



Financial Summary
Month Ended August 31, 2023

Attached are the balance sheet and income statement for Middlesex Beach for the period ending August 2023. Overall, the Association is operating in line with its budget for the year and is sufficiently funded. Key items to note include:

BALANCE SHEET:

- Operating balance of just over \$500K to fund the remaining 7 months of operations. This is consistent with prior year and is sufficient to manage the ~ \$300K budget projected for the balance of the year.
- Reserves have been collected and funds have been transferred and invested with Morgan Stanley in a manner consistent with the investment policy statement approved by the Board.
- Construction Bonds have increased due to the collection of construction deposits for 56 Dune Road which were offset by deposits returned to homeowners during the month for the completion of projects at 21 Short, 2 Short and 7 Addy Roads.

INCOME STATEMENT:

INCOME:

- Interest income is being recorded each month for the interest received on the CD's invested at Morgan Stanley. Those earning are retained in the Morgan Stanley account and contribute toward the purchase of additional CD's.
- Assessments for the year have been invoiced and collected. It should be noted that during the month of March, 2023, two homes that were listed for sale (31 Bridge and 49 Dune) had pre-paid this year's assessment as part of their closing process. That \$6K was reflected in March 2023, last year's financial reporting period and given our cash basis of accounting, included in the 2022-23 financial results. This is the reason for the negative variance in assessments versus the 2023-24 budget.
- Miscellaneous income represents proceeds received from the sale of the old Polaris (\$3,500) and monies received from Melvo Sno-Cones (\$2,500) per the contract to allow him to sell snow cones to MXB patrons.

EXPENSES:

- Administrative expenses are in line with expectations. The primary variance is related to compilation and tax prep fees that were paid in August. This was budgeted to be incurred in September however the work was completed earlier than expected.
- Community Facilities are primarily comprised of expenses that occur in a random fashion (e.g. general maintenance, drainage, walkways, vehicle ops) throughout the year. Except for road maintenance, which has been completed and the landscape contract which is paid monthly, its best to look at the YTD spend against the annual budget. That said, the annual budget remains appropriate.
- Beach Activities running favorable to budget however, final recommendations on bonuses are in discussion and will be paid out in September. That said, it is expected that the overall cost for Lifeguards will end the season in a favorable position to budget.
- Security running significantly favorable to budget as the team has been able to absorb night security schedule without adding significant labor. Committee Chair to discuss and approve bonuses for Community Patrol staff which will be paid in the month of September.
- Utilities are in line with budget. With respect to trash collection expense, the budget was spread evenly over the year however, invoicing for trash collection is greater during the summer and lower in the off-season. That said, the negative variance will be reduced by December. The contract for trash collection expires in December 2023 and needs to be put out to bid for January 2024 and beyond.

MIDDLESEX BEACH ASSOCIATION

Balance Sheet As of August 31, 2023

ASSETS

Current Assets

Checking/Savings

10000 · Bank Accounts

10100 · Fulton Bank - Checking	506,174.41
10200 · Fulton Bank - MM	960.37
10600 · M&T MM - Construction Bond	208,585.18

Total 10000 · Bank Accounts 715,719.96

10500 · Reserves

Total 10510 · Morgan Stanley - Beach Reserve	673,686.97
Total 10520 · Morgan Stanley - Capital/Legal	568,560.25

Total 10500 · Reserves 1,242,247.22

Total Checking/Savings 1,957,967.18

Accounts Receivable

11000 · Accounts Receivable	-20.00
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Total Accounts Receivable -20.00

Total Current Assets 1,957,947.18

Fixed Assets

12200 · Bldgs, Equip & Land Improvement	371,444.44
12300 · Less Accumulated Depreciation	-189,043.27

Total Fixed Assets 182,401.17

TOTAL ASSETS \$ 2,140,348.35

LIABILITIES & EQUITY

Liabilities

Current Liabilities

10650 · Construction Bond	208,589.18
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Total Liabilities 208,589.18

Equity

Total 10700 · Beach Reserve	668,785.26
Total 10800 · Capital Reserve	541,730.17
10900 · Legal Reserve	25,000.00
32000 · Retained Earnings	355,506.92
Net Income	340,736.82

