



## Variance Analysis for Ten Months Ending October 31, 2017

**Total Revenues:** Actual revenues through October 31 were \$14,511,849 or 7.26% over budgeted revenue of \$13,529,883. The overage is the result of the assessment for damage related to Tropical Storm Irma. The Irma supplemental assessment totaled \$1,018,854. The assessment for damage from Hurricane Matthew was recorded in 2016 and totaled \$1,127,192.

**Regular Assessments** of \$9,807,095 are in line with budget.

**Contributions to Reserve** for October were \$136,541. The year-to-date CTR total at October 31 was \$1,224,922 or \$125,078 below the \$1,350,000 budgeted.

- At October 31, 2016, Contributions to Reserve totaled \$1,162,603.
- The CTR estimate for November is \$121,000.

**Commercial Access Fees** as of October 31 totaled \$1,455,303 versus a budgeted amount of \$1,466,417. While coming in .76% under budget, October fees did regain some of the September shortfall; at September 30, commercial access fees were 1.26% behind budget.

Commercial Access Fees totaled \$1,083,394 at October 31, 2016.

**Investment Income** for the first ten months of 2017 totaled \$132,364. Operating funds earned \$24,242 or 0.35% while reserve funds earned \$108,121 or 1.51% for the first ten months of 2017.

**Total Expenses** through October 31 were \$12,880,642 versus a budget of \$12,256,112 for an unfavorable variance of \$624,530 or 5.1%. Actual expenses for the ten months include:

**Tropical Storm Irma** expenses across all expense categories of \$369,530.

**Hurricane Matthew** expenses across all expense categories of \$741,923.

**Payroll and benefits** expenses of \$4,887,183 finished October in line with the year-to-date budget amount of \$4,889,244.

**Repairs and Maintenance** – Through October 31, actual Building Repairs and Maintenance totaled \$281,725 or 27.39% below the budget of \$388,021. The largest factor behind the reduced expenses continues to be the delay in Sandcastle maintenance pending the renovation beginning in November and continuing into the first half of 2018.

Variance Analysis  
For Ten Months Ending October 31, 2017

Common Area Repairs and Maintenance expenses of \$1,082,250 exceeded budget by \$510,532. The overage is the result of:

- Unbudgeted clean-up costs related to Hurricane Matthew which total \$262,543 year-to-date
- Unbudgeted clean-up costs related to Tropical Storm Irma which total \$278,068 year-to-date

**Operating/Administrative** expenses of \$2,340,540 finished October over budget by \$151,157 or 6.9%. This expense category includes:

- \$219,954 of unbudgeted architect, planning and design fees related to the Sandcastle renovation
- \$73,899 of expenses related to the upgrades at the Beachwalker Center.

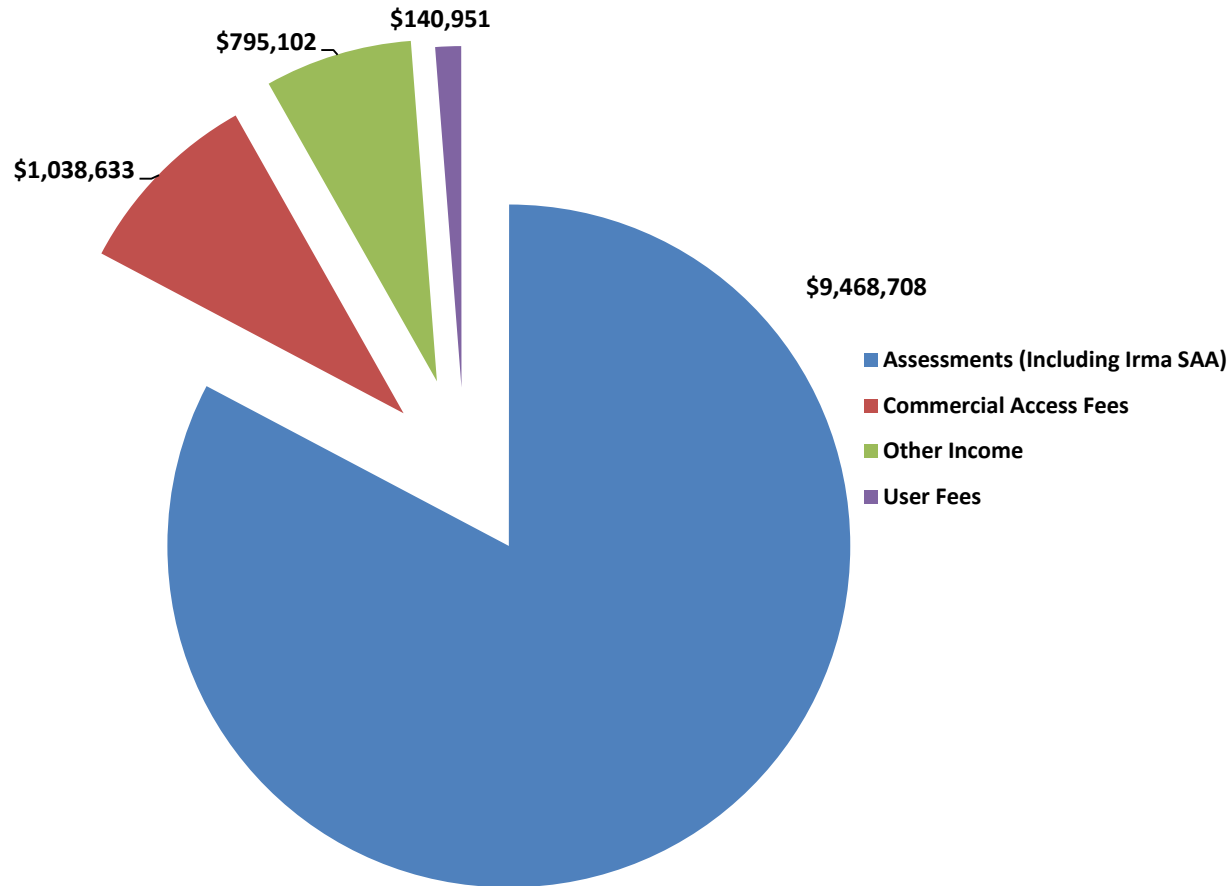
**Landscape Capital Projects and Major Repairs and Replacements** – Landscape Capital Improvements ended October at \$277,023 which is \$16,544 under the \$293,567 budgeted for the first ten months.

