

SUMMARY 2023 Treasurer/Budget Reports & Motions

JULY 25, 2023

Treasurer/Budget Committee Report - Treasurer Phil Balogh

JULY 25, 2023

Fund Balances as of June 30,2023

Operating: \$647,620

Working Capital: 745,446

Reserve Fund: \$656,930. Total of Capital Funds: \$1,402,377

Budget Committee meet July 18, 2023

Reviewed June Financial results:

Our Net ordinary income was \$4,408 positive to budget.

Year to date Net Ordinary income is \$151,608 over budget.

Year to date we are \$334,885 on Net Other Income (Reserve and Capital Fund related income)

- We do expect higher, but on budget labor costs, in the last half of this year as we fill employee positions that have been vacant for some time. We are projecting a very positive year of our financial results.
- Capital funds continue to grow as 17 homes were sold last month.
- The 2021 Accounting Review has been completed and will be presented to the board this week. It will also be published on the member website.
- 2022 Accounting Review is scheduled for completion in August.
- The 2024 budget schedule was established.
- We are waiting for Country Cottage to sign the new Restaurant contract.

Motion to approve Treasurer Report.

- **MOTION A** Treasurer, Phil Balogh I move to transfer \$8,375.25 from the Reserve Fund to the Operations Fund for emergent expenses that are Reserve Fund qualified. **Seconded and approved.**

06/01 /23	CJ Hansen Co Inc	9581	\$2,940.00	replace gas furnace in Greens bldg
06/07 /23	Brim Tractor Company LLC	IS7476	\$1,879.77	repair parts for Turfcot
06/01 /23	OES, LLC	AUR-220 309	\$1,678.11	Kubota repair
06/13 /23	Western Equipment	7283083- 00	\$1,877.37	Irrigation repair
			\$8,375.25	

- **MOTION B** Treasurer, Phil Balogh I move we approve \$3,750.00 from the Reserve Fund for the completion of a Level II On-Site Reserve Study update. **Seconded and approved.**

Discussion: Level II study is required every 3 years, lesser reviews annually. Work to be completed by Reserve Studies by RF.

MOTION #1 Treasurer, Phil Balogh – I move to approve Stan Maier as a member of the Budget Committee. **Seconded and approved.**

June 27, 2023

Treasurer/Budget Committee Report - Treasurer Phil Balogh

JUNE 27, 2023

SUBMITTED BY PHIL BALOGH, TREASURER

Fund balances

Operating- \$734,524

Reserve-\$674,142

Working Capital- \$670,465

Total Capital Funds- \$1,344,677

Profit and Loss Report:

May

	Actual	Budget	Variance
Revenues	\$56,323	\$35,306	\$20,937
Expenses	\$97,901	\$123,702	-\$25,801
Net Income	-\$41,577	-\$88,316	\$46,739
Year to Date Jan-May			
Revenues	\$1,296,068	\$1,237,835	\$58,233
Expenses	\$637,217	\$725,827	\$88,610
Net Income	\$658,851	\$512,008	\$146,843

Budget Committee met on June 20, 2023

Reviewed Reports- Profit and Loss, Balance Sheet, and budget projections.

We are very positive in our Operations Budget, being \$146,843 positive to budget year-to-date. Revenues are 58K positive and Expenses are 88K under budget. Major contributors to these results are the collections of very past due HOA and fine collections, and labor expense due to short staffing in some areas.

Hiring has picked up but we will stay on or below budget for most of the remainder of the year. Revenues are not likely to maintain the same rate as we do not have many outstanding long term past due accounts. Our goal is to operate at budget the remainder of the year and we will be able to finish the year with this positive Income balance of more than \$100,000. This is much needed to improve savings in Operations Fund.

We had nearly 60K in Working Capital Fees from new home sales in May, as our capital funds continue to grow, now over \$1,344,000.

New Restaurant contract should go to Country Cottage for signature this week.

We are in discussions with CPA firms, addressing the timeliness issues we have been having.

Motion to approve Treasurer Report. Seconded and passed.

Motion A: Treasurer, Phil Balogh – I move we approve transfer of \$2,660.00 from the Reserve Fund to the Operations for the purchase of a replacement Rotary Cutter for Grounds and Maintenance.

