

Monthly Financial Narrative Report

March 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 \$208,742.23 (up from \$202,307.77 last month).
2. The current checking account balance includes \$37,201.53 in prepaid (not yet earned or due) assessments.
3. The member assessments receivables (delinquencies) are at \$36,624.49 (Down from \$40,422.58 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 12.3%.
4. The Regular Reserve account contains \$158,252.31 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 \$70,153.18.

Section II: Specific statements or observations regarding the current financials

1. Expense account #50000 "Electricity" in the amount of \$309.79 accounts for payment made to APS for common area electricity and is under budget for the month by \$17.21 and is \$69.29 under budget for the year.
 2. Expense account #50110 "Water-Irrigation" in the amount of \$2,128.50 is under budget by \$3,371.50 for the month and yearly \$11,985.27 under budget.
 3. Expense account #51000 "Repair & Maintenance Services" in the amount of \$350.00 and is \$405.00 under budget and is \$1,915.00.
 4. Expense account #51120 "Landscape – Irrigation Repair" in the amount of \$1,624.50 is over budget by \$1,124.50 for the month and yearly \$497.00 under budget. The repairs made were replaced a solenoid that was not working located on the S turf area, in the big park valve #5 replaced a hunter PGP rotor that was broken also in valve #6 same park replaced 3 PGP sprinkler rotors that were broken, turf area S side of Devonshire valve #6 replaced 2 PGP sprinkler rotors because they were not turning, adjusted the rotors in the big park , replaced 3 PGP rotors that were not turning at stations G & 7 also at the south side of property turf area replaced at PGP rotor sprinkler station #5, replaced all 5 – 3 PGP in the big park area one in the small turf by 124th Ave and Roma, at the N turf area by El Mirage Rd replaced 4 Hunter 120 sprinkler rotors and swing joint.
 5. Expense account #51140 "Landscape – Improvements" in the amount of \$0 is under budget for the month by \$750.00 and yearly \$2,250.00 under budget.
 6. Expense account #52200 "Pest Control Services" in the amount of \$95.00 is over budget for the month by \$30.00 and yearly \$35.00 under budget. HOA has switched vendors and new vendor has started and that fee is \$75.00 and received last invoice from prior pest for \$20.00 balance owed.
 7. Expense accounts #57300 – "Meeting Hall Rental: in the amount of \$93.30 is under budget for the month by \$6.70 and yearly \$153.50 under budget. Litchfield school sent invoice for cancellation of the room for 6-16-2016 and unlock fee.
 8. Expense accounts #57500 – "Social Events" in the amount of \$0 is under budget for the month by \$0 and is \$51.74 over budget for the year.
 9. Expense accounts #56100 "Postage" for \$99.69 #56200 "Printing and Copies" for \$363.34, for copies and postage used during the normal course of business in the month of February.
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10. Expense account #56700 "Administrative Fees" in the amount of \$555.00 payable to Trestle Management Group for 117 compliance letters and 68 late letters processed in the month of February.
11. Expense account #57900 – "Collections" in the amount of \$0 under budget for the month by \$875.00 and yearly \$2,625.00 under budget. Management have contacted owners for payments and set up plans.

Section III: Anticipated upcoming seasonal or non-routine financial events

1. Possible landscaping vendor change
2. Tree trimming into homeowner's backyards

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Balance Sheet
As of 03/31/16

ASSETS

MOH Operating	\$	208,742.23	
Reserve Money Market Account		23,054.26	
Reserve Rentention Wall Stlmnt		70,153.18	
ICS Reserve Acct-MOH		135,198.05	
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TOTAL ASSETS			\$ 437,147.72
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LIABILITIES & EQUITY

CURRENT LIABILITIES:

Subtotal Current Liab.	\$.00
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RESERVES:

General Reserve Funds	\$	156,112.72
Gen Res Interest Equity		92.77
Reserve-Construction Defects		70,000.00
Reserve Contingency- Drywell		2,200.00
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Subtotal Reserves	\$	228,405.49

EQUITY:

Retained Earnings - Operating	\$	184,159.72
Current Year Net Income/(Loss)		24,582.51
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Subtotal Equity	\$	208,742.23

TOTAL LIABILITIES & EQUITY			\$ 437,147.72
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Income/Expense Statement
Period: 03/01/16 to 03/31/16

