

Monthly Financial Narrative Report

May 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 \$225,573.76 (down from \$233,358.10 last month).
2. The current checking account balance includes \$23,047.20 in prepaid (not yet earned or due) assessments.
3. The member assessments receivables (delinquencies) are at \$41,975.74 (Down from \$49,877.08 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 14.37%.
4. The Regular Reserve account contains \$157,295.59 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 \$70,176.63.

Section II: Specific statements or observations regarding the current financials

1. Expense account #50000 "Electricity" in the amount of \$301.17 accounts for payment made to APS for common area electricity and is under budget for the month by \$26.83 and is \$138.47 under budget for the year.
 2. Expense account #50110 "Water-Irrigation" in the amount of \$6,614.90 is under budget by \$1,114.90 for the month and yearly \$12,761.21 under budget.
 3. Expense account #51000 "Repair & Maintenance Services" in the amount of \$870.82 and is \$115.82 over budget for the month and is \$5.18 under budget for the year. This amount is from the purchase of Polymetal Signs 42x39 1 side printed, laminated and mounted and repair exposed wiring at the Ramada in Glenrosa Park that was a safety issue.
 4. Expense account #51120 "Landscape – Irrigation Repair" in the amount of \$322.00 is under budget by \$178.00 for the month and \$69.00 over budget for the year. The repairs made were for seeping drip valve located S of 123rd Ave and Devonshire, also replaced PGJ rotor sprinkler in the grass area N of 123rd Ave and Devonshire and replaced a PFP rotor in the north grass area station #1.
 5. Expense account #51140 "Landscape – Improvements" in the amount of \$0 is under budget for the month by \$750.00 and yearly \$3,750.00 under budget.
 6. Expense account #51500 "Backflow Certification" in the amount of \$73.00 is under budget for the year for requests made by the City of Avondale for the certifications.
 7. Expense account #52200 "Pest Control Services" in the amount of \$75.00 is under budget for the month by \$100.00 and yearly \$110.00 under budget. The previous vendor continues to send invoices and the manager continues to reject them.
 8. Expense accounts #57300 – "Meeting Hall Rental: in the amount of \$58.10 is under budget for the month by \$41.90 and yearly \$295.40 under budget. Vicki did not submit reimbursement for cost of the meeting for previous month so this is payment for two months.
 9. Expense accounts #57500 – "Social Events" in the amount of \$53.16 is over budget for the month by \$53.16 and is \$595.10 under budget for the year. Reimbursement for items purchased for the HOA events in the park by Carissa Tinsley.
 10. Expense accounts #56100 "Postage" for \$112.12, #56200 "Printing and Copies" for \$99.70, for copies and postage used during the normal course of business in the month of April.
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11. Expense account #56700 "Administrative Fees" in the amount of \$510.00 payable to Trestle Management Group for 93 compliance letters and 77 late letters processed in the month of April.
12. Expense account #57900 – "Collections" in the amount of \$0 under budget for the month by \$875.00 and yearly \$3,997.10 under budget. Management continues to work with owners for payments and set up payment plans.

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

1. Tree trimming into homeowner's backyards
 2. Publication of updated Rules and Regulations
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Balance Sheet
As of 05/31/16

ASSETS

MOH Operating	\$	225,573.76	
Reserve Money Market Account		22,074.40	
Reserve Rentention Wall Stlmnt		70,176.63	
ICS Reserve Acct-MOH		135,221.19	
		<hr/>	
TOTAL ASSETS			\$ 453,045.98
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LIABILITIES & EQUITY

CURRENT LIABILITIES:

Subtotal Current Liab.	\$.00
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RESERVES:

General Reserve Funds	\$	155,128.09
Gen Res Interest Equity		144.13
Reserve-Construction Defects		70,000.00
Reserve Contingency- Drywell		2,200.00
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Subtotal Reserves	\$	227,472.22

EQUITY:

Retained Earnings - Operating	\$	184,159.72
Current Year Net Income/(Loss)		41,414.04
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Subtotal Equity	\$	225,573.76

