



## Variance Analysis

For Month Ending Jan. 31, 2017

**Total Revenues:** Actual revenues for the first month of 2017 were \$10,047,709 versus a budget of \$10,035,509.

**Assessments** of \$9,750,603 were in line with budget. As of Jan. 31, 73% of the assessments billed for the year had been collected.

**Investment Income** lagged the budgeted amount by (\$6,096). Brokerage and bank interest paid to KICA during January totaled \$9,418, but net investment income was negatively impacted by the amortization of premiums paid for bonds at the time they were purchased.

**Contributions to Reserves** for January were \$111,916, which exceeded budget by \$36,916. A significant purchase by a third-party developer represented more than one-half of the January CTR total.

**Commercial Access Fees** finished the month at \$46,658 while fees budgeted for January were \$76,667. Island access activity remains high - there are currently 98 new homes under construction on the island. However, the increase in access fees approved by the board will not fully phase in for most commercial vehicles until later this quarter.

**Total Expenses** for the first month of the year were \$929,622 versus a budget of \$1,516,323 for a favorable variance of 38.69%.

**Payroll and benefits** expenses of \$598,061 were 3.21% over the \$579,469 budgeted due to changes in the method of accounting for vacation expense and the filling of a majority of open positions.

**Building and Equipment Repairs and Maintenance** expenses of \$30,964 finished January 72.67% below the budgeted amount of \$113,279 largely because the \$62,000 budgeted for Sandcastle painting and caulking has been delayed. Some of the minor maintenance planned for the Sandcastle will take place in 2017, but the largest part of this project has been delayed indefinitely.

**Common Area Repairs and Maintenance** for January totaled \$57,122, which was \$50,817 below the \$107,939 budgeted. Much of the variance is attributed to delays in the purchase of chemicals for landscape maintenance. The expense total does include \$23,760 of clean-up costs and \$6165 in boardwalk repairs related to Hurricane Matthew.

Variance Analysis  
For One Month Ending Jan. 31, 2017

**Operating/Administrative** expenses of \$224,489 were below budget by \$86,906, or 27.91%, largely due to the timing of payments for the 2016 annual audit; timing of payment for the March 3 annual meeting expenses; lower than expected cost of water for irrigation; and the timing of various IT expenses.

**Landscape Capital Projects and Major Repairs and Replacements** - LCI and MRR combined to finished January at \$17,987 – well below the budget of \$289,215. The Cougar Point/MRR drainage project has been underway since November; the progress bill of \$226,835 for the January work was not received or recorded until mid-February. Landscape Capital Projects January expenses included \$15,375 for tree work along the Kiawah Island Parkway and Governor's Drive.

Please note that more information is available upon request. KICA's Director of Finance, Jane Ovenden, may be reached by email at [jane.ovenden@kica.us](mailto:jane.ovenden@kica.us) or by telephone at 843-768-9194 ext. 216.

## Kiawah Island Community Association, Inc.

## Consolidated Balance Sheet

January 31, 2017

	FUNDS						TOTAL
	General	Recreation	V-Gate	Reserve	Preserve	Property	
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and Cash Equivalents	2,344,858	0	0	0	0	0	2,344,858
Money Market Funds	7,721,480	586,314	519,755	2,835,075	20,629	1,553,606	13,236,858
CD's	0	0	0	450,000	0	0	450,000
Interest Receivable	0	0	0	36,658	0	0	36,658
Accounts Receivable	2,402,853	131,256	41,252	468,554	3,960	0	3,047,875
Accounts Receivable- Other	(2,206)	0	0	0	0	0	(2,206)
Royalty Receivable	37,500	0	0	0	0	0	37,500
Prepaid Expenses	130,629	0	0	146,980	0	0	277,609
<b>Total Current Assets</b>	<b>12,635,114</b>	<b>717,570</b>	<b>561,007</b>	<b>3,937,267</b>	<b>24,589</b>	<b>1,553,606</b>	<b>19,429,153</b>
<b>Fixed Assets</b>							
Equipment & Furniture	0	0	0	0	0	1,471,912	1,471,912
Trucks and Trailers	0	0	0	0	0	831,228	831,228
Pool Furniture	0	0	0	0	0	9,381	9,381
Bathhouse and Pool Area	0	0	0	0	0	156,417	156,417
Property Owners' Pool	0	0	0	0	0	817,494	817,494
Buildings	0	0	0	0	0	8,157,532	8,157,532
Land Improvements	0	0	0	0	0	95,697	95,697
Land	0	0	0	0	0	40,253	40,253
Accumulated Depreciation	0	0	0	0	0	(4,750,882)	(4,750,882)
<b>Total Fixed Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,829,033</b>	<b>6,829,033</b>
<b>Other Assets</b>							
Treasury Investments > 1 Yr	0	0	0	574,690	0	0	574,690
Corporate Bonds	0	0	0	3,600,000	0	0	3,600,000
Corporate Bond Premium	0	0	0	110,540	0	0	110,540
Unrealized Gain/Loss on Investments	0	0	0	1,482	0	0	1,482
<b>Total Other Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,286,711</b>	<b>0</b>	<b>0</b>	<b>4,286,711</b>
<b>TOTAL ASSETS</b>	<b>12,635,114</b>	<b>717,570</b>	<b>561,007</b>	<b>8,223,978</b>	<b>24,589</b>	<b>8,382,639</b>	<b>30,544,897</b>

