



MPMA Policy – Centralized Accounting

Purpose:

- Washington State law requires HOAs to have a comprehensive audit performed every year. Previously, the HOA could vote to waive a yearly audit, and audits were not routinely performed on individual Village accounts.
- Centralized accounting will be more efficient for our current accountant and for any future accountant working for the Villages of Garrison Creek.
- As the legal entity for the Villages of Garrison Creek, the MPMA Board of Directors have a fiduciary responsibility for all monies collected for maintaining property within the Villages.

MPMA Responsibilities:

- Collect all dues/assessments for the Villages of Garrison Creek, including MPMA Operating Fund, MPMA Reserve Fund, and Village dues.
- Continue to have such bank and investment accounts as needed to secure the MPMA finances.
- Continue financial planning, budget proposals, and financial responsibilities as outlined in the MPMA Bylaws and CCRs.
- Contract with a professional accountant to receive the dues/assessments, manage the accounts, and submit payment for the invoices as approved by the president or treasurer.
- Ensure that all financial records and transactions are audited by a professional auditing firm each year as required by law.
- Landscaping costs of the common areas will be the responsibility of the MPMA Operating Budget.

Village Responsibilities:

- Continue financial planning, budget proposals, and financial responsibilities as outlined in the MPMA Bylaws and CCRs and, if applicable, the Rules and Regulations of the Village.
- Arrange with the MPMA professional accountant to receive the dues/assessments, manage the accounts, and submit payment for invoices as authorized by the designated Village leadership.
- Arrange with a landscaping service for Village landscaping and for common area parks within the Village. Annually provide a copy of the landscaping service agreement to the MPMA president or treasurer.

- Landscaping costs for Village front yards of each home is the responsibility of the Village.
- Costs for replacement or removal of trees and/or shrubs in the common areas may be shared between the MPMA and the Village. However, it is not expected that the Village would contribute to the minimal standards within the common areas.

It is understood:

- The intention of this policy is to maintain MPMA Board responsibility of the MPMA Operating Budget and the MPMA Reserve Fund.
- The intention of this policy recognizes Village responsibility to maintain their own budget process and to adequately provide for the payment of invoices.
- The MPMA accountant will provide comprehensive service to all Villages within the MPMA, keeping accounts so that they may all be audited together at the expense of the MPMA Operating Budget.
- The MPMA accountant shall, for the purpose of convenience, keep all operating funds in one centralized bank account. A separate interest-bearing bank account shall be maintained for all reserve funds. The bank accounts will be in the name of the MPMA and the President, Treasurer, and Accountant will be the signatories on all accounts as approved by the MPMA Board.
- Villages will work with the accountant when requesting payments and/or reimbursement checks that will be debited to their Village account.
- Any Village may request information about their Village funds from the accountant.
- The accountant will keep Village accounts confidential to each Village appointed or elected designated leader as much as is practicable.
- Expenditures from the MPMA Operating Budget or the MPMA Reserve Fund must be approved by the Board President and/or Treasurer.
- Expenditures from Village funds need authorization from the elected or appointed leader in each Village.