

Monthly Financial Narrative Report

February 2016

Rio Crossing Homeowners Association

Section I: General overall financial condition of the Association

1. The month ended with \$0.00 in open payables against a checking account balance of \$202,307.77 (up from \$202,287.68 last month).
2. The current checking account balance includes \$24,387.12 in prepaid (not yet earned or due) assessments.
3. The member assessments receivables (delinquencies) are at \$40,422.58 (Down from \$50,458.58 last month). Total delinquencies of less than 5% of the annual budget are one of the indicators of a financially healthy association. Currently Rio Crossing stands at 13% (drop of 4% from previous month).
4. The Regular Reserve account contains \$153,547.06 and monthly budgeted contributions of \$2,685.42 to the Replacement Fund are current and in accordance with the current year's budget.
5. The Retention Wall Settlement Reserve contains \$70,141.27.

Section II: Specific statements or observations regarding the current financials

1. Expense account #50000 "Electricity" in the amount of \$243.51 accounts for payment made to APS for common area electricity and is under budget for the month by \$83.49 and is \$52.58 under budget for the year.
 2. Expense account #50110 "Water-Irrigation" in the amount of \$1,608.14 is under budget by \$4,891.86 for the month and yearly \$8,613.77 under budget.
 3. Expense account #51000 "Repair & Maintenance Services" in the amount of \$0 this is \$755.00 under budget for the month and yearly \$1510.00 under budget.
 4. Expense account #51120 "Landscape – Irrigation Repair" in the amount of \$372.50 is under budget by \$127.50 for the month and yearly \$627.50 under budget. The repairs made were replacement of 3 broken sprinkler rotors in the big park area for \$142.50 and replaced seeping drip valve located in the retention on Hazelwood Street for \$230.00.
 5. Expense account #51140 "Landscape – Improvements" in the amount of \$0 is under budget for the month by \$750.00 and yearly \$1,500.00 under budget.
 6. Expense account #52200 "Pest Control Services" in the amount of \$0 is under budget for the month by \$65.00 and yearly \$65.00 under budget. HOA has switched vendors and new vendor is starting 3/1/2016.
 7. Expense accounts #57300 – "Meeting Hall Rental: in the amount of \$53.20 is under budget for the month by \$46.80 and yearly \$146.80 under budget.
 8. Expense accounts #57500 – "Social Events" in the amount of \$0 is under budget for the month by \$ and is \$51.74 over budget for the year. Purchase of snacks and equipment for events.
 9. Expense accounts #56100 "Postage" for \$67.09, #56200 "Printing and Copies" for \$125.75, for copies and postage used during the normal course of business in the month of January.
 10. Expense account #56700 "Administrative Fees" in the amount of \$660.00 payable to Trestle Management Group for 99 compliance letters and 109 late letters processed in the month of January.
 11. Expense account #57900 – "Collections" in the amount of \$368.00 under budget for the month by \$507.00 and yearly \$1,372.10 under budget. This is for collection efforts by the Attorney for the accounts that are assigned to the Attorney.
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Section III: Anticipated upcoming seasonal or non-routine financial events

1. Possible landscaping vendor change
2. Sidewalk repair HOA is responsible for
3. Tree trimming into homeowner's backyards

Rio Crossing Homeowners Association

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Balance Sheet
As of 02/29/16

ASSETS

MOH Operating	\$	202,307.77	
Reserve Money Market Account		20,366.23	
Reserve Rentention Wall Stlmnt		70,141.27	
ICS Reserve Acct-MOH		135,180.83	
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TOTAL ASSETS			\$ 427,996.10
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LIABILITIES & EQUITY

CURRENT LIABILITIES:

Subtotal Current Liab.	\$.00
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RESERVES:

General Reserve Funds	\$	153,427.30
Gen Res Interest Equity		61.03
Reserve-Construction Defects		70,000.00
Reserve Contingency- Drywell		2,200.00
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Subtotal Reserves	\$	225,688.33

EQUITY:

Retained Earnings - Operating	\$	184,159.72
Current Year Net Income/(Loss)		18,148.05
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Subtotal Equity	\$	202,307.77

TOTAL LIABILITIES & EQUITY			\$ 427,996.10
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Income/Expense Statement
Period: 02/01/16 to 02/29/16

