

Meadowlake Village Homeowners' Association

Financial Statements

June 30, 2022

Jimmie Pierce CPA, P.C.

601 West Main
La Porte, TX 77571

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Meadowlake Village Homeowners' Association
Baytown, TX 77521

Management is responsible for the accompanying financial statements of Meadowlake Village Homeowners' Association (a corporation), which comprise the balance sheet as of June 30, 2022, and the related statements of income, and changes in fund balances for the quarter and year then ended in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

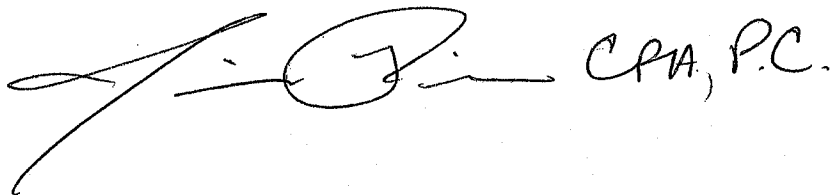
Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to my compilation engagement, however, I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Management has omitted supplementary information about future major repairs and replacements of common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

I am not independent with respect to Meadowlake Village Homeowners' Association.

Jimmie Pierce CPA, P.C.
La Porte, TX.
July 7, 2022

A handwritten signature in black ink, appearing to read "J. Pierce CPA, P.C.", is written over the printed name and title.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

BALANCE SHEET

JUNE 30, 2022

ASSETS	Operating Fund	Capital Projects & Reserves Fund	Total
Current Assets			
Cash & Cash Equivalents	\$ 237,354.36	\$ 271,900.36	\$ 509,254.72
Maintenance Fees Receivable	58,984.78	-	58,984.78
Prepaid Insurance	4,555.08	-	4,555.08
Due from/(to) other funds	<u>(27,509.93)</u>	<u>27,509.93</u>	<u>-</u>
Total Current Assets	273,384.29	299,410.29	572,794.58
Fixed Assets			
Playground Equipment	36,771.95	-	36,771.95
Pool Furniture	5,553.67	-	5,553.67
Office Equipment	2,173.09	-	2,173.09
Camera	1,292.45	-	1,292.45
Pool House Equipment	33,032.96	-	33,032.96
Less: Accum. Depreciation	<u>(69,031.50)</u>	<u>-</u>	<u>(69,031.50)</u>
Total Fixed Assets	<u>9,792.62</u>	<u>-</u>	<u>9,792.62</u>
Total Assets	<u>\$ 283,176.91</u>	<u>\$ 299,410.29</u>	<u>\$ 582,587.20</u>
LIABILITIES & FUND BALANCES			
Current Liabilities			
Tennis Key Deposits	\$ 300.00	\$ -	\$ 300.00
Total Current Liabilities	\$ 300.00	\$ -	\$ 300.00
Fund Balances	<u>\$ 282,876.91</u>	<u>\$ 299,410.29</u>	<u>\$ 582,287.20</u>
Total Liabilities & Fund Balances	<u>\$ 283,176.91</u>	<u>\$ 299,410.29</u>	<u>\$ 582,587.20</u>