Major Repairs and Replacements of \$3,445,477 through October 31 were \$24,193 over the budget of \$3,421,284.

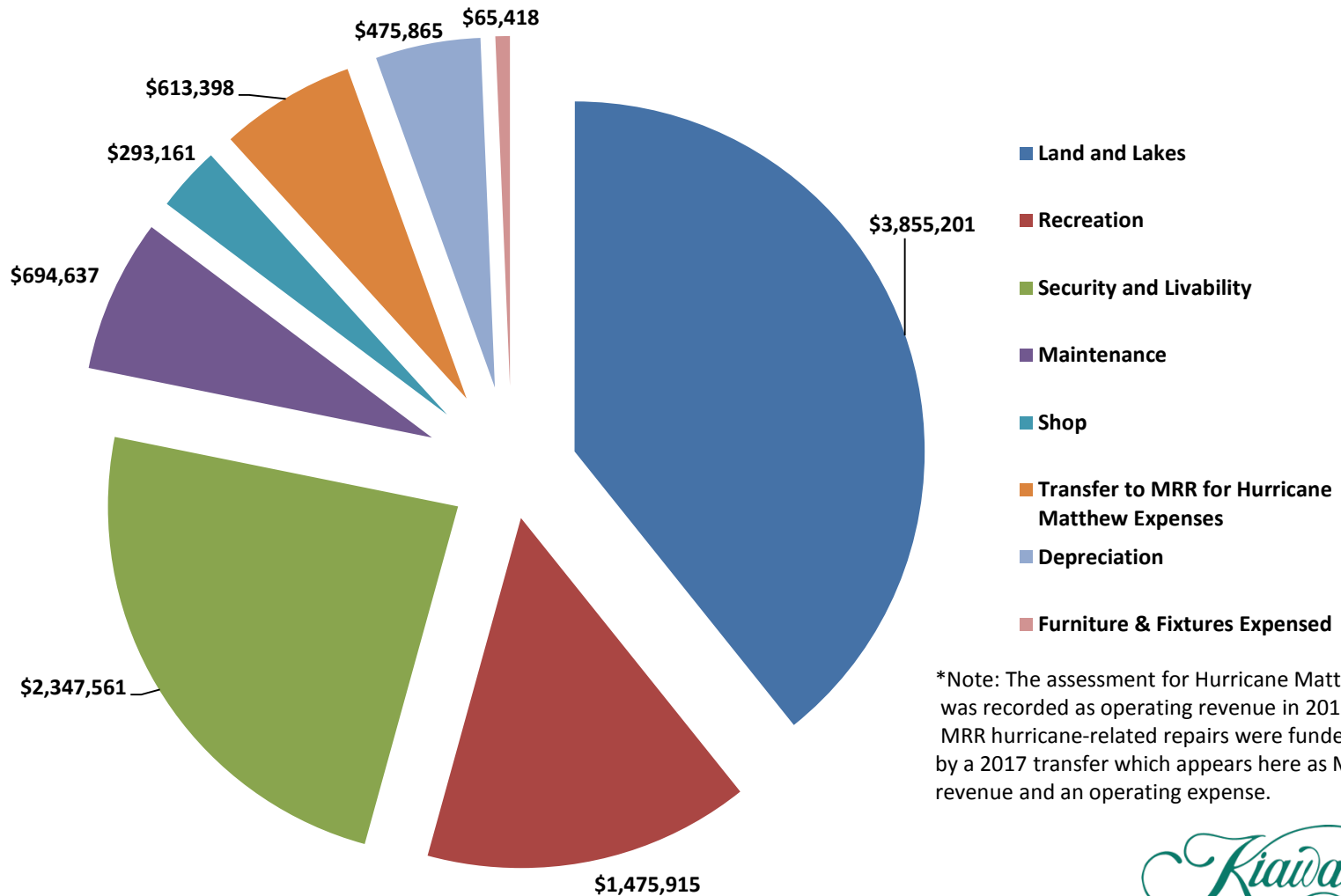
- Drainage is ahead of budget by \$94,074 despite the addition of \$143,181 of unbudgeted expenses connected with Hurricane Matthew and \$25,203 of expenses related to Tropical Storm Irma. An early start on the Cougar Point Golf Course project resulted in the expensing of \$276,576 of that project in December of 2016 while the entire project cost was included in the 2017 budget approved November 8.
- The \$250,000 island signage update will be completed in 2017, but later than budgeted. To date, \$99,082 has been expensed while all \$250,000 was budgeted to be complete at this point in the year.
- Contingency for Emergencies of \$266,583 exceed the budget of \$210,392 following numerous unplanned metal pipe repairs.
- Significant 2017 MRR projects still pending are the \$800,000 mill-and-replace paving of Kiawah Island Parkway and the dock repairs at Rhett's Bluff related to damage from Hurricane Matthew and Tropical Storm Irma. Both projects are expected to be completed and the expenses recorded before December 31, 2017.

