Taxes-Real Estate	12.46	12.68	-1.74%
Total Taxes and Insurance	2,335.46	2,018.68	15.69%
Total Expense	21,244.61	24,986.75	-14.98%
Net Income	31,015.68	27,062.71	14.61%