Amended to correct name of fund: I move we approve transfer of \$2,660.00 from the Working Capital Fund to the Operations for the purchase of a replacement Rotary Cutter for Grounds and Maintenance.

Seconded and passed as amended.

May 23, 2023

Treasurer/Budget Committee Report - Treasurer Phil Balogh

Woodburn Estates and Golf

Tuesday, May 16, 2023

Treasurer and Budget Committee Report

Submitted by Phil Balogh, Treasurer

Fund Balances:

Operating Fund: \$779,722

Reserve Fund: \$672,311

Working Capital Fund: \$603,389

Budget Committee met on May 16, 2023. Allan Lindberg, Mike Hepburn, Connie Watt, Phil Balogh, Debbie Brown attending.

Reviewed April Results.

We were -\$60,855 versus a budget of -\$92,352, so we were positive \$31,496 to budget. Remember, we only make a positive margin in January and July when we receive 75% of our HOA dues.

Year to date \$700,429 to a budget of 600,324 or \$100,104 positive to budget.

We made our usual review of projections for the remainder of the year. Financials are looking positive, but it is still too early to draw any conclusions.

We have a combined \$1,275,700 in Reserve and Working Capital Funds that can be used for capital projects and repairs.

We discussed freeing up Reserve Funds which I will discuss in "For the Good of the Order".

Audit report for 2021 is due any day. Letter of engagement has been sent for 2022 financial review.

I am intending to present an update of Pool project costs to date.

Motion to approve Treasurer Report – seconded and approved.

April 25th, 2023

Treasurer/Budget Committee Report - Treasurer Phil Balogh

April 18,2023

Woodburn Estates and Golf

Treasurer and Budget Committee Report

Submitted by Phil Balogh, Treasurer

Balances

Operating Fund: \$827,450

Reserve Fund: \$689,615

Working Capital Fund: \$587,811

Total Capital funds available: \$1,277,426

Budget committee reviewed March operating budget:

March operations:

Actual (-75,4545). Budget (-124,881)

Year to date operating budget

Actual 761,284. Budget 692,676. Variance is a positive \$68,608.

While it is too early to make any firm projections for the remainder of the year, it is safe to say we are off to a very good financial start to the year.

HOA dues have been running ahead of budget, the positive variance mostly due to collections of past due HOA dues from last and previous years.

Expenses are \$38,196 under budget YTD. Labor cost savings being the major contributor to this result.

These are positive trends, and if we continue to stay on budget, we should have a good financial result in 2023. It is still too early in the year to assume this trend will hold until year end with certainty.

Reserve fund review:

Our current total Reserve and Capital funds are \$1,277,426. We have approved up to \$100,000 for fire suppression system repairs, and \$13,000 for cart path repairs. There are other repairs scheduled but it is the Budget Committee's recommendation that all other expenditures, with the exception of emergent needs, be postponed until we have a more definitive cost to repair the pool, spa, and locker rooms. Our current guestimates are \$600,000 to \$1,000,000. If it comes in on the high end, we will use our capital funds to the base amount needed to meet Reserve Study requirements.

The Budget Committee is concerned that we have not received a completed 2021 Financial Review from Perkins Co. This is the second year they have been very delinquent for the report. We have given them all the requested information and we do not have any irregularities we are aware of. We have asked Debbie Brown to research possible alternative CPA firms to provide us with this service starting with 2022 review.

I am also addressing questions we have received regarding our Payroll Protection Program or PPP funds granted to us 2021.

PPP funds were first distributed as a loan in 2020 and then deemed a grant in 2021.

The conversion to a grant was known to us before we applied. The US government used the banks, initially, to distribute funds as a loan to businesses since the banks had the infrastructure in place to approve and process the funds, and they could do it relatively quickly. The government would then approve those funds as a grant. And this is how the process worked for us.

We received \$192,000 in PPP funds, for which \$173,000 was used for wages and the remainder for some qualifying utility bills. You can see this reported in our financial documents for 2020.

There was a question that WEG was listed as a "S", for profit corporation on the government website. This apparently is an initial error on the part of the bank that was corrected. We have always been a 501(c)7 non-profit corporation and at no time in our 60+ years of existence has any request been made to change it otherwise.

Within the last 6 weeks we have contacted WaFed S&L that assembled and submitted the paperwork for the PPP. They looked up our submittal and gave us copies.