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.

# Operating Revenue to October 31, 2017

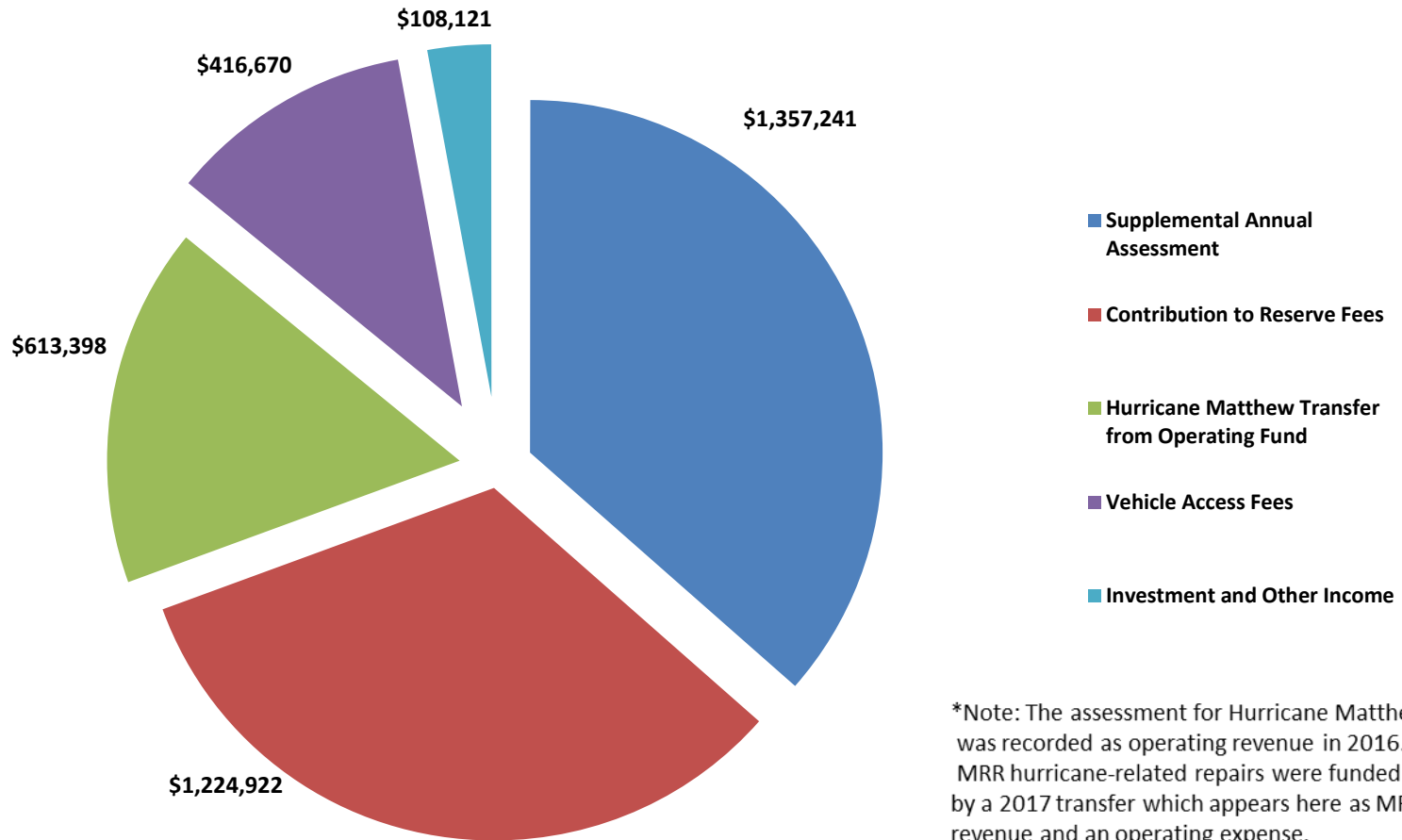


# Operating Expenses to October 31, 2017



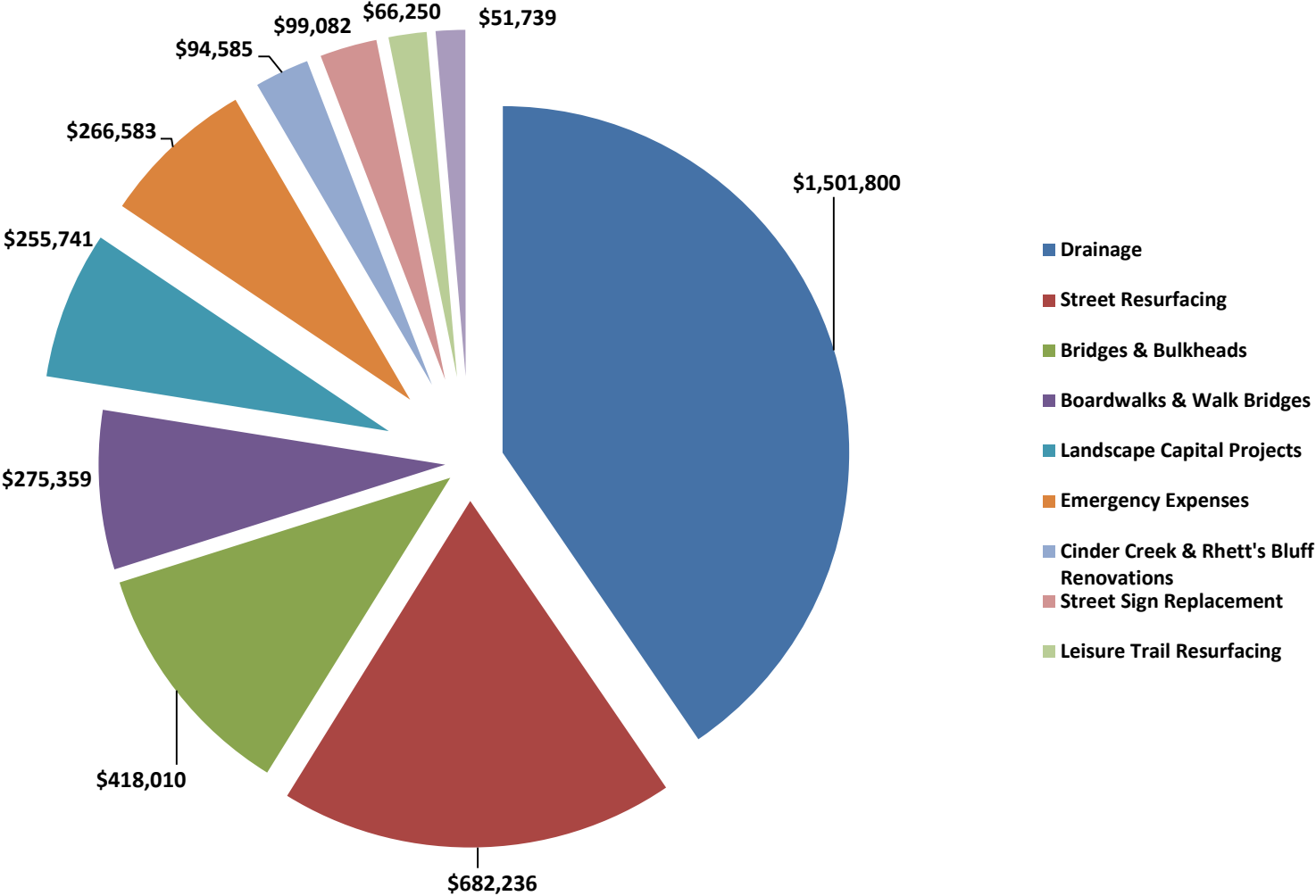
\*Note: The assessment for Hurricane Matthew was recorded as operating revenue in 2016. MRR hurricane-related repairs were funded by a 2017 transfer which appears here as MRR revenue and an operating expense.

