

FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2014
KELLY ALLEN, CONTROLLER

The financial statements reported this month may be subject to year-end audit adjustments by our independent public accounting firm who will begin their review of our books and records during the month of March. For the twelve months ending December 31, 2014, the POA had an operating profit (before depreciation) of \$1,035,406 and a net income (after depreciation) of \$288,435. For the month ending December 31, 2014, the POA had an operating profit of \$44,326 and a net loss of \$18,431, which was \$63,621 below budget. Gross profit (revenue less cost of goods sold) was \$16,634 below budget while operating expenses were \$37,672 over budget. Revenue for the month of December was \$22,811 short of budget of \$608,220.

We have spent considerable time, effort and expense during the year attempting to collect past due accounts. While our collection attorney succeeded in cleaning up many of our older accounts, our estimated provision for bad debts has increased by \$220,000 during the year. This increase results in an entirely unnecessary expense to your association that could be avoided. In accordance with our by-laws, unpaid property dues become a lien against the property involved. We remain committed to bringing these funds back to work for the POA and are grateful to members who have prepaid their 2015 dues as well as those who pay monthly dues in a timely manner.

Don't forget that Gift Certificates will be available after February 1st, 2015, for those members who chose to pay annual dues by January 31, 2015. For 2015, the certificates are in \$10 increments, redeemable for Golf, Tennis, or Dining. The certificates may be picked up at the POA Office after 2/1/15, and will have a December 15 expiration date.