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

STATEMENT OF INCOME AND CHANGES IN FUND BALANCES

FOR THE QUARTER ENDED JUNE 30, 2022

	Operating Fund	Capital Projects Fund	Total
REVENUE			
Maintenance Fee Income	\$ 42,084.08	\$ 42,250.00	\$ 84,334.08
Online Credit Card Processing	1,722.81		1,722.81
Legal Fee Reimbursement Income	11,628.45	-	11,628.45
Administrative Fee Income	1,991.72	-	1,991.72
Transfer Fee Income	12,373.20	-	12,373.20
Interest Income - Bank Accounts	67.78	-	67.78
Interest Income - Homeowners	1,442.82	-	1,442.82
NSF Charges Income	35.00	-	35.00
Pool Rental Income	1,031.25	-	1,031.25
Pool Tag Updates	875.35	-	875.35
Penalty Charges Income	4,760.00	-	4,760.00
Total Revenue	78,012.46	42,250.00	120,262.46
EXPENSES			
Accounting Fees	10,825.01	-	10,825.01
Bank Service Charges	10.00	-	10.00
Credit Card Processing Fee	2,182.76	-	2,182.76
Mileage Reimbursement	653.24	-	653.24
Insurance Expense	4,942.79	-	4,942.79
Depreciation Expense	1,162.75	-	1,162.75
Camera Maintenance & Repair	389.70	-	389.70
Miscellaneous	58.44	-	58.44
Office Supplies	614.71	-	614.71
Postage & Copying	176.00	-	176.00
Deed Restriction Software	480.00	-	480.00
Trash Maintenance - Common Area	975.00	-	975.00
Lawn Maintenance	2,316.06	-	2,316.06
Legal Fees	10,451.73	-	10,451.73
Bad Debt Expense	2,110.46	-	2,110.46
Communication	488.07	-	488.07
Postage Meter Rental	300.57	-	300.57
Recreation Committee	489.25	-	489.25
Entrance Expense	189.61	-	189.61
Bath House - Repairs & Maintenance	3,671.82	-	3,671.82
Playground - Repairs & Maintenance	100.00	-	100.00
Pool - Staff/Chemicals	18,393.58	-	18,393.58
Pool Electricity	1,792.93	-	1,792.93
Pool Overhead (Tags, Etc.)	1,455.79	-	1,455.79
Pool Repairs & Maintenance	7,074.00	-	7,074.00
Pool Telephone	180.00	-	180.00
Pool Water & Sewer	90.71	-	90.71
Patrol Service	5,448.00	-	5,448.00
Electricity - Street Lights	5,049.54	-	5,049.54
Taxes - Property	1.62	-	1.62
Transfer/Resale Fee Expense	3,626.00	-	3,626.00
Vending Supplies	273.62	-	273.62
Capital Expenditures	-	12,050.00	12,050.00
TOTAL GENERAL EXPENSES	85,973.76	12,050.00	98,023.76
Net Revenues (Loss)	\$ (7,961.30)	\$ 30,200.00	\$ 22,238.70

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

STATEMENT OF INCOME AND CHANGES IN FUND BALANCES

FOR THE QUARTER ENDED JUNE 30, 2022

	<u>Operating Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
FUND BALANCE MARCH 31, 2022	\$ 290,838.21	\$ 269,210.29	\$ 560,048.50
Net Revenues (Loss)	<u>(7,961.30)</u>	<u>30,200.00</u>	<u>22,238.70</u>
FUND BALANCE JUNE 30, 2022	<u>\$ 282,876.91</u>	<u>\$ 299,410.29</u>	<u>\$ 582,287.20</u>

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

STATEMENT OF INCOME AND CHANGES IN FUND BALANCES

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Operating Fund	Capital Projects Fund	Total
REVENUE			
Maintenance Fee Income	\$ 84,168.16	\$ 84,500.00	\$ 168,668.16
Online Credit Card Processing	3,451.31		3,451.31
Legal Fee Reimbursement Income	14,207.53	-	14,207.53
Administrative Fee Income	2,191.72	-	2,191.72
Transfer Fee Income	19,570.00	-	19,570.00
Interest Income - Bank Accounts	134.80	-	134.80
Interest Income - Homeowners	2,557.85	-	2,557.65
NSF Charges Income	35.00	-	35.00
Pool Rental Income	1,256.25	-	1,256.25
Pool Tag Updates	875.35	-	875.35
Penalty Charges Income	4,740.00	-	4,740.00
Total Revenue	133,187.97	84,500.00	217,687.77
EXPENSES			
Accounting Fees	19,043.35	-	19,043.35
Bank Service Charges	10.00	-	10.00
Credit Card Processing Fee	3,228.71	-	3,228.71
Mileage Reimbursement	960.37	-	960.37
Insurance Expense	9,546.29	-	9,546.29
Depreciation Expense	2,252.50	-	2,252.50
Security Entrance Cameras	13,200.00	-	13,200.00
Camera Maintenance & Repair	779.40	-	779.40
Miscellaneous	215.38	-	215.38
Office Supplies	1,128.08	-	1,128.08
Postage & Copying	2,739.55	-	2,739.55
Deed Restriction Software	960.00	-	960.00
Trash Maintenance - Common Area	1,575.00	-	1,575.00
Postage Meter Rental	582.97	-	582.97
Legal Fees	17,416.81	-	17,416.81
Bad Debt Expense	2,110.46	-	2,110.46
Transfer/Resale Fee Expense	5,886.00	-	5,886.00
Communications	1,111.54	-	1,111.54
Recreation - Community	489.25	-	489.25
Taxes - Property	1.62	-	1.62
Entrance Expense	794.19	-	794.19
Bath House - Repairs & Maintenance	4,174.85	-	4,174.85
Playground - Repairs & Maintenance	302.00	-	302.00
Pool - Staff/Chemicals	26,898.46	-	26,898.46
Pool Electricity	3,534.15	-	3,534.15
Pool Overhead (Tags, Etc.)	1,455.79	-	1,455.79
Pool Repairs & Maintenance	7,342.00	-	7,342.00
Pool Telephone	360.00	-	360.00
Pool Water & Sewer	190.42	-	190.42