TOTAL LIABILITIES & EQUITY			\$ 453,045.98
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Income/Expense Statement
Period: 05/01/16 to 05/31/16

		Current Period			Year-To-Date			Yearly
Account	Description	Actual	Budget	Variance	Actual	Budget	Variance	Budget
INCOME:								
40000	Regular Assessment Income	9,552.50	.00	9,552.50	122,565.54	148,350.00	(25,784.46)	296,700.00
43000	Late Fees	285.00	.00	285.00	1,325.00	.00	1,325.00	.00
43100	NSF Fees	.00	.00	.00	25.00	.00	25.00	.00
43300	Collection Charges	691.75	.00	691.75	691.75	.00	691.75	.00
43500	Fines & Violations	150.00	.00	150.00	1,650.00	.00	1,650.00	.00
47100	Interest Income - Reserves	25.95	29.00	(3.05)	144.13	143.00	1.13	346.00
	Subtotal Income	10,705.20	29.00	10,676.20	126,401.42	148,493.00	(22,091.58)	297,046.00
EXPENSES								
Utilities								
50000	Electricity	301.17	328.00	26.83	1,498.53	1,637.00	138.47	3,933.00
50110	Water - Irrigation	6,614.90	5,500.00	(1,114.90)	15,738.79	28,500.00	12,761.21	78,000.00
	Utilities	6,916.07	5,828.00	(1,088.07)	17,237.32	30,137.00	12,899.68	81,933.00
Maintenance								
51000	Repair & Maintenance Services	870.82	755.00	(115.82)	3,769.82	3,775.00	5.18	9,056.00
51100	Landscape - Maintenance	4,340.00	6,450.00	2,110.00	21,580.00	32,250.00	10,670.00	77,400.00
51120	Landscape - Irrigation Repair	322.00	500.00	178.00	2,569.00	2,500.00	(69.00)	6,000.00
51140	Landscape - Improvements	.00	750.00	750.00	.00	3,750.00	3,750.00	9,000.00
51150	Landscape - Other	.00	.00	.00	.00	1,750.00	1,750.00	3,500.00
51200	Tree Trimming	.00	7,000.00	7,000.00	.00	7,000.00	7,000.00	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	73.00	.00	(73.00)	73.00	.00	(73.00)	320.00
52200	Pest Control Services	75.00	175.00	100.00	435.00	545.00	110.00	1,220.00
52600	Key & Lock Services	.00	.00	.00	.00	.00	.00	25.00
53900	Playground Maintenance	334.00	.00	(334.00)	334.00	394.00	60.00	788.00
54100	Walls & Fences	.00	500.00	500.00	.00	500.00	500.00	500.00
	Maintenance	6,014.82	16,130.00	10,115.18	32,368.82	56,464.00	24,095.18	124,809.00
Administration								
56000	Office Supplies	24.20	50.00	25.80	261.00	260.00	(1.00)	650.00
56100	Postage	112.12	185.00	72.88	803.02	935.00	131.98	2,300.00
56200	Printing / Copying	99.70	165.00	65.30	1,171.59	850.00	(321.59)	2,100.00
56400	Statements	.00	.00	.00	340.00	345.00	5.00	1,380.00
56600	Website	.00	.00	.00	219.00	.00	(219.00)	.00
56700	Administrative Fees	510.00	525.00	15.00	2,655.00	2,625.00	(30.00)	6,300.00
57100	Permits & Licenses	.00	.00	.00	10.00	10.00	.00	10.00
57300	Meeting Hall Rental	58.10	100.00	41.90	204.60	500.00	295.40	1,200.00

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Income/Expense Statement
Period: 05/01/16 to 05/31/16

