

Treasurer's Report for FPOA Annual Meeting May 1st 2021

This is the report of my tenure as Treasurer for these last 6 years.

First, Our Bank Of America balance on 3-31-2020 was \$68,116.56

Our balance for this fiscal year on 3-31-2021 was \$72,792.03

which means we have \$7,2792.03 more that we had at this point compared to last year. A/R is \$1304.73 which is more than half what it was last year at \$3,275.73.

You can see the various categories of spending for this last year and compare to previous year by looking at the last column on chart #1.

We presently have an outstanding claim for our water system grant of over \$10,000.00 which we may or may not be reimbursed.

And we have an additional \$2k that needs to have a claim created.

Initially, we were keeping the required 5 separate checking accounts for each category including:

1/ Our main checking account,

3/ Reserve funds

AND our separate loan account,

But because we are writing large checks for the water system project while awaiting to be refunded, the funds are no longer separated.

The almost \$73K in our bank account represents the combined Reserve Funds for the 3 categories of expenses. You can see the assumed breakdown of the Reserve Funds at the bottom of Chart #2

Other Changes includes:

Our main checking account was moved from Wells Fargo to Bank of America after a series of bank mistakes.

Our bookkeeping service is now with John Hartmann Professional Services in Reno. This company also prepares our taxes instead of sending them to Auburn as before.

In our tenure, the Board has added \$3000 a year to our income by charging commercial companies who use our roads. We are constantly looking for income opportunities for the community.

Back in May 2016 our Accounts Receivable was almost \$13K with over \$11k represented by 8 accounts.

This Fiscal Yr end on 3-31-2020 A/R was \$1304.73 with only one account over \$200.00.

Our largest purchase was buying 10 acres south of town for \$40,000.00. This was required for the new water tank and was not reimbursable by the state.

If not used for the water system, there will be income producing opportunities for the future, I am sure. As they say, "Buy land. They don't make it anymore."

You will notice that we have not spent much money on maintenance these past years. There is no sense fixing roads that may be torn up again for water pipes. Also, We are trying so hold our cash to show solvency for the State.

Our overall financial crisis can be clearly seen at the bottom of Chart #1. As you can see, Over the past 4 years, our expenses and income are nearly the same. This does not leave any money that we desperately need for increasing our reserve accounts for repairs and replacements for our infrastructure in the future.

That is why in our last meeting, the Board approved a \$30 a month increase in the dues with an additional \$5 a month increase each year for the next 9 yrs. Quite honestly, if the grant for the new system fails and we have to pay for the bare basics of the new system , it will take more than ten years until we can afford it. (See bottom of chart #3)

As treasurer, I have been the claim processor for over \$850,000 utilizing 3 grants in connection with the building of the new water system. I would like to continue to be the point person in this endeavor if the new Board agrees.

Recently, our efforts to move forward with the water system has been stalled because they want us to have a reserve fund large enough to run and replace the system when needed.

The State has determined that well is not an option for our community.

The State is now in the process of completing an audit to determine how much we would have to increase dues/and fees to meet our reserve requirements. We'll see how that ends up! Saving to replace a \$2.7 million dollar system is a problem in a community that has been deemed impoverished.

We are still fighting the good fight, and expect to receive at least a new water processing plant, even if we don't get the new water tank.

This has been an extremely frustrating process especially these last two years, but we will keep beating the horse until we know for certain that it is dead.

In conclusion, During my time as treasurer, I have tried my best to modernize our systems and decrease expenditures while raising revenues whenever possible,

This ends my report for my tenure as Treasurer of the Floriston Property Owners Association
Karen Seelhoff

