

# **EAST LAKE WOODLANDS COMMUNITY ASSOCIATION, INC.**

## **Treasurer's Report**

**September 11, 2018**

**As of August 31, 2018**

### **1. Balance Sheet**

- A. Cash – SA (Special Assessment) – This is cash collected from homeowners. Now that all vendors have been paid, all money received is used to pay back the loan for the drainage project. The ending July balance was \$27,455. August income was \$8,780 (\$8,240 in payments, \$275 in pre-lien fees, \$260 in Homeowner interest fees, \$5 in Interest Income), \$5,829 was paid to loan principal and \$937 was paid for loan interest, leaving an ending balance of \$29,468 for the month.
- B. A/R – Maintenance Fees – The August balance is \$39,195, down from July's \$44,148
  - i. The Cypress Estates Unit 3 settlement agreement has been signed and they began making regular monthly payments in August per the agreement.
- C. A/R – Special Assessment and A/R ELWMSA – We originally invoiced 2089 homeowners for a total of \$1,671,200. As of the end of August, the receivable balance was \$194,535 (approximately 12% of the original amount billed). The number of homeowners who have not paid anything as of the end of August is down to 32 from 41 at the end of July. All 32 of these accounts plus one other that had only paid \$100 of the \$800 due have been lienied.
- D. Deferred Revenue – SA – This is the amount billed, less what was earned (paid to vendor). As of the end of August the Deferred SA Revenue is \$2,025.
- E. Note Payable – This is the amount borrowed for the drainage project, less amounts repaid to date. The first payment was made on the loan in August. The August balance is \$221,388, down from the July balance of \$227,217.

### **2. Income/Expenses**

August budget variances include the following line items:

- A. Maintenance Fee-Operating – Favorable variance of \$1,796 for the month and \$14,369 year-to-date due to additional income from an increase in number of contract members since the budget was prepared.
- B. Other Income-Pre-Lien – An entry was made to this account in error. This entry should have been made to the Lien Admin expense account. The error will be corrected in the September report.
- C. Total Revenues – Favorable variances of \$2,244 for the month and \$19,871 year to date.

- D. Legal-General – Unusually high legal costs, related primarily to the Cypress Estates Unit III mediation, the hiring of a special counsel to deal with ELWCC issues, and some contractor issues related to the guard house rehab project, caused unfavorable variances of \$16,170 for the month and \$8,530 year-to-date. Actual expenses YTD are \$41,863 with an annual budget of \$50,000.
- E. Professional-General – The August report shows an unfavorable variance of \$2,743 for the month and \$993 year-to-date. Actual YTD expenses are \$2,993 versus an annual budget of \$3000.
- F. Member Communications – Due to the reclassification of the costs for the purchase of the Reader Boards to this account, there is an unfavorable variance of \$5,900 for the month of August and \$650 YTD. Actual expenses YTD are \$6,650 versus an annual budget of \$9,000.
- G. Controlled Access-Guard Contract – Unfavorable variances for the month of \$8,036 and year-to-date of \$17,941.
- H. Gate Damage Claims – The damaged gate for which we received the insurance information has been charged to this account. When payment is received from the insurance company, it will offset this entry.
- I. R&M-Guard House – The August report shows an unfavorable variance of \$10,884 year-to-date. The reclassification of the rehab project charges to Reserves greatly reduced this variance. Actual charges YTD are \$20,884 versus an annual budget of \$15,000.
- J. R&M-Drainage – The August report shows an unfavorable variance of \$65,638 year-to-date. Actual charges YTD are \$165,638 versus an annual budget of \$150,000.
- K. Grounds-Trees/Shrubs – The August report shows an unfavorable year-to-date variance of \$32,825 year-to-date. Actual charges YTD are \$52,825 versus an annual budget of \$30,000.

**Net Income (Loss): Month income is \$19,043; Year-to-date loss is (\$80,528).**