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

STATEMENT OF INCOME AND CHANGES IN FUND BALANCES

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Operating Fund	Capital Projects Fund	Total
Electricity - Street Lights	10,301.79	-	10,301.79
Vending Supplies	273.62	-	273.62
Patrol Service	19,159.64	-	19,159.64
Lawn Maintenance - Common Area	7,546.18	-	7,546.18
Capital Expenditures	-	12,050.00	12,050.00
TOTAL GENERAL EXPENSES	165,570.37	12,050.00	177,620.37
Net Revenues (Loss)	<u>\$ (32,382.40)</u>	<u>\$ 72,450.00</u>	<u>\$ 40,067.40</u>
FUND BALANCE DECEMBER 31, 2021	\$ 315,259.31	\$ 226,960.29	\$ 542,219.60
Net Revenues (Loss)	<u>(32,382.40)</u>	<u>72,450.00</u>	<u>40,067.60</u>
FUND BALANCE JUNE 30, 2022	<u>\$ 282,876.91</u>	<u>\$ 299,410.29</u>	<u>\$ 582,287.20</u>

See accompanying accountant's compilation report.

Supplementary Information

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

SCHEDULE I: COMPARISON OF ACTUAL REVENUES AND EXPENSES TO BUDGETED REVENUES AND EXPENSES

FOR THE QUARTER ENDED JUNE 30, 2022

REVENUE	Actual	Budget	Difference
Maintenance Fee Income	\$ 84,334.08	\$ 84,334.08	\$ -
Online Credit Card Processing	1,722.81	-	1,722.81
Legal Fee Reimbursement Income	11,628.45	-	11,628.45
Administrative Fee Income	1,991.72	625.00	1,366.72
Transfer Fee Income	12,373.20	2,500.00	9,873.20
Interest Income - Bank Accounts	67.78	50.00	17.78
Interest Income - Homeowners	1,442.82	750.00	692.82
NSF Charges Income	35.00	12.50	22.50
Pool Rental Income	1,031.25	250.00	781.25
Pool Tag Updates	875.35	-	875.35
Penalty Charges Income	4,760.00	-	4,760.00
Vending Machine Income	-	-	-
Total Revenue	120,262.46	88,521.58	31,740.88
EXPENSES			
Accounting Fees	10,825.01	15,000.00	(4,174.99)
Audit Expense	-	662.50	(662.50)
Bank Service Charges	10.00	25.00	(15.00)
Security Cameras	-	3,750.00	(3,750.00)
Camera Maintenance	389.70	500.00	(110.30)
Credit Card Processing Fee	2,182.76	-	2,182.76
Mileage Reimbursement	653.24	-	653.24
Insurance Expense	4,942.79	4,875.00	67.79
Depreciation Expense	1,162.75	-	1,162.75
Deed Restriction Software	480.00	600.00	(120.00)
Trash Maintenance - Common Area	975.00	-	975.00
Miscellaneous	58.44	250.00	(191.56)
Office Supplies	614.71	625.00	(10.29)
Postage & Copying	176.00	1,125.00	(949.00)
Postage Meter Rental	300.57	250.00	50.57
Taxes - Property & Income	1.62	2.50	(0.88)
Legal Fees	10,451.73	2,500.00	7,951.73
Bad Debt Expense	2,110.46	1,250.00	860.46
Communication	488.07	775.00	(286.93)
Neighborhood Watch	-	75.00	(75.00)
Recreation Committee	489.25	375.00	114.25
Entrance Expense	189.61	462.50	(272.89)
Bath House - Repairs & Maintenance	3,671.82	1,500.00	2,171.82
Playground - Repairs & Maintenance	100.00	187.50	(87.50)
Pool - Staff/Chemicals	18,393.58	12,250.00	6,143.58
Pool Electricity	1,792.93	2,125.00	(332.07)
Pool Overhead (Tags, Etc.)	1,455.79	250.00	1,205.79
Pool Repairs & Maintenance	7,074.00	1,625.00	5,449.00

