

ACBC Treasurer's Report
January 27, 2018

ASSETS

At year end of 2017, ACBC held the following current assets:

	Dec 31, 17
Checking/Savings	
Capital One #6669	
C1 - 2016 Pool Assessment	\$ 375,000.00
C1 - Interest - Pool	\$ 3,238.55
Total Capital One #6669	\$ 378,238.55
Capital One #9078 - Savings	
C1 - Contingency/Reserve	\$ 64,000.00
C1 - Interest - Savings	\$ 977.36
C1 - Restricted - Playground	\$ 4,958.72
C1 - Savings	\$ 35,052.13
Total Capital One #9078 - Savings	\$ 104,988.21
Heritage Bank Business Checking	
Pool Assessment 2016	\$ 66,237.03
Pool Donations	\$ 508.22
Restricted - Erosion Reserve	\$ 9,151.69
Restricted - Hardship Fund	\$ 1,650.00
Swim Scholarship	\$ 162.42
Unrestricted	\$ 77,788.75
Total Heritage Bank Business Checking	\$ 155,498.11
Total Checking/Savings	\$ 638,724.87

On 10/06/2017 Island County assigned a 2018 *Market Valuation of Real Property* to ACBC of \$1,892,430.

INCOME

Our income breakdown for 2017 was as follows:

	Jan - Dec 17
Income	
Dues Revenue	
Dues, Associate Members Annual	\$ 1,000.00
Dues, Members Annual	\$ 113,381.33
Dues, Write-offs	\$ (498.54)
Prior Balances 09/30/2012	\$ 1,599.60
Total Dues Revenue	\$ 115,482.39
Facility Usage Revenue	\$ 880.00
Pool Assessments 2016	
Assessment Income	\$ 63,345.77
Assessment Refunds	\$ (16,838.31)
Assessments Write-offs	\$ (1,000.00)
Total Pool Assessments 2016	\$ 45,507.46
Pool Donation Revenue	\$ 116.46
Pool Usage Fee Revenue	\$ 14,290.63
Returned Check Charges	\$ 95.00
Returned Check Fee Income	\$ 0.46
Service Charge Income	\$ 2,659.81
Transfer Fee Revenue	\$ 2,700.00
Total Income	\$ 181,732.21

Unaudited 2017 *Balance Sheet* and *Income Statement* reports will be posted as part of the Treasurer's Report in on the Club's official website: www.acbc-whidbey.org, Documents → Meeting Minutes → 2018 → 2018-01-27 Annual Meeting.

MEMBERSHIP & RECEIVABLES

During this year there have been some lot combinations, reducing membership; several owners of multiple lots sold some of their parcels, creating more members, and; more than 50 parcels were transferred to new owners.

As of 12/31/2017, we had \$263,778 of dues, fees and assessments past due. This sum is based on a total of 690 parcels owned by 591 members. Members Not in Good Standing increased over last year primarily due to the fact that the 2016 pool assessment became due in September. The breakdown is as follows:

Parcels				
owing	#	amount due	avg/par	
<= \$ 5	429	\$ (1,054)	\$ (2)	
<= \$ 100	7	\$ 219	\$ 52	
<= \$ 250	22	\$ 4,365	\$ 200	
<= \$ 500	23	\$ 9,759	\$ 430	
<= \$ 750	30	\$ 20,089	\$ 663	
<= \$1,000	79	\$ 75,464	\$ 952	
<= \$1,500	66	\$ 86,224	\$ 1,307	
<= \$3,000	32	\$ 61,918	\$ 1,953	
<= \$5,000	2	\$ 6,794	\$ 3,397	
\$5,000+	0	\$ -		
Total	690	\$ 263,778		

Members				
owing	#	amount due	avg/mem	
<= \$ 5	378	\$ (1,034)	\$ (2)	
<= \$ 100	7	\$ 219	\$ 46	
<= \$ 250	14	\$ 2,871	\$ 208	
<= \$ 500	13	\$ 5,404	\$ 429	
<= \$ 750	24	\$ 15,843	\$ 649	
<= \$1,000	59	\$ 56,755	\$ 944	
<= \$1,500	45	\$ 56,292	\$ 1,253	
<= \$3,000	42	\$ 86,325	\$ 2,078	
<= \$5,000	7	\$ 25,692	\$ 3,670	
\$5,000+	2	\$ 15,411	\$ 7,706	
Total	591	\$ 263,778		

Non-Perc Lots	84
Total Members	591
1 parcel	520
2 parcels	53
3 parcels	12
4 parcels	4
5 parcels	1
6 parcels	0
7 parcels	1