Account	Description	Current Period			Year-To-Date			Yearly Budget
		Actual	Budget	Variance	Actual	Budget	Variance	
57500	Social Events	53.16	.00	(53.16)	704.90	1,300.00	595.10	2,562.00
57700	Management Fees	1,990.00	1,990.00	.00	9,950.00	9,950.00	.00	23,880.00
57800	Legal Fees	.00	.00	.00	.00	500.00	500.00	1,000.00
57900	Collections	.00	875.00	875.00	377.90	4,375.00	3,997.10	10,500.00
58000	Accounting / Audit Services	.00	.00	.00	750.00	750.00	.00	750.00
58100	Reserve Study / Update	.00	.00	.00	.00	405.00	405.00	405.00
58400	Insurance	.00	.00	.00	4,313.00	.00	(4,313.00)	.00
58410	Insurance - Liability	.00	.00	.00	.00	4,631.00	4,631.00	4,631.00
58600	Taxes - Income State	.00	.00	.00	50.00	50.00	.00	50.00
58700	Taxes - Real Estate	.00	.00	.00	.00	.00	.00	15.00
	Administration	2,847.28	3,890.00	1,042.72	21,810.01	27,486.00	5,675.99	57,733.00
Reserves								
60000	Reserve Fund Contribution	2,685.42	2,685.42	.00	13,427.10	13,427.10	.00	32,225.00
61100	Cptl - Benches/Tables/Cans	.00	.00	.00	6,355.47	.00	(6,355.47)	.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	25.95	29.00	3.05	144.13	143.00	(1.13)	346.00
69999	Reserve - Interfund Transfer	.00	.00	.00	(6,355.47)	.00	6,355.47	(30,000.00)
	Reserves	2,711.37	2,714.42	3.05	13,571.23	13,570.10	(1.13)	32,571.00
	TOTAL EXPENSES	18,489.54	28,562.42	10,072.88	84,987.38	127,657.10	42,669.72	297,046.00
	Current Year Net Income/(loss)	(7,784.34)	(28,533.42)	20,749.08	41,414.04	20,835.90	20,578.14	.00

Rio Crossing Homeowners Association

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Income/Expense Statement

Actual spreadsheet Start date: 01/01/16 Cutoff date: 05/31/16

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
INCOME:													
Regular Assessment Income	36546	14697	16613	45157	9553	0	0	0	0	0	0	0	122566
Late Fees	135	570	245	90	285	0	0	0	0	0	0	0	1325
NSF Fees	25-	0	50	0	0	0	0	0	0	0	0	0	25
Collection Charges	0	0	0	0	692	0	0	0	0	0	0	0	692
Fines & Violations	600	150	225	525	150	0	0	0	0	0	0	0	1650
Interest Income - Reserve	31	30	32	25	26	0	0	0	0	0	0	0	144
Subtotal Income	37288	15447	17164	45797	10705	0	0	0	0	0	0	0	126401
EXPENSES													
Utilities													
Electricity	358	244	310	286	301	0	0	0	0	0	0	0	1499
Water	0	0	0	0	0	0	0	0	0	0	0	0	0
Water - Irrigation	2778	1608	2129	2609	6615	0	0	0	0	0	0	0	15739
Utilities	3136	1852	2438	2895	6916	0	0	0	0	0	0	0	17237
Maintenance													
Repair & Maintenance Serv	0	0	350	2549	871	0	0	0	0	0	0	0	3770
Landscape - Maintenance	6450	6450	0	4340	4340	0	0	0	0	0	0	0	21580
Landscape - Irrigation Re	0	373	1625	250	322	0	0	0	0	0	0	0	2569
Drywell Maintenance	3608	0	0	0	0	0	0	0	0	0	0	0	3608
Backflow Certification	0	0	0	0	73	0	0	0	0	0	0	0	73
Pest Control Services	65	0	95	200	75	0	0	0	0	0	0	0	435
Playground Maintenance	0	0	334	334-	334	0	0	0	0	0	0	0	334
Maintenance	10123	6823	2404	7005	6015	0	0	0	0	0	0	0	32369
Administration													
Office Supplies	16	23	20	178	24	0	0	0	0	0	0	0	261

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Actual spreadsheet Start date: 01/01/16 Cutoff date: 05/31/16

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