Floriston Property Owner's Association
Profit & Loss

04/12/21

April 2020 through March 2021

Accrual Basis

	Apr '20 - Mar 21
Ordinary Income/Expense	
Income	
400 · Income	
401 · Membership Dues and Fees	70,050.00
402 · Road Use Fee	3,000.00
	73,050.00
Total 400 · Income	73,050.00
403 · Fee	
403-1 · Late Fee{39}	535.00
403-2 · Returned Check Charge	270.00
403-4 · Membership Transfer Fee	75.00
	880.00
Total 403 · Fee	880.00
404 · Cell Tower Income	
404-1 · Cell Tower Yearly Income	573.50
404-2 · Cell Tower Monthly Electricity	18,455.00
	19,028.50
Total 404 · Cell Tower Income	19,028.50
411 · Grant Funds - Water TX Project	58,314.88
	58,314.88
Total Income	151,273.38
Expense	
500 · Administrative Expenses	
502 · Liability Insurance	2,304.00
504 · Legal & Accounting	
504-2 · Bookkeeping Services	3,412.87
	3,412.87
Total 504 · Legal & Accounting	3,412.87
506-92 · Other Expenses	100.00
506 · Office	
506-1 · Bank Fees & Service Charges	327.00
506-10 · Office Equipment	300.56
506-3 · Paypal Fees	483.48
506-4 · Document Storage Fees	300.00
506-5 · Filing Fees	5.00
506-6 · Internet Services	1,381.98
506-7 · Office Supplies	275.21
506-8 · Postage	257.40
	3,330.63
Total 506 · Office	3,330.63
510 · Building Expenses	
510-1 · Building Repair	304.96
510-2 · Property Tax & St Bd Equil	1,308.24
	1,613.20
Total 510 · Building Expenses	1,613.20
530 · Town Services	
521 · Town Clean Up	1,300.17
531 · Gas & Electric (utilities)	
531-1 · Electricity Street Lights	846.37
	846.37
Total 531 · Gas & Electric (utilities)	846.37
530 · Town Services - Other	193.35
	193.35
Total 530 · Town Services	2,339.89
532-0 · Payroll Expenses	
532 · Labor	
532-2 · Roads	300.00
	300.00
Total 532 · Labor	300.00

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Accrual Basis

Floriston Property Owner's Association
Profit & Loss
April 2020 through March 2021

	<u>Apr '20 - Mar 21</u>
535 · WC Insurance	915.51
Total 532-0 · Payroll Expenses	<u>1,215.51</u>
Total 500 · Administrative Expenses	14,316.10
550 · Road Service	
550-1 · Repair & Maintenance	1,137.43
550-2 · Snow Removal	<u>17,250.00</u>
Total 550 · Road Service	18,387.43
560 · Sewer Service	
560-1 · Repair and Maintenance	<u>300.00</u>
Total 560 · Sewer Service	300.00
570 · Water Treatment System	
570-1 · Water TX Plant Supplies	3,368.84
570-10 · Interest - USDA	0.00
570-2 · Water TX Repairs & Maintenance	2,319.57
570-3 · Water TX Professional	24,236.75
570-4 · Water Testing	3,118.16
570-6 · Water TX License & Permit	3,371.80
570-8 · Electrical	<u>4,683.75</u>
Total 570 · Water Treatment System	41,098.87
575 · Project Exp - Water Treatment	
575-2 · Construction	18,875.00
575-3 · Planning Professional Fees	<u>40,290.83</u>
Total 575 · Project Exp - Water Treatment	59,165.83
Total Expense	<u>133,268.23</u>
Net Ordinary Income	<u>18,005.15</u>
Net Income	<u><u>18,005.15</u></u>

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04/12/21
Accrual Basis

Floriston Property Owner's Association
Balance Sheet
As of March 31, 2021

	<u>Mar 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
107 · Bank of America	71,382.03
Total Checking/Savings	<u>71,382.03</u>
Accounts Receivable	
120 · Accounts Receivable (A/R)	-1,013.77
Total Accounts Receivable	<u>-1,013.77</u>
Other Current Assets	
12000 · Undeposited Funds	420.00
Total Other Current Assets	<u>420.00</u>
Total Current Assets	70,788.26
Fixed Assets	
151 · Furniture & Fixtures	3,699.56
152 · Road Improvements	63,951.88
153 · School House	7,948.00
154 · Septic Tank	48,660.27
155 · Water Project	245,140.33
157 · Accumulated Depreciation	-626,713.11
158 · Organizational Costs	6,152.66
159 · Accumulated Amortization	-6,152.66
160 · Water Sewer Project	811,121.42
Total Fixed Assets	<u>553,808.35</u>
Other Assets	
161 · Capital Asset Water TX Project	
156 · Test Well WIP	5,260.00
162 · Land	43,055.00
163 · Construction	6,055.00
171 · Engineering/Study & Planning	827,836.87
Total 161 · Capital Asset Water TX Project	<u>882,206.87</u>
Total Other Assets	<u>882,206.87</u>
TOTAL ASSETS	<u><u>1,506,803.48</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
218 · USDA Rural Loan	135,075.65
Total Long Term Liabilities	<u>135,075.65</u>
Total Liabilities	135,075.65
Equity	
320 · Retained Earnings	1,353,722.68
Net Income	18,005.15
Total Equity	<u>1,371,727.83</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,506,803.48</u></u>