Standing	
Members in Good Standing	388
Members Not in Good Standing	203
Dues Payment Plan (current)	10

INDEPENDENT REVIEW

On August 1st an independent review of ACBC's association documents and 2016 financial data was completed. A summary of key comments follows:

- Fiscal year 2016 was managed by three different entities/persons, and finished the year with the books being in much better order than at the beginning of the year.
- Basic bookkeeping tasks were in good order, with only three minor events requiring an adjustment. Accounts receivables were carefully reviewed and improved, with several recommendations for best practices made by the accountant.
- The payroll processes were successfully managed by *Bcct'g Services*, with one noted error that was duly corrected.

- The question of unrelated business income came up, with some recommendations made to better track pool fees received from non-members (guests) and associate members.
- Board practices were reviewed, commenting that meeting minutes were reasonably clear and showed good continuum and follow through.
- The review finished by the accountant commenting that, in spite of the size of the association and the various views of its members, the Board of Directors 'continues to do a very good job of working through the need (sic) of and meeting the objectives of the Association,' with a special commendation for Steve Morrow, whose diligence and many hours spent organizing the books, saved ACBC a substantial sum of money.

POOL REFURBISHMENT

An account dedicated to tracking expenses for the pool refurbishment has been established in the Club's accounting software, which allow for effective and accurate tracking of expenses.

ADMINISTRATIVE SERVICES

ACBC is currently looking to engage administrative services to replace those that were lost several years ago. The goal is to consolidate key day-to-day functions with an independent service provider who will also be available to respond to member inquiries on a regular and consistent basis.

Admiral's Cove Beach Club
Balance Sheet
As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
Capital One #6669	
C1 - 2016 Pool Assessment	375,000.00
C1 - Interest - Pool	3,238.55
Total Capital One #6669	378,238.55
Capital One #9078 - Savings	
C1 - Contingency/Reserve	64,000.00
C1 - Interest - Savings	977.36
C1 - Restricted - Playground	4,958.72
C1 - Savings	35,052.13
Total Capital One #9078 - Savings	104,988.21
Heritage Bank Business Checking	
Pool Assessment 2016	66,237.03
Pool Donations	508.22
Restricted - Erosion Reserve	9,151.69
Restricted - Hardship Fund	1,650.00
Swim Scholarship	162.42
Unrestricted	77,788.75
Total Heritage Bank Business Checking	155,498.11
Total Checking/Savings	638,724.87
Accounts Receivable	
Dues Accounts Receivable	-753.93
Total Accounts Receivable	-753.93
Other Current Assets	
Undeposited Funds	75.00
Total Other Current Assets	75.00
Total Current Assets	638,045.94
Fixed Assets	
Defibrillator kit	
Acc. Depr. - Defib Kit	-88.00
Defibrillator kit - Other	1,325.78
Total Defibrillator kit	1,237.78
Furniture, Fixtures & Eqpt.	
Accr. Depreciation - F, F & E	-1,581.82
Furniture, Fixtures & Eqpt. - Other	1,634.82
Total Furniture, Fixtures & Eqpt.	53.00
Office Equipment & Software	
Acc. Depr. - Office Equipment	-532.62
Office Equipment & Software - Other	532.62
Total Office Equipment & Software	0.00
Pool & Shelter Complex	
Acc. Depr. - Pool & Shelter	-193,686.09
Pool & Shelter	204,204.72
Pool Refurbishment	1,015.00
Total Pool & Shelter Complex	11,533.63

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Cash Basis

Admiral's Cove Beach Club

Balance Sheet

As of December 31, 2017

	Dec 31, 17
Road Construction	
Acc. Depr. - Road	-52,908.78
Road - Private	64,679.78
Total Road Construction	11,771.00
Small Equipment	
Acc. Depr. - Small Equipment	-238.47
Small Equipment - Other	243.47
Total Small Equipment	5.00
Television, DVD Player	
Acc. Depr. - Television Eqpt	-1,124.35
Television, DVD Player - Other	1,156.35
Total Television, DVD Player	32.00
Waste 1.5 YD Container	543.86
Total Fixed Assets	25,176.27
Other Assets	
Land	10,215.00
Total Other Assets	10,215.00
TOTAL ASSETS	673,437.21
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-0.36
Total Accounts Payable	-0.36
Other Current Liabilities	
Facility Rental Deposits Held	30.00
Payroll Liabilities	
FUTA Payable	95.39
Total Payroll Liabilities	95.39
Total Other Current Liabilities	125.39
Total Current Liabilities	125.03
Total Liabilities	125.03
Equity	
Unrestricted Net Assets	579,395.75
Net Income	93,916.43
Total Equity	673,312.18
TOTAL LIABILITIES & EQUITY	673,437.21