		Current Period			Year-To-Date			Yearly
Account	Description	Actual	Budget	Variance	Actual	Budget	Variance	Budget
INCOME:								
40000	Regular Assessment Income	16,612.50	.00	16,612.50	67,855.96	74,175.00	(6,319.04)	296,700.00
43000	Late Fees	245.00	.00	245.00	950.00	.00	950.00	.00
43100	NSF Fees	50.00	.00	50.00	25.00	.00	25.00	.00
43500	Fines & Violations	225.00	.00	225.00	975.00	.00	975.00	.00
47100	Interest Income - Reserves	31.74	29.00	2.74	92.77	85.00	7.77	346.00
	Subtotal Income	17,164.24	29.00	17,135.24	69,898.73	74,260.00	(4,361.27)	297,046.00
EXPENSES								
Utilities								
50000	Electricity	309.79	327.00	17.21	911.21	981.00	69.79	3,933.00
50110	Water - Irrigation	2,128.50	5,500.00	3,371.50	6,514.73	18,500.00	11,985.27	78,000.00
	Utilities	2,438.29	5,827.00	3,388.71	7,425.94	19,481.00	12,055.06	81,933.00
Maintenance								
51000	Repair & Maintenance Services	350.00	755.00	405.00	350.00	2,265.00	1,915.00	9,056.00
51100	Landscape - Maintenance	.00	6,450.00	6,450.00	12,900.00	19,350.00	6,450.00	77,400.00
51120	Landscape - Irrigation Repair	1,624.50	500.00	(1,124.50)	1,997.00	1,500.00	(497.00)	6,000.00
51140	Landscape - Improvements	.00	750.00	750.00	.00	2,250.00	2,250.00	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	95.00	65.00	(30.00)	160.00	195.00	35.00	1,220.00
52600	Key & Lock Services	.00	.00	.00	.00	.00	.00	25.00
53900	Playground Maintenance	334.00	394.00	60.00	334.00	394.00	60.00	788.00
54100	Walls & Fences	.00	.00	.00	.00	.00	.00	500.00
	Maintenance	2,403.50	8,914.00	6,510.50	19,349.00	29,954.00	10,605.00	124,809.00
Administration								
56000	Office Supplies	19.50	50.00	30.50	59.00	150.00	91.00	650.00
56100	Postage	99.69	185.00	85.31	247.67	555.00	307.33	2,300.00
56200	Printing / Copying	363.34	165.00	(198.34)	594.44	495.00	(99.44)	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	555.00	525.00	(30.00)	1,626.00	1,575.00	(51.00)	6,300.00
57100	Permits & Licenses	.00	10.00	10.00	.00	10.00	10.00	10.00
57300	Meeting Hall Rental	93.30	100.00	6.70	146.50	300.00	153.50	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: 03/01/16 to 03/31/16

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	5,970.00	5,970.00	.00	23,880.00
57800	Legal Fees	.00	500.00	500.00	.00	500.00	500.00	1,000.00
57900	Collections	.00	875.00	875.00	377.90	2,625.00	2,247.10	10,500.00
58000	Accounting / Audit Services	.00	750.00	750.00	750.00	750.00	.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	50.00	50.00	.00	50.00	50.00	.00	50.00
58700	Taxes - Real Estate	.00	.00	.00	.00	.00	.00	15.00
	Administration	3,170.83	5,200.00	2,029.17	10,392.25	13,280.00	2,887.75	57,733.00
Reserves								
60000	Reserve Fund Contribution	2,685.42	2,685.42	.00	8,056.26	8,056.26	.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	31.74	29.00	(2.74)	92.77	85.00	(7.77)	346.00
69999	Reserve - Interfund Transfer	.00	.00	.00	.00	.00	.00	(30,000.00)
	Reserves	2,717.16	2,714.42	(2.74)	8,149.03	8,141.26	(7.77)	32,571.00
	TOTAL EXPENSES	10,729.78	22,655.42	11,925.64	45,316.22	70,856.26	25,540.04	297,046.00
	Current Year Net Income/(loss)	6,434.46	(22,626.42)	29,060.88	24,582.51	3,403.74	21,178.77	.00

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 03/31/16

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 03/31/16

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