Total Equity 1,931,759.17

TOTAL LIABILITIES & EQUITY \$ 2,140,348.35

**MIDDLESEX BEACH
INCOME STATEMENT - AUGUST 2023**

	Current Period	Current Period	Current Period	Year-to-Date	Year-to-Date	Year-to-Date	2023-2024
	Actuals	Budget	Variance	Actuals	Budget	Variance	Annual
	August	August	Better / (Worse)	Apr - August	Apr - August	Better / (Worse)	Budget
Income							
10515 - Bank Interest Beach	681.74	-	681.74	4,901.71	-	4,901.71	-
10525 - Bank Interest Reserves	432.80	-	432.80	1,830.08	-	1,830.08	-
10505 - Interest Income	0.12	-	0.12	0.37	-	0.37	-
40000 · General Assessment	12,590.00	-	12,590.00	644,859.80	650,000.00	(5,140.20)	650,000.00
40100 · Capital Reserves	1,105.00	-	1,105.00	56,598.10	57,000.00	(401.90)	57,000.00
40200 · Beach Fund	1,680.00	-	1,680.00	86,049.60	87,000.00	(950.40)	87,000.00
40600 - Building Permit Fees	2,835.00	-	2,835.00	2,835.00	-	2,835.00	-
40250 · Beach Activity Shared Expense	-	-	-	-	-	-	10,500.00
41620 - Fines from Homeowners	-	-	-	100.00	-	100.00	-
41630 - Beach/Parking Pass Income	75.00	-	75.00	75.00	-	75.00	-
41700 - Misc Income	-	-	-	6,107.63	-	6,107.63	-
Total Income	19,399.66	-	19,399.66	803,357.29	794,000.00	9,357.29	804,500.00
Expense							
50000 · Administrative							
50020 · Compilation & Tax Preparation	5,480.00	-	(5,480.00)	5,480.00	-	(5,480.00)	5,000.00
50075 · Social Event and Hospitality	390.38	250.00	(140.38)	2,683.03	2,250.00	(433.03)	2,650.00
50100 · Taxes - Federal	-	-	-	-	-	-	12,000.00
50110 · Taxes - State	-	-	-	-	-	-	1,100.00
50120 · Taxes - Franchise	-	-	-	-	-	-	150.00
50130 · Taxes - Payroll	9,578.03	7,500.00	(2,078.03)	17,329.98	16,000.00	(1,329.98)	17,500.00
50200 · Insurance Deductible	-	-	-	-	-	-	2,000.00
50210 · Insurance Workers Comp	-	-	-	(774.00)	-	774.00	5,500.00
50230 · Insurance D&O	-	-	-	-	-	-	5,200.00
50240 · Insurance Property/Liability	-	-	-	-	-	-	18,500.00
50250 · Legal Fees	1,020.17	750.00	(270.17)	4,542.56	4,750.00	207.44	10,000.00
50260 · Management Contract	4,900.00	4,900.00	-	24,500.00	24,600.00	100.00	58,900.00
50270 · Management Other/Admin	-	-	-	-	-	-	1,500.00
50300 · Bethany Beach VFC EMS Fees	-	-	-	-	-	-	15,000.00
50310 · Admin. & Office Supplies	930.88	400.00	(530.88)	1,594.87	1,800.00	205.13	4,500.00
50312 · Directory	-	-	-	2,529.00	3,000.00	471.00	3,000.00
50320 · Recruiting	181.50	-	(181.50)	643.75	1,200.00	556.25	1,200.00
50321 · Payroll Processing Fees	303.12	500.00	196.88	743.33	1,500.00	756.67	2,000.00
50325 · Postage/Print/Copying	-	500.00	500.00	946.20	3,500.00	2,553.80	7,000.00
50345 · Reserve Study	-	-	-	-	-	-	-
50350 · Website	-	-	-	-	-	-	2,000.00
50355 - Bank Fees	20.00	-	(20.00)	319.43	-	(319.43)	-
Total 50000 · Administrative	22,804.08	14,800.00	(8,004.08)	60,538.15	58,600.00	(1,938.15)	174,700.00