		Current Period			Year-To-Date			Yearly
Account	Description	Actual	Budget	Variance	Actual	Budget	Variance	Budget
INCOME:								
40000	Regular Assessment Income	14,697.00	.00	14,697.00	51,243.46	74,175.00	(22,931.54)	296,700.00
43000	Late Fees	570.00	.00	570.00	705.00	.00	705.00	.00
43100	NSF Fees	.00	.00	.00	(25.00)	.00	(25.00)	.00
43500	Fines & Violations	150.00	.00	150.00	750.00	.00	750.00	.00
47100	Interest Income - Reserves	29.68	28.00	1.68	61.03	56.00	5.03	346.00
	Subtotal Income	15,446.68	28.00	15,418.68	52,734.49	74,231.00	(21,496.51)	297,046.00
EXPENSES								
Utilities								
50000	Electricity	243.51	327.00	83.49	601.42	654.00	52.58	3,933.00
50110	Water - Irrigation	1,608.14	6,500.00	4,891.86	4,386.23	13,000.00	8,613.77	78,000.00
	Utilities	1,851.65	6,827.00	4,975.35	4,987.65	13,654.00	8,666.35	81,933.00
Maintenance								
51000	Repair & Maintenance Services	.00	755.00	755.00	.00	1,510.00	1,510.00	9,056.00
51100	Landscape - Maintenance	6,450.00	6,450.00	.00	12,900.00	12,900.00	.00	77,400.00
51120	Landscape - Irrigation Repair	372.50	500.00	127.50	372.50	1,000.00	627.50	6,000.00
51140	Landscape - Improvements	.00	750.00	750.00	.00	1,500.00	1,500.00	9,000.00
51150	Landscape - Other	.00	.00	.00	.00	.00	.00	3,500.00
51200	Tree Trimming	.00	.00	.00	.00	.00	.00	7,000.00
51300	Storm Damage	.00	.00	.00	.00	.00	.00	2,000.00
51400	Drywell Maintenance	.00	.00	.00	3,608.00	4,000.00	392.00	8,000.00
51500	Backflow Certification	.00	.00	.00	.00	.00	.00	320.00
52200	Pest Control Services	.00	65.00	65.00	65.00	130.00	65.00	1,220.00
52600	Key & Lock Services	.00	.00	.00	.00	.00	.00	25.00
53900	Playground Maintenance	.00	.00	.00	.00	.00	.00	788.00
54100	Walls & Fences	.00	.00	.00	.00	.00	.00	500.00
	Maintenance	6,822.50	8,520.00	1,697.50	16,945.50	21,040.00	4,094.50	124,809.00
Administration								
56000	Office Supplies	23.30	50.00	26.70	39.50	100.00	60.50	650.00
56100	Postage	67.09	185.00	117.91	147.98	370.00	222.02	2,300.00
56200	Printing / Copying	125.75	165.00	39.25	231.10	330.00	98.90	2,100.00
56400	Statements	.00	.00	.00	.00	.00	.00	1,380.00
56600	Website	.00	.00	.00	219.00	.00	(219.00)	.00
56700	Administrative Fees	660.00	525.00	(135.00)	1,071.00	1,050.00	(21.00)	6,300.00
57100	Permits & Licenses	.00	.00	.00	.00	.00	.00	10.00
57300	Meeting Hall Rental	53.20	100.00	46.80	53.20	200.00	146.80	1,200.00
57500	Social Events	.00	.00	.00	351.74	300.00	(51.74)	2,562.00

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Income/Expense Statement
Period: 02/01/16 to 02/29/16

Account	Description	Current Period			Year-To-Date			Yearly Budget
		Actual	Budget	Variance	Actual	Budget	Variance	
57700	Management Fees	1,990.00	1,990.00	.00	3,980.00	3,980.00	.00	23,880.00
57800	Legal Fees	.00	.00	.00	.00	.00	.00	1,000.00
57900	Collections	368.00	875.00	507.00	377.90	1,750.00	1,372.10	10,500.00
58000	Accounting / Audit Services	750.00	.00	(750.00)	750.00	.00	(750.00)	750.00
58100	Reserve Study / Update	.00	.00	.00	.00	.00	.00	405.00
58410	Insurance - Liability	.00	.00	.00	.00	.00	.00	4,631.00
58600	Taxes - Income State	.00	.00	.00	.00	.00	.00	50.00
58700	Taxes - Real Estate	.00	.00	.00	.00	.00	.00	15.00
	Administration	4,037.34	3,890.00	(147.34)	7,221.42	8,080.00	858.58	57,733.00
Reserves								
60000	Reserve Fund Contribution	2,685.42	2,685.42	.00	5,370.84	5,370.84	.00	32,225.00
61210	Cptl - Concrete Improvements	.00	.00	.00	.00	.00	.00	5,000.00
61220	Cptl - Irrigation System Impr	.00	.00	.00	.00	.00	.00	25,000.00
64000	Reserve Interest	29.68	28.00	(1.68)	61.03	56.00	(5.03)	346.00
69999	Reserve - Interfund Transfer	.00	.00	.00	.00	.00	.00	(30,000.00)
	Reserves	2,715.10	2,713.42	(1.68)	5,431.87	5,426.84	(5.03)	32,571.00
	TOTAL EXPENSES	15,426.59	21,950.42	6,523.83	34,586.44	48,200.84	13,614.40	297,046.00
	Current Year Net Income/(loss)	20.09	(21,922.42)	21,942.51	18,148.05	26,030.16	(7,882.11)	.00

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 02/29/16

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 02/29/16

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