Documents confirmed we applied and were granted PPP funds as a qualifying non-profit corporation. They assured us that the SBA was a partner in the process with them and that there were no issues before, during, or after the process was complete. And we contacted the Small Business Association which is the agency responsible for the PPP program. They did show that the original application was entered as a Subchapter "S" Corp, and that the information was entered by the bank. That information was corrected in the application. He went further to explain that all of their records show that we were approved, there were no red flags and no issues with our application at any point. As far as they are concerned, the chapter is complete, and the book is done...no corrections to be made.

We consulted with our attorney on this issue.

All of our research and that of WaFed and the SBA show that we were granted PPP funds legally as a non-profit corporation. I want to thank Debbie Brown in particular for the many hours she spent following up on this research.

In the complaints sent to us and on social media we have had member(s) accuse Debbie Brown and board members of "cooking the books". Nothing could be farther from the truth. She is a trustworthy professional working long hours to make sure our financial reports are correct, and our finances are reliably healthy. I, along with the budget committee members have only the agenda of making sure WEGs financial position remain strong, that our HOA properties and the personal homes of our members maintain their value, and that we properly fund our HOA operations. These kinds of insinuations and lies that we are hiding or altering any financial data need to cease. It is detrimental and harmful to these individuals' hard work to do the job right.

Motion to approve Treasurer Report - *Seconded and approved.*

March 28th, 2023

Treasurer/Budget Committee - Treasurer Phil Balogh

March 28, 2023

Balances:

Operation Fund- \$921,387

Reserve Fund- \$714,088

Working Capital Fund- \$546,531

Budget Committee met on Tuesday March 21, 2023

Reviewed Operations Budget results. We were about \$49,052 to the positive net income. We will continue to monitor revenues and expenses monthly but it is way too early to make any forecast or assumptions about future financial performance.

Reviewed Balance Sheet- no issues.

Motion to approve Treasurer Report

Motion #1: Treasurer Phil Balogh – I move we approve a transfer of \$24,331.29 from the Reserve Fund to Operations Fund for Reserve Fund Qualified expenses paid out of Operations Fund. **This motion was seconded and approved.**

FEBRUARY	01/24/23	DoneRight	40339807	\$ 7,380.21	drainage repairs by ProShop
				\$ 7,380.21	<i>approved expense from 2023 Reserve Budget paid directly from Reserves</i>
	02/02/23	DoneRight	41029991	\$ 5,080.00	storm drain vacuuming
	02/24/23	Prier Pipe	P031522	\$ 1,668.91	plumbing supplies for pool/pump room repairs
	02/25/23	Ernst Irrigation	P96609	\$ 1,074.33	plumbing supplies for pool/pump room repairs
	02/27/23	Prier Pipe	P031551	\$ 1,377.86	plumbing supplies for pool/pump room repairs
				\$ 9,201.10	<i>approved expenses from 2023 Reserve Budget</i>
	01/18/23	CJ Hansen Co Inc	WO-0016090	\$ 1,126.19	HVAC Repairs
	02/10/23	Northside Electric	100439	\$ 3,151.42	electrical repairs in Restaurant
	02/15/23	Mac's Radiator & Repair Inc	10159757	\$ 1,703.47	radiator repair on Orange Cushman
	02/15/23	KaTom Restaurant Supply Inc	I4384710	\$ 1,769.00	replaced broken Freezer in Restaurant
				\$ 7,750.08	<i>all emergent repairs approved by Mgmt Team</i>
				\$24,331.39	

February 2023

Treasurer/Budget Committee - Treasurer Phil Balogh

Budget Committee met on Thursday February 23, 2023.

Connie Watt, Allan Lindberg, Mike Hepburn, Phil Balogh, Debbie Brown, Chip Sullivan, and Vince Cantwell were in attendance.

- Discussed 2022 year-end results.
- Discussed January 2023 monthly results
- It is too early to draw any conclusions; HOA dues are coming in at a higher rate than last year; other revenues like Associate Memberships, RV rentals, and Publication revenue are a little slower. Expenses are running under budget. We are \$14,590 positive to budget.
- Discussed Reserve Budget modifications needed to fund future Pool/Spa repairs.
- We discussed possible Reserve Study items that can be postponed until all pool costs are known. We will be working with House Committee to finalize our recommendations.

