

To: Sun City Mesquite Finance Committee

From: Jim Hier

Date: March 20, 2021

Subject: February 2021 Financial Review

Year to date through February we have had 31 closings against a budget of 24. Seabreeze, our property management company, reports 1,863 association members as of the end of the month. Any variance from budget for closings directly impacts revenue for Transfer Fees, Architectural Fees, Capital Contributions and eventually increased Assessments for both SCM and AMM.

SCM

Year to date revenues of \$469k are \$2k better than budget. The increased closings contributed about \$10k to the favorable variance with the unfavorable variances shared almost equally between Owner Assessments, Developer Assessments, Fitness Class and Guest Passes.

Year to Date Expenses of \$426k including Capital Improvements are \$34k less than budget, with Landscape variance (\$4k), Utilities (\$26k) and General Maintenance (\$6k) leading the favorable variances. Utilities variance appears to be the result of conservative budgeting and less demand for water due to the rains.

YTD Surplus of \$44k is \$36k better than budget.

Total operating funds of \$550k are greater than current liabilities of \$467k. This provides \$83k in unencumbered cash. Liabilities include pre-paid assessments.

AMM

YTD Revenue of \$175k is slightly less than budget due to Owner and Developer Assessments, but doesn't even round up to \$1k.

Expenses of \$160k are \$1k greater than budget with Contracted Maintenance contributing \$3k to the increased costs.

YTD Surplus after Capital Improvements of \$16k is \$2k below budget.

Total operating funds of \$240k are \$78k greater than current liabilities of \$162k. Liabilities include pre-paid assessments.

BI

YTD Revenues of \$10k are right on budget. Expenses of \$6.5k create a favorable variance that rounds to \$1k under budget. Net Surplus of \$3k YTD is therefore \$1k better than budget. Reviewing BI statements gives a new meaning to unexciting financial review.

Total operating funds of \$32k are \$25k better than current liabilities of \$7k.