Admiral's Cove Beach Club
Income Statement - Annual
 January through December 2017

	Jan - Dec 17
Ordinary Income/Expense	
Income	
Dues Revenue	
Dues, Associate Members Annual	1,000.00
Dues, Members Annual	113,381.33
Dues, Write-offs	(498.54)
Prior Balances 09/30/2012	1,599.60
Total Dues Revenue	115,482.39
Facility Usage Revenue	880.00
Pool Assessments 2016	
Assessment Income	63,345.77
Assessment Refunds	(16,838.31)
Assessments Write-offs	(1,000.00)
Total Pool Assessments 2016	45,507.46
Pool Donation Revenue	116.46
Pool Usage Fee Revenue	14,290.63
Returned Check Charges	95.00
Returned Check Fee Income	0.46
Service Charge Income	2,659.81
Transfer Fee Revenue	2,700.00
Total Income	181,732.21
Gross Profit	181,732.21
Expense	
1. - Overhead Expenses	
Bank Charges and Fees	
Bank Charges	65.78
Credit Card Fee	161.30
Total Bank Charges and Fees	227.08
Insurance Expense	
Crime Insurance	1,107.00
D & O Insurance	13,180.00
General Liability Insurance	8,728.53
Total Insurance Expense	23,015.53
Internet/Web/Computer Expense	824.83
Meeting Rental Expense	245.00
Miscellaneous Expense	197.12
Office Supplies	1,619.22
Personnel Expense	
WSP Security Check	12.00
Total Personnel Expense	12.00
Postage and Delivery	1,096.18
Printing and Reproduction	114.42
Professional Fees	
Accounting Expense	
Administration	3,612.75
Bookkeeping	3,178.75
VPN	831.50
Total Accounting Expense	7,623.00

Admiral's Cove Beach Club
Income Statement - Annual
 January through December 2017

	Jan - Dec 17
Audit	1,805.71
Consulting Fees	225.00
Legal Expense	1,091.50
Registered Agent Services	60.00
Total Professional Fees	10,805.21
Telephone Expense	599.25
Total 1. - Overhead Expenses	38,755.84
2. - Club Property Expenses	
Equipment Rental Expense	450.00
Landscaping and Groundskeeping	2,080.45
Permits & Inspections	
Backflow Inspect	54.35
Inspection Vessel Pressure	126.70
Lake Testing	660.00
Pool Permit (Health Dept)	309.00
Wetlands/Shoreline	2,060.00
Total Permits & Inspections	3,210.05
Pest Control	538.12
Repairs and Maintenance	
Pool Repair and Maintenance	661.54
Repairs and Maintenance - Other	2,119.65
Repairs and Maintenance - Other	7,297.49
Total Repairs and Maintenance	10,078.68
Security Expense	260.96
Small Tools and Equipment	19.96
Storage, Offsite	1,320.00
Supplies Expense	
Hospitality Supplies Expense	1,289.66
Pool Supplies Expense	3,062.66
Supplies Expense - Other	792.16
Supplies Expense - Other	43.68
Total Supplies Expense	5,188.16
Tax - Use Tax	101.97
Taxes - Property	86.51
Utilities	
Electricity Expense	1,841.77
Garbage Expense	327.39
Propane Expense - Pool Tank	7,288.01
Propane Expense - Shelter Tank	226.03
Water Expense	611.68
Total Utilities	10,294.88
Total 2. - Club Property Expenses	33,629.74
3. - Payroll Expenses	
Employer Taxes Expense	
FICA (Soc Sec) Expense	985.72
FUTA	95.39
L&I Expense	642.57
Medicare (Emp Portion)	230.54
SUTA Expense	20.67
Total Employer Taxes Expense	1,974.89
Wages Expense	15,898.63
Total 3. - Payroll Expenses	17,873.52

Admiral's Cove Beach Club
Income Statement - Annual
January through December 2017

	<u>Jan - Dec 17</u>
Bank Service Charges	12.00
Total Expense	<u>90,271.10</u>
Net Ordinary Income	91,461.11
Other Income/Expense	
Other Income	
Interest Income	2,059.91
Total Other Income	2,059.91
Other Expense	
Ask my accountant	(395.41)
Total Other Expense	<u>(395.41)</u>
Net Other Income	2,455.32
Net Income	<u><u>93,916.43</u></u>