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

SCHEDULE I: COMPARISON OF ACTUAL REVENUES AND EXPENSES TO BUDGETED REVENUES AND EXPENSES

FOR THE QUARTER ENDED JUNE 30, 2022

	Actual	Budget	Difference
EXPENSES (cont)			
Pool Telephone	180.00	193.75	(13.75)
Pool Water & Sewer	90.71	362.50	(271.79)
Tennis Courts -Repairs & Maintenance	-	125.00	(125.00)
Electricity - Street Lights	5,049.54	6,375.00	(1,325.46)
Patrol Service	5,448.00	18,750.00	(13,302.00)
Transfer/Resale Fee Expense	3,626.00	1,000.00	2,626.00
Lawn Maintenance - Common Area	2,316.06	4,250.00	(1,933.94)
Vending Machine Supplies	273.62	-	273.62
Maintenance Expense	-	1,150.00	(1,150.00)
Capital Expenditures	12,050.00	42,250.00	(30,200.00)
Total General Expenses	98,023.76	125,496.25	(27,472.49)
Net Revenues (Loss) from Operations	<u>\$ 22,238.70</u>	<u>\$ (36,974.67)</u>	<u>\$ 59,213.37</u>

Reconciliation of Net Income to Cash:

Adjustments to Net Income	
(Increase)/Decrease in Accounts Receivable	\$ 76,627.79
(Increase)/Decrease in Prepaid Assets	985.59
(Increase)/Decrease in Asset Accounts	(1,093.29)
Increase/(Decrease) in Acc. Depreciation	1,162.75
Increase/(Decrease) in Tennis Key Deposits	40.00
Increase/(Decrease) in Unapplied A/R Payment	(338.20)
Increase/(Decrease) in Deferred Fees	(84,334.08)
Total Adjustments to Net Income	<u>\$ (6,949.44)</u>
Beginning Cash Balances - March 2022	\$ 493,965.46
Net Income	22,238.70
Total Adjustments to Net Income	<u>(6,949.44)</u>
Ending Cash Balances - June 30, 2022	<u>\$ 509,254.72</u>