MIDDLESEX BEACH
INCOME STATEMENT - AUGUST 2023

	Current Period Actuals August	Current Period Budget August	Current Period Variance Better / (Worse)	Year-to-Date Actuals Apr - August	Year-to-Date Budget Apr - August	Year-to-Date Variance Better / (Worse)	2023-2024 Annual Budget
51000 · Construction							
51600 · Construction Height Survey	-	-	-	-	800.00	800.00	1,200.00
Total 51000 · Construction	-	-	-	-	800.00	800.00	1,200.00
57000 · Community Facilities							
57010 · Maintenance & Repair	-	1,250.00	1,250.00	3,701.27	7,750.00	4,048.73	20,000.00
57020 · Beach Maintenance	-	-	-	13,651.35	12,000.00	(1,651.35)	12,000.00
57030 · Drainage	-	-	-	2,127.12	-	(2,127.12)	50,000.00
57040 · Guard House Operations	26.74	-	(26.74)	926.74	-	(926.74)	10,000.00
57050 · Road Maintenance	-	-	-	31,875.00	32,000.00	125.00	32,000.00
57060 · Walkway Maintenance	535.69	-	(535.69)	535.69	2,000.00	1,464.31	3,000.00
57070 · Signage - Traffic & Beach	-	-	-	410.00	1,000.00	590.00	4,000.00
57080 · Vehicle Operations & Maint	2,206.93	125.00	(2,081.93)	2,206.93	575.00	(1,631.93)	1,000.00
57090 · Storm Clean Up	-	-	-	7,000.00	7,500.00	500.00	15,000.00
57100 · Snow Removal	-	-	-	-	-	-	2,200.00
57110 · Landscape Contract	1,475.00	1,250.00	(225.00)	9,289.38	7,750.00	(1,539.38)	20,000.00
57120 · Plantings, Tree Care, Irrigatio	87.00	1,250.00	1,163.00	992.00	7,750.00	6,758.00	20,000.00
Total 57000 · Community Facilities	4,331.36	3,875.00	(456.36)	72,715.48	78,325.00	5,609.52	189,200.00
58000 · Beach Activities							
58100 · Lifeguard Payroll	34,267.60	40,000.00	5,732.40	89,842.45	110,000.00	20,157.55	117,700.00
58200 · Certifications	500.00	-	(500.00)	1,300.00	4,000.00	2,700.00	4,000.00
58300 · Uniforms	-	-	-	5,870.60	7,000.00	1,129.40	7,000.00
58400 · Equipment	854.32	-	(854.32)	2,829.51	4,500.00	1,670.49	4,500.00
58500 · Beach Programs/Competitions	3,910.00	2,000.00	(1,910.00)	4,279.80	3,500.00	(779.80)	3,500.00
Total 58000 · Beach Activities	39,531.92	42,000.00	2,468.08	104,122.36	129,000.00	24,877.64	136,700.00
60000 · Security (Beach/Parking)							
60100 · Security Payroll	15,745.29	14,500.00	(1,245.29)	42,200.43	44,500.00	2,299.57	54,000.00
60200 · Passes	-	-	-	4,252.00	4,000.00	(252.00)	4,000.00
60300 · Uniforms	-	-	-	1,700.00	1,700.00	-	1,700.00
60400 · Supplies	-	100.00	100.00	1,080.49	400.00	(680.49)	500.00
60500 · Equipment	-	250.00	250.00	1,154.98	1,500.00	345.02	1,700.00
60600 · Telephone - Cell	-	25.00	25.00	67.47	125.00	57.53	300.00
60700 · Night Security	-	3,500.00	3,500.00	-	13,000.00	13,000.00	16,000.00
Total 60000 · Security (Beach/Parking)	15,745.29	18,375.00	2,629.71	50,455.37	65,225.00	14,769.63	78,200.00
61000 · Utilities							
61100 · Electricity - Grd. Hs., St. Lt.	427.82	450.00	22.18	1,851.86	2,150.00	298.14	5,000.00
61200 · Water	39.25	100.00	60.75	828.54	450.00	(378.54)	1,000.00
61300 · Trash Collection	5,825.00	5,075.00	(750.00)	28,108.71	25,375.00	(2,733.71)	60,900.00
61400 · Trash Rebate Program	-	-	-	-	-	-	10,600.00
Total 61000 · Utilities	6,292.07	5,625.00	(667.07)	30,789.11	27,975.00	(2,814.11)	77,500.00
70000 · Other Expenses							

**MIDDLESEX BEACH
INCOME STATEMENT - AUGUST 2023**

	Current Period Actuals August	Current Period Budget August	Current Period Variance Better / (Worse)	Year-to-Date Actuals Apr - August	Year-to-Date Budget Apr - August	Year-to-Date Variance Better / (Worse)	2023-2024 Annual Budget
70100 · Operating Contingency	-	-	-	-	-	-	3,000.00
Total 70000 · Other Expenses	-	-	-	-	-	-	3,000.00
Total Expense	88,704.72	84,675.00	(4,029.72)	318,620.47	359,925.00	41,304.53	660,500.00
Net Ordinary Income	(69,305.06)	(84,675.00)	15,369.94	484,736.82	434,075.00	50,661.82	144,000.00
Other Expense							
80000 · Capital Reserve Expenditures							
80100 · Capital Reserv Expenditures	-	-	-	-	-	-	-
Total 80000 · Capital Reserve Expenditures	-	-	-	-	-	-	-
81000 · Beach Fund Expenditures							
81100 · Beach Fund Expenditures	-	-	-	-	-	-	-
Total 81000 · Beach Fund Expenditures	-	-	-	-	-	-	-
82000 · Fund Transfer Activity							
82100 · Transfer to Capital Reserve Fun	57,000.00	57,000.00	-	57,000.00	57,000.00	-	57,000.00
82200 · Transfer to Beach Fund	87,000.00	87,000.00	-	87,000.00	87,000.00	-	87,000.00
Total 82000 · Fund Transfer Activity	144,000.00	144,000.00	-	144,000.00	144,000.00	-	144,000.00
Total Other Expense	144,000.00	144,000.00	-	144,000.00	144,000.00	-	-
Net Income	(213,305.06)	(228,675.00)	15,369.94	340,736.82	290,075.00	50,661.82	-