

HOA Financial Health Checklist

Basic review tool for boards, managers, treasurers, and finance committees.

HOA Name: _____

Date Reviewed: _____

Review Period: _____

Manager / Treasurer: _____

Prepared By: _____

Version / Draft: _____

Purpose

Use this checklist to organize a high-level monthly, quarterly, or annual review of association financial health. It helps boards confirm that core financial records, budgets, reserves, cash controls, and board decisions are reviewed in an orderly way.

How to Use

Mark each item as reviewed, identify follow-up needs, and document next steps. A 'Needs Review' mark does not automatically mean a problem exists; it identifies what should be clarified, documented, or reviewed with the proper professional.

Financial Health Snapshot

Select one summary status after completing the checklist:

- ☐ Strong ☐ On Track ☐ Watch / Needs Follow-Up
☐ HIGH PRIORITY / RISK

Suggested Review Frequency

Monthly: statements, reconciliations, receivables, payables, budget-vs-actual. Quarterly: reserves, cash trends, vendor issues, controls. Annually: budget, reserves, insurance, taxes, and professional review needs.

1. QUICK FINANCIAL HEALTH SCREEN

Review Item	Yes	Needs Review	Notes / Follow-Up
Financial reports are current and available to the board.	☐	☐	
Operating and reserve funds are tracked separately.	☐	☐	
Budget-to-actual results have been reviewed for unusual variances.	☐	☐	
Reserve contribution is being made as budgeted or documented if changed.	☐	☐	
Delinquencies, unpaid bills, and cash balances have been reviewed.	☐	☐	
Board action items are documented in minutes or financial notes.	☐	☐	



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Financial Statement & Record Review

Financial records, statements, and reporting review.

2. FINANCIAL STATEMENT & RECORD REVIEW

Review Item	Yes	Needs Review	Notes / Follow-Up
Monthly balance sheet or statement of financial position is available.	☐	☐	
Income statement / profit and loss report is available for the review period.	☐	☐	
Budget vs. actual report is available and reviewed by category.	☐	☐	
Bank statements are available for operating and reserve accounts.	☐	☐	
Bank reconciliations are completed for all association accounts.	☐	☐	
Aged owner receivables / delinquency report is reviewed.	☐	☐	
Accounts payable / unpaid bills report is reviewed.	☐	☐	
General ledger or transaction detail is available if questions arise.	☐	☐	
Financial reports are retained with board materials or official records.	☐	☐	

Plain-English Definitions

Balance sheet: shows what the association owns, owes, and has available. Income statement: shows income and expenses for a period. Budget vs. actual: compares planned amounts to actual activity. Bank reconciliation: confirms accounting records match bank statements.

Manager / Treasurer Notes

Attach or reference the reports used for this review. If a report was not available, note who will obtain it and by when. The goal is not to overcomplicate the process; it is to make sure the board has enough information to make informed decisions.

BOARD DISCUSSION NOTES

Topic	Discussion / Follow-Up
Financial reports	
Missing items	
Board questions	



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Operating Budget & Cash Flow Review

Operating budget, cash flow, assessments, and expense review.

3. OPERATING BUDGET & CASH FLOW REVIEW

Review Item	Yes	Needs Review	Notes / Follow-Up
Regular assessment income is tracking close to budget or variance is explained.	☐	☐	
Major operating expense categories have been reviewed for over-budget trends.	☐	☐	
Management fees, insurance, utilities, landscaping, maintenance, and legal/professional fees are reviewed.	☐	☐	
Operating cash balance appears adequate for ordinary timing needs and near-term obligations.	☐	☐	
Known seasonal expenses are considered when interpreting monthly results.	☐	☐	
Delinquency levels are reviewed and collection follow-up is documented.	☐	☐	
Material budget variances are explained in board notes or manager reports.	☐	☐	
Any use of operating funds for reserve-type expenses is clearly documented and reviewed.	☐	☐	

VARIANCE FOLLOW-UP LOG

Category / Line Item	Budget	Actual	Variance	Explanation / Follow-Up

Common Mistakes to Avoid

Do not rely only on cash in the bank. Review receivables, payables, reserve obligations, timing differences, and upcoming projects. A single month may not show the full picture, especially for seasonal costs or large annual invoices.



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Reserve & Capital Planning Review

Reserve funding, capital planning, and long-term maintenance review.

4. RESERVE & CAPITAL PLANNING REVIEW

Review Item	Yes	Needs Review	Notes / Follow-Up
Current reserve balance is documented and reconciled to account statements.	☐	☐	
Annual reserve contribution is compared to budget and reserve study guidance.	☐	☐	
Reserve study / reserve analysis date is known and reviewed for current usefulness.	☐	☐	
Major upcoming repairs or replacements are listed with timing and estimated cost.	☐	☐	
Reserve expenses are supported by invoices, bids, contracts, or board approval records.	☐	☐	
Board has discussed whether current contributions appear aligned with future obligations.	☐	☐	
Reserve funds are not treated as general operating cash without board review.	☐	☐	
Any planned special assessment, loan, or deferred project is documented separately.	☐	☐	

UPCOMING RESERVE / CAPITAL ITEMS TO MONITOR

Component / Project	Estimated Timing	Estimated Cost	Funding Source	Notes

Utah Review Note

For Utah associations, reserve analysis, reserve fund, assessment, and owner-record-access questions should be reviewed against the association type, governing documents, and applicable Utah law. This checklist is a governance aid, not a legal determination.



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Governance, Controls & Oversight Review

Governance controls, red flags, and board action documentation.

5. GOVERNANCE, CONTROLS & OVERSIGHT REVIEW

Review Item	Yes	Needs Review	Notes / Follow-Up
Board understands who can approve invoices, sign checks, and access bank/reserve accounts.	☐	☐	
Financial authority limits are written or confirmed in policy, minutes, or management agreement.	☐	☐	
At least one board member reviews bank activity independently from payment processing.	☐	☐	
Insurance, tax filings, audit/review/compilation needs, and professional deadlines are tracked.	☐	☐	
Contracts and major vendor payments are reviewed for budget impact and approval authority.	☐	☐	
Financial decisions are documented in board minutes or approved written records.	☐	☐	
Board has identified any high-priority financial risks requiring professional review.	☐	☐	

BOARD REVIEW QUESTIONS

What changed materially since the last review?
 Are we underfunding any known obligation?
 Are we relying on one-time income or delayed expenses?
 What needs manager, CPA, attorney, reserve specialist, or insurance review?
 What decision or follow-up should be documented today?

DOCUMENTATION CHECKLIST

- Current financial statements and budget-vs-actual report.
- Bank statements and reconciliations.
- Delinquency report and payables list.
- Reserve balance and reserve study/analysis.
- Major bids/contracts and board action items.
- Owner communications if applicable.

FINAL REVIEW NOTES / ACTION ITEMS

Topic	Notes / Follow-Up

REVIEWED BY

Name	Role	Date	Board Meeting / Minutes Reference