

**Fairwood Village Homeowners' Association
Q1, 2020 (Calendar Year) Financial Report:**

Q1 Income Statement:

1. Income was very slightly above budget (by \$8) due to higher than anticipated reserves CD interest income.
2. Utility expenses were over budget by \$72 (Olympic Water & Sewer bi-monthly billing cycle error in budget (will even out over full year cycle); electricity budgeting error.
3. Management expenses were under budget by \$191.
4. Repairs and Maintenance were over budget by \$1,242 due to backflow inspection costs coming in a month earlier (\$1,085) and bare root plant purchases for Par Four Ct. slope (\$157).
5. Fixed expenses were under budget by \$27.
6. Net Income was \$1,396 which is under budget by \$1,088 due to the above categories.

Balance Sheet:

1. Current Assets are \$15,939 including:
 - a. \$2,633 in our checking account;
 - b. \$13,306 in our savings account (at 0.5% interest).
2. Reserves CDs:
 - a. \$10,729 (maturing in March, 2020 at 2%)
 - b. \$7,465 (now maturing in June, 2021 at 3.0%)
3. Our total Asset value is \$77,929;
4. We have no liabilities (loans, accounts, taxes, notes or bonds outstanding).
5. Our Retained Earnings are equal to our Asset Value at \$76,533. This is a positive \$4,102 per owner.

Reserves Status:

At the general meeting on December 27, 2019 the membership approved a \$65 per quarter dues increase to cover Reserves contribution moving forward. This increase will take effect in April, 2020 on that quarterly dues invoice. This results in our being able to put aside \$4,940 per year towards our eventual capital expenses. Thank you owners...

Change in Fiscal Year:

The short year (6 months, July to December, 2019) tax returns and change in fiscal year forms have been successfully submitted to the IRS and Washington State. There will be no impact for you as owners. Our Board is reviewing our new budget.

Sincerely, Rob Hamilton, Treasurer

Fairwood Village Homeowners' Association