

Monthly Financial Narrative Report

January 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 \$202,287.68 (up from \$184,159.72 last month).
2. The current checking account balance includes \$19,676.12 in prepaid (not yet earned or due) assessments.
3. The member assessments receivables (delinquencies) are at \$50,458.58 (up from \$33,861.27 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 17%.
4. The Regular Reserve account contains \$152,843.10 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 \$70,130.13.

Section II: Specific statements or observations regarding the current financials

1. Expense account #50000 "Electricity" in the amount of \$357.91 accounts for payment made to APS for common area electricity and is over budget for the month by \$30.91 and is \$30.91 over budget for the year.
 2. Expense account #50110 "Water-Irrigation" in the amount of \$2,778.09 is under budget by \$3,721.91 for common area watering and is \$3,721.91 under budget for the year.
 3. Expense account #51000 "Repair & Maintenance Services" in the amount of a credit of \$0 this is \$500.00 under budget for the month and \$500.00 under budget for the year.
 4. Expense account #51120 "Landscape – Irrigation Repair" in the amount of \$0 is under budget by \$500.00 for the month and \$500.00 for the year.
 5. Expense account #51140 "Landscape – Improvements" in the amount of \$0 is under budget for the month by \$750.00 and is \$750.00 under budget for the year.
 6. Expense account #51300 "Drywell Maintenance" in the amount \$3,608.00 is under budget for the month by \$392.00 and is \$392.00 under budget for the year. Reflects payment to Blue Marble for Drywell cleaning of headwalls, clean out of drywells, cleaning out drybox all dump fees and haul off site.
 7. Expense account #52200 "Pest Control Services" in the amount of \$65.00 on budget for the month and is on budget for the year.
 8. Expense account #56600 – "Website" in the amount of \$219.00 over budget for the month by \$219.00 and is \$219.00 over budget for the year. Reflects reimbursement payment to Julia for the community website.
 9. Expense accounts #57500 – "Social Events" in the amount of \$351.74 is over budget for the month by \$51.74 and is \$51.74 over budget for the year. Purchase of snacks and equipment for events.
 10. Expense accounts #56100 "Postage" for \$80.89, #56200 "Printing and Copies" for \$105.35, for copies and postage used during the normal course of business in the month of January and quarterly statements.
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11. Expense account #56700 "Administrative Fees" in the amount of \$411.00 payable to Trestle Management Group for 76 compliance letters and 61 late letters processed in the month of December.
12. Expense account #57900 – "Collections" in the amount of \$9.90 under budget for the month by \$865.10.

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
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Rio Crossing Homeowners Association

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Balance Sheet
As of 01/31/16

ASSETS

MOH Operating	\$	202,287.68	
Reserve Money Market Account		17,678.37	
Reserve Rentention Wall Stlmnt		70,130.13	
ICS Reserve Acct-MOH		135,164.73	
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TOTAL ASSETS			\$ 425,260.91
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LIABILITIES & EQUITY

CURRENT LIABILITIES:

Subtotal Current Liab.	\$.00
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RESERVES:

General Reserve Funds	\$	150,741.88
Gen Res Interest Equity		31.35
Reserve-Construction Defects		70,000.00
Reserve Contingency- Drywell		2,200.00
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Subtotal Reserves	\$	222,973.23

EQUITY:

Retained Earnings - Operating	\$	184,159.72
Current Year Net Income/(Loss)		18,127.96
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Subtotal Equity	\$	202,287.68

TOTAL LIABILITIES & EQUITY			\$ 425,260.91
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Income/Expense Statement
Period: 01/01/16 to 01/31/16

Account	Description	Actual	Current Period		Actual	Year-To-Date		Yearly
			Budget	Variance		Budget	Variance	Budget
INCOME:								
40000	Regular Assessment Income	36,546.46	74,175.00	(37,628.54)	36,546.46	74,175.00	(37,628.54)	296,700.00
43000	Late Fees	135.00	.00	135.00	135.00	.00	135.00	.00
43100	NSF Fees	(25.00)	.00	(25.00)	(25.00)	.00	(25.00)	.00
43500	Fines & Violations	600.00	.00	600.00	600.00	.00	600.00	.00
47100	Interest Income - Reserves	31.35	28.00	3.35	31.35	28.00	3.35	346.00
	Subtotal Income	37,287.81	74,203.00	(36,915.19)	37,287.81	74,203.00	(36,915.19)	297,046.00
EXPENSES								
Utilities								
50000	Electricity	357.91	327.00	(30.91)	357.91	327.00	(30.91)	3,933.00
50110	Water - Irrigation	2,778.09	6,500.00	3,721.91	2,778.09	6,500.00	3,721.91	78,000.00
	Utilities	3,136.00	6,827.00	3,691.00	3,136.00	6,827.00	3,691.00	81,933.00
Maintenance								
51000	Repair & Maintenance Services	.00	755.00	755.00	.00	755.00	755.00	9,056.00
51100	Landscape - Maintenance	6,450.00	6,450.00	.00	6,450.00	6,450.00	.00	77,400.00
51120	Landscape - Irrigation Repair	.00	500.00	500.00	.00	500.00	500.00	6,000.00
51140	Landscape - Improvements	.00	750.00	750.00	.00	750.00	750.00	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	3,608.00	4,000.00	392.00	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	65.00	65.00	.00	65.00	65.00	.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	10,123.00	12,520.00	2,397.00	10,123.00	12,520.00	2,397.00	124,809.00
Administration								
56000	Office Supplies	16.20	50.00	33.80	16.20	50.00	33.80	650.00
56100	Postage	80.89	185.00	104.11	80.89	185.00	104.11	2,300.00
56200	Printing / Copying	105.35	165.00	59.65	105.35	165.00	59.65	2,100.00
56400	Statements	.00	.00	.00	.00	.00	.00	1,380.00
56600	Website	219.00	.00	(219.00)	219.00	.00	(219.00)	.00
56700	Administrative Fees	411.00	525.00	114.00	411.00	525.00	114.00	6,300.00
57100	Permits & Licenses	.00	.00	.00	.00	.00	.00	10.00
57300	Meeting Hall Rental	.00	100.00	100.00	.00	100.00	100.00	1,200.00
57500	Social Events	351.74	300.00	(51.74)	351.74	300.00	(51.74)	2,562.00

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Income/Expense Statement
Period: 01/01/16 to 01/31/16

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	1,990.00	1,990.00	.00	23,880.00
57800	Legal Fees	.00	.00	.00	.00	.00	.00	1,000.00
57900	Collections	9.90	875.00	865.10	9.90	875.00	865.10	10,500.00
58000	Accounting / Audit Services	.00	.00	.00	.00	.00	.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	3,184.08	4,190.00	1,005.92	3,184.08	4,190.00	1,005.92	57,733.00
Reserves								
60000	Reserve Fund Contribution	2,685.42	2,685.42	.00	2,685.42	2,685.42	.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	31.35	28.00	(3.35)	31.35	28.00	(3.35)	346.00
69999	Reserve - Interfund Transfer	.00	.00	.00	.00	.00	.00	(30,000.00)
	Reserves	2,716.77	2,713.42	(3.35)	2,716.77	2,713.42	(3.35)	32,571.00
	TOTAL EXPENSES	19,159.85	26,250.42	7,090.57	19,159.85	26,250.42	7,090.57	297,046.00
	Current Year Net Income/(loss)	18,127.96	47,952.58	(29,824.62)	18,127.96	47,952.58	(29,824.62)	.00

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 01/31/16

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 01/31/16

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