Motion #1: Treasurer Phil Balogh- I move we approve up to \$100,000 of Reserve Funds to continue repair of the Fire suppression system. **Seconded and approved.**

Discussion: The system has many clogs, and the air compression system is compromised in many areas. While the full extent of the repair is not known until they start work, this is a potential immediate safety hazard. Motion seconded and approved.

Motion #2: Treasurer Phil Balogh - I move we approve transferring \$8632.25 from Reserve Fund to Operating fund for qualified Reserve Fund expenditures paid from Operations Fund. **Seconded and approved.**

nv Date	Vendor	Inv#	Inv Amt	Description
01/01/23	CJ Hansen Co Inc	WO-0016633	\$1,128.54	HVAC repairs in locker rooms
01/01/23	CoolSys	1512025	\$1,188.90	refrigerator repair #G1418149
01/12/23	Northside Electric	98986	\$2,914.00	repair/replace tunnel lights w/LED lights
01/12/23	Northside Electric	98987	\$3,400.81	electrical repairs in kitchen - convection oven & lighting
			\$8,632.25	

Woodburn Estates and Golf

Treasurer and Budget Committee Report

Year end 2022

2022 Year End Financial Report

Fund Balances

Operations Fund- \$150,115

Reserve Fund-\$725,224

Working Capital Fund-\$488,152

RV Lot Fund-\$2,480r

Ending Operations fund cash after prepaid Accounts Receivable- \$84,112

Operation Fund lost (\$6,258) and short \$30,707 or 2% of budget.

Loss of Gross Profit (Revenues -Cost of Goods Sold) was the main contributor to the Loss.

Total revenues were down (\$72,229) of budget.

Major budget variances were Member Golf memberships (\$31,610), RV storage fees (\$7,779),

Publications income (\$7,727), and HOA dues (\$8,808) with \$30,000 past due Accounts. Expenses were \$41,522 less than budgeted.

Major variances were:

Labor costs \$66,485 less than budget, mostly due to short staffing.

Benefits were \$4,048 less than budget.

Groundskeeping was (\$27,939) over budget mostly due to inflationary fuel costs and extraordinary tree maintenance.

Maintenance expense was (\$18,747) or 20% over budget. Many issues in most every account in maintenance. Given the age of our buildings, I expect this trend to continue.

Professional Services were \$22,657 or 18% less than budget. Less needed computer

support, Office supply costs, and reduced bank fees were the major contributors to this success.

All other accounts were near budget.

Reserve Fund

Beginning Balance \$1,002,708

Revenues 0

Expenses (\$299,514)

Investment Gain/loss (\$22,030)

Ending Balance \$725,224

Working Capital Fund

Beginning Balance 0

Income 488,152

Ending Balance \$488,152

January 24, 2023

January 24, 2023

Woodburn Estates and golf

Treasurer Report

Fund Balances:

Operations Fund- \$150,115

Reserve Fund-\$725,224

Working Capital Fund- \$488,152

RV Lot Fund \$2,480

Ending Cash in operations- \$66,000

Budget Committee met on Friday, January 19, 2023

Introduced new members, reviewed budget committee purpose (monitor financial results

monthly and prepare 2024 budget for BOD approval in the fall).

We reviewed December and 2022 year-end financial results.

We will have a full year end 2022 report in February.

For December our Net Margin was -(\$135,865) against a budget of \$(-107,987).

Expense control was very good, \$90,405 versus a budget of \$131,509.

Revenues were adjusted to reflect HOA and storage fee dues received in 2022 but are for 2023, adjusting revenues to a negative (45,459).

Year-end we are projecting a loss of \$15,000 and short budget by \$40,000.

Cash in Operating fund for 2023 remains a positive \$66,000.

As noted earlier, we will have a full year end report in February.

I would like to address the flyer put in everyone's mail slot last week.

Phil Balogh

Treasurer.

January 10, 2023 – 1:30 pm

Treasurer/Budget Committee

Motion #10: Phil Balogh, I move to add the following members in good standing the Budget Committee 2023:

Seconded and approved.

Mike Hepburn

Connie Watt

Allan Lindberg

Debbie Brown

Chip Sullivan

Vince Cantwell

Phil Balogh