Table 1

	2017-2018	2018-2019	2019-2020	2020-2021
Income				
Membership and Fees	\$77945.00	\$72,818.00	\$73,594.00	\$73930.00
Yrly Cell Tower	\$12,000.00	\$12,000.00	\$13,800.00	\$13,800.00
Cell Tower Mo. Income	\$5583.00	\$5592.00	\$5175.00	\$5229.00
	\$95528.00	\$90410.00	\$92569.00	\$92959.00
Administration	\$26430.00	\$17975.00	\$14,810.00	\$14316.00
Roads	\$12229.00	\$16,273.00	\$17,705.00	\$18,387.00
	\$38659.00	\$34248.00	\$32,515.00	\$32703.00
Water System	\$41898.00	\$45761.00	\$45579.00	\$41099.00
USDA Loan	\$6794.00	\$6794.00	\$6794.00	\$6794.00
	\$48692.00	\$52555.00	\$52373.00	\$47893.00
Sewer	\$326.00	\$0.00	\$1164.00	\$300.00
USDA Loan	\$6794.00	\$6794.00	\$6794.00	\$6794.00
	\$7120.00	\$6794.00	\$7958.00	\$7094.00
Admin&Rds	\$38659.00	\$32248.00	\$32515.00	\$32703.00
Water System	\$48692.00	\$52555.00	\$52373.00	\$47893.00
Sewer	\$7120.00	\$6794.00	\$7958.00	\$7094.00
	\$94471.00	\$91597.00	\$92846.00	\$87690.00
	2017-2018	2018-2019	2019-2020	2020-2021
Income	\$95528.00	\$90410.00	\$92569.00	\$92,959.00
Expenses	-\$94471.00	-\$91597.00	-\$92846.00	-\$87690.00
NET	\$1057.00	-\$1187.00	-\$277.00	\$5269.00

Proposed Budget

Chart #2

Table 1

2021-2022 Budget					
Expenses				Income	
Admin.	Liability Insurance	\$2,400.00		Reimbursements/Grant	\$12,000.00
	Book Keeping Service	\$3,500.00		Dues	\$70,050.00
	Office Expenses	\$3,500.00		Fees	\$625.00
	Building Exp & Tax	\$1,650.00		Cell Tower Income	\$13,800.00
	Town Services	\$2,400.00		Cell Tower Electricity	\$544.00
	Payroll	\$3,000.00		A/R	\$1,000.00
		\$16,450.00			\$98,019.00
Roads	Repairs and Maint.	\$2,000.00			
	Snow Removal	\$18,000.00		Income	\$98,019.00
		\$20,000.00		Expenses	-\$98,038.00
				-\$19.00	
Sewer	Repair and Maint.	\$4,000.00			
	USDA Loan	\$6,794.00		NO \$ for Reserve	
		\$10,794.00			
Water	Supplies & Maint.	\$19,000.00			
	System Operators	\$25,000.00			
	USDA Loan	\$6,794.00			
		\$50,794.00			
Admin & Roads	\$36,450.00	37.2%	\$50.22	\$50.00	
Water System	\$50,794.00	51.8%	\$69.93	\$70.00	
Sewer	\$10,794.00	11%	\$14.90	\$15.00	
	\$98,038.00			\$135.00	
Member with Admin, Road and Water	\$120.00				
Reserve Funds w/Incoming \$12,000	Bank Total for End of 2020-21 Fiscal Year \$72,792.03	Reserve Needs	Yrs to meet Need with Proposed Rate Increase over 10 years		
Road	\$20,000.00	\$60K	7		
Water	\$40,000.00	\$450K	15		
Sewer	\$10,000.00	Reserve Met			
	\$70,000.00				