

To: Sun City Mesquite Finance Committee  
From: Jim Hier  
Date: March 31, 2019  
Subject: February 2019 Financial Review

We had 7 closings in January, versus a budget of 9. Seabreeze, our property management company, reports 1,564 association members at 2/28/19.

### **SCM**

Revenue for the month was right on budget at \$192k. YTD revenue of \$413k is \$34k better than budget, and is from the additional closings that occurred in January, with increased contributions to Capital, Architectural Design Fees and Transfer Fees, Developer Assessments, Interest Income and Newsletter Advertising.

Expenses for the month of \$196k were \$9k greater than budget. The primary cause for this variance is the Capital Improvements cost associated with new lighting for the pickle ball courts. The lighting costs were \$23k, which is most of the total Capital Improvement budget for the year. Favorable variances in all the other expense categories offset the Capital Improvements variance. The YTD Expense variance is increased to an unfavorable \$31k, due to the high variance in January. Net loss of \$4k for the month is \$9k below budget and YTD net profit of \$10k is \$3k better than budget.

Total operating assets of \$525k are greater than current liabilities of \$388k. This yields \$137k in unencumbered cash. Liabilities include pre-paid assessments.

### **AMM**

Revenue of \$73k for the month is right on budget. YTD revenue of \$152k is \$7k better than budget due to the favorable January results.

Total Expenses of \$65k are \$2k less than budget. Landscaping was \$5k over budget due to the tree trimming projects, but should level out for the year. Favorable variances in all other categories more than offset the landscaping costs. Total expenses for the year of \$129k are \$7k under budget primarily due to Utilities and Contract Maintenance.

Net Surplus of \$8k for the month is \$2k better than budget, and YTD Surplus of \$23k is \$9k better than budget.

Total operating assets of \$183k are \$27k greater than current liabilities of \$156k. Liabilities include pre-paid assessments.

### **BI**

No offense intended towards Branding Iron residents, but their statements are pretty dang dull.

Current month Revenues of \$5k and expenses of \$4k are right on budget, yielding a Net Surplus of \$1k. Double those numbers and you get the YTD results.

Total operating assets of \$13k are \$6k better than current liabilities of \$7k. Liabilities include pre-paid assessments.