## Kiawah Island Community Association, Inc.

## Consolidated Balance Sheet

January 31, 2017

	FUNDS						TOTAL
	General	Recreation	V-Gate	Reserve	Preserve	Property	
<b>LIABILITIES AND FUND BALANCE</b>							
<b>Current Liabilities</b>							
Payroll Withholdings	4,494	0	0	0	0	0	4,494
Accrued Payroll	363,944	43,860	0	0	0	0	407,804
Deposits and Prepaid Assessments	5,661	12,158	0	0	0	0	17,819
Accounts Payable	130,778	14,016	0	17,408	0	0	162,202
Accrued Liabilities	36,502	0	0	0	0	0	36,502
ARB Coordinator Salary	1,191	0	0	0	0	0	1,191
Current Mortgage Payable	49,390	0	0	0	0	0	49,390
Deferred Revenue- Royalty Income- Cur	50,156	0	0	0	0	0	50,156
<b>Total Current Liabilities</b>	<b>642,116</b>	<b>70,034</b>	<b>0</b>	<b>17,408</b>	<b>0</b>	<b>0</b>	<b>729,558</b>
<b>Non-Current Liabilities</b>							
Deferred Revenue- Royalty Income	451,407	0	0	0	0	0	451,407
LT Mortgage Payable	1,512,590	0	0	0	0	0	1,512,590
<b>Total Non-Current Liabilities</b>	<b>1,963,997</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,963,997</b>
<b>Fund Balance</b>							
Fund Balance	10,029,001	647,537	561,007	8,206,570	24,589	8,382,639	27,851,343
<b>Total Fund Balance</b>	<b>10,029,001</b>	<b>647,537</b>	<b>561,007</b>	<b>8,206,570</b>	<b>24,589</b>	<b>8,382,639</b>	<b>27,851,343</b>
<b>TOTAL LIABILITIES/FUNDS</b>	<b>12,635,114</b>	<b>717,570</b>	<b>561,007</b>	<b>8,223,978</b>	<b>24,589</b>	<b>8,382,639</b>	<b>30,544,897</b>

**Kiawah Island Community Association, Inc.**  
**Consolidated Income Statement with Budget Variances**  
for the Period Ending January 31, 2017

	YEAR-TO-DATE		Favorable (Unfavorable)		2017 Total	Remaining
	Actual	Budget	\$ Variance	% Variance	Budget	Budget
<b>Revenues</b>						
Assessments	9,750,603	9,738,623	11,980	0.12%	9,792,395	41,792
Investment Income	2,233	8,330	(6,096)	(73.19)%	99,955	97,722
Contribution to Reserves	111,916	75,000	36,916	49.22%	1,500,000	1,388,084
Commercial Access Fees	46,658	76,667	(30,009)	(39.14)%	1,610,750	1,564,092
User Fees	27,880	11,535	16,345	141.71%	172,650	144,770
Pool Initiation Fees	4,175	3,897	278	7.14%	52,605	48,430
Other Income	104,244	121,458	(17,214)	(14.17)%	716,521	612,277
<b>Total Revenues</b>	<b>10,047,709</b>	<b>10,035,509</b>	<b>12,200</b>	<b>0.12%</b>	<b>13,944,876</b>	<b>3,897,167</b>
<b>Expenses</b>						
Payroll Expenses	598,061	579,469	(18,592)	(3.21)%	5,858,481	5,260,420
Building/Equipment R/M	30,964	113,279	82,316	72.67%	432,461	401,497
Common Area R/M	57,122	107,939	50,817	47.08%	630,327	573,205
Operating Expenses	224,489	311,395	86,906	27.91%	2,548,106	2,323,617
Capital Equipment Purchases	0	0	0	100.00%	0	0
Capital Projects - LCI	20,578	29,917	9,339	31.22%	325,400	304,822
Capital Projects - MRR	(2,591)	286,624	289,215	100.90%	3,484,528	3,487,119
Depreciation	47,897	41,250	(6,647)	(16.11)%	495,000	447,103
Interest Expense	5,125	4,950	(175)	(3.54)%	58,510	53,385
(Gain)/Loss on Sale of Assets	(52,022)	41,500	93,522	225.36%	41,500	93,522
<b>Total Expenses</b>	<b>929,622</b>	<b>1,516,323</b>	<b>586,701</b>	<b>38.69%</b>	<b>13,874,313</b>	<b>12,944,690</b>
<b>Transfers</b>						
Community Programs Support	19,167	19,167	0	0.00%	230,000	210,833
Community Programs Support	(19,167)	(19,167)	0	0.00%	(230,000)	(210,833)
Transfer Fixed Assets	(203,599)	0	203,599	0.00%	0	203,599
Transfer Fixed Assets	191,705	0	(191,705)	0.00%	0	(191,705)
Transfer Fixed Assets	11,895	0	(11,895)	0.00%	0	(11,895)
Total Transfers	0	0	0	0.00%	0	0
<b>BEGINNING FUND BALANCE</b>	<b>18,733,256</b>	<b>18,733,256</b>	<b>0</b>	<b>0.00%</b>	<b>18,733,256</b>	<b>0</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>9,118,087</b>	<b>8,519,186</b>	<b>598,901</b>	<b>7.03%</b>	<b>70,564</b>	<b>(9,047,523)</b>
<b>ENDING FUND BALANCE</b>	<b>27,851,343</b>	<b>27,252,442</b>	<b>598,901</b>	<b>2.20%</b>	<b>18,803,820</b>	<b>(9,047,523)</b>