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

SCHEDULE I: COMPARISON OF ACTUAL REVENUES AND EXPENSES TO BUDGETED REVENUES AND EXPENSES

FOR THE YEAR ENDED JUNE 30, 2022

	Actual	Budget	Difference
REVENUE			
Maintenance Fee Income	\$ 168,668.16	\$ 168,668.16	\$ -
Online Credit Card Processing	3,451.31	-	3,451.31
Legal Fee Reimbursement Income	14,207.53	-	14,207.53
Administrative Fee Income	2,191.72	1,250.00	941.72
Transfer Fee Income	19,908.20	5,000.00	14,908.20
Interest Income - Bank Accounts	134.80	100.00	34.80
Interest Income - Homeowners	2,557.65	1,500.00	1,057.65
NSF Charges Income	35.00	25.00	10.00
Pool Rental Income	1,256.25	500.00	756.25
Pool Tag Updates	875.35	-	875.35
Penalty Charges Income	4,740.00	-	4,740.00
Vending Machine Income	-	-	-
Total Revenue	218,025.97	177,043.16	40,982.81
EXPENSES			
Accounting Fees	19,043.35	30,000.00	(10,956.65)
Audit Expense	-	1,325.00	(1,325.00)
Bank Service Charges	10.00	50.00	(40.00)
Security Cameras	13,200.00	7,500.00	5,700.00
Camera Maintenance	779.40	1,000.00	(220.60)
Credit Card Processing Fee	3,228.71	-	3,228.71
Mileage Reimbursement	960.37	-	960.37
Insurance Expense	9,546.29	9,750.00	(203.71)
Depreciation Expense	2,252.50	-	2,252.50
Deed Restriction Software	960.00	1,200.00	(240.00)
Trash Maintenance - Common Area	1,575.00	-	1,575.00
Miscellaneous	215.38	500.00	(284.62)
Office Supplies	1,128.08	1,250.00	(121.92)
Postage & Copying	2,739.55	2,250.00	489.55
Postage Meter Rental	582.97	500.00	82.97
Taxes - Property & Income	1.62	5.00	(3.38)
Legal Fees	17,416.81	5,000.00	12,416.81
Bad Debt Expense	2,110.46	2,500.00	(389.54)
Communication	1,111.54	1,550.00	(438.46)
Neighborhood Watch	-	150.00	(150.00)
Recreation - Community	489.25	750.00	(260.75)
Entrance Expense	794.19	925.00	(130.81)
Bath House - Repairs & Maintenance	4,174.85	3,000.00	1,174.85
Playground - Repairs & Maintenance	302.00	375.00	(73.00)
Pool - Staff/Chemicals	26,898.46	24,500.00	2,398.46
Pool Electricity	3,534.15	4,250.00	(715.85)
Pool Overhead (Tags, Etc.)	1,455.79	500.00	955.79
Pool Repairs	7,342.00	3,250.00	4,092.00

See accompanying accountant's compilation report.

MEADOWLAKE VILLAGE HOMEOWNERS' ASSOCIATION

SCHEDULE I: COMPARISON OF ACTUAL REVENUES AND EXPENSES TO BUDGETED REVENUES AND EXPENSES

FOR THE YEAR ENDED JUNE 30, 2022

	Actual	Budget	Difference
EXPENSES (cont)			
Pool Telephone	360.00	387.50	(27.50)
Pool Water & Sewer	190.42	725.00	(534.58)
Tennis Courts -Repairs & Maintenance	-	250.00	(250.00)
Electricity - Street Lights	10,301.79	12,750.00	(2,448.21)
Patrol Service	19,159.64	37,500.00	(18,340.36)
Transfer/Resale Fee Expense	6,224.00	2,000.00	4,224.00
Lawn Maintenance - Common Area	7,546.18	8,500.00	(953.82)
Vending Machine Supplies	273.62	-	273.62
Maintenance Expense	-	2,300.00	(2,300.00)
Capital Expenditures	12,050.00	84,500.00	(72,450.00)
Total General Expenses	177,958.37	250,992.50	(73,034.13)
Net Revenues (Loss) from Operations	\$ 40,067.60	\$ (73,949.34)	\$ 114,016.94

Reconciliation of Net Income to Cash:

Adjustments to Net Income	
(Increase)/Decrease in Accounts Receivable	\$ 27,416.16
(Increase)/Decrease in Prepaid Assets	5,589.09
(Increase)/Decrease in Asset Accounts	(1,093.29)
Increase/(Decrease) in Acc. Depreciation	2,252.50
Increase/(Decrease) in Tennis Key Deposits	60.00
Total Adjustments to Net Income	\$ 34,224.46
Beginning Cash Balances - December 31, 2021	\$ 434,962.66
Net Income	40,067.60
Total Adjustments to Net Income	34,224.46
Ending Cash Balances - June 30, 2022	\$ 509,254.72

See accompanying accountant's compilation report.