# MRR Revenue to October 31, 2017



\*Note: The assessment for Hurricane Matthew was recorded as operating revenue in 2016. MRR hurricane-related repairs were funded by a 2017 transfer which appears here as MRR revenue and an operating expense.

# MRR Expenses to October 31, 2017



## Kiawah Island Community Association, Inc.

## Consolidated Balance Sheet

Oct. 31, 2017

	FUNDS						TOTAL
	General	Recreation	V-Gate	Reserve	Preserve	Property	
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and Cash Equivalents	598,099	0	0	0	0	0	598,099
Money Market Funds	6,218,663	228,816	420,431	1,130,463	15,497	1,599,535	9,613,404
CD's	0	0	0	450,000	0	0	450,000
Interest Receivable	0	0	0	48,941	0	0	48,941
Accounts Receivable	396,555	13,845	108	25,114	0	0	435,622
Accounts Receivable- Other	31,647	0	0	0	0	0	31,647
Royalty Receivable	37,500	0	0	0	0	0	37,500
Prepaid Expenses	195,689	5,400	0	226,305	0	0	427,394
<b>Total Current Assets</b>	<b>7,478,152</b>	<b>248,061</b>	<b>420,539</b>	<b>1,880,823</b>	<b>15,497</b>	<b>1,599,535</b>	<b>11,642,606</b>
<b>Fixed Assets</b>							
Equipment & Furniture	0	0	0	0	0	1,472,287	1,472,287
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	7,757,532	7,757,532
Land Improvements	0	0	0	0	0	95,697	95,697
Land	0	0	0	0	0	440,253	440,253
Accumulated Depreciation	0	0	0	0	0	(5,080,799)	(5,080,799)
<b>Total Fixed Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,499,491</b>	<b>6,499,491</b>
<b>Other Assets</b>							
Treasury Investments > 1 Yr	0	0	0	592,441	0	0	592,441
Corporate Bonds	0	0	0	4,200,000	0	0	4,200,000
Corporate Bond Premium	0	0	0	78,067	0	0	78,067
Unrealized Gain/Loss on Investments	0	0	0	(19,340)	0	0	(19,340)
<b>Total Other Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,851,168</b>	<b>0</b>	<b>0</b>	<b>4,851,168</b>
<b>TOTAL ASSETS</b>	<b>7,478,152</b>	<b>248,061</b>	<b>420,539</b>	<b>6,731,991</b>	<b>15,497</b>	<b>8,099,026</b>	<b>22,993,266</b>

**Kiawah Island Community Association, Inc.**  
**Consolidated Balance Sheet**

Oct. 31, 2017

	FUNDS						TOTAL
	General	Recreation	V-Gate	Reserve	Preserve	Property	
<b>LIABILITIES AND FUND BALANCE</b>							
<b>Current Liabilities</b>							
Payroll Withholdings	62,090	0	0	0	0	0	62,090
Accrued Payroll	436,523	35,953	0	0	0	0	472,476
Deposits and Prepaid Assessments	4,209	4,900	0	0	0	0	9,109
Accounts Payable	67,752	10,072	0	19,824	0	0	97,648
ARB Coordinator Salary	6,060	0	0	0	0	0	6,060
Current Mortgage Payable	9,064	0	0	0	0	0	9,064
Deferred Revenue- Royalty Income- Cur	8,359	0	0	0	0	0	8,359
<b>Total Current Liabilities</b>	<b>594,058</b>	<b>50,925</b>	<b>0</b>	<b>19,824</b>	<b>0</b>	<b>0</b>	<b>664,806</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	4,920,098	197,136	420,539	6,712,168	15,497	8,099,026	20,364,463
<b>Total Fund Balance</b>	<b>4,920,098</b>	<b>197,136</b>	<b>420,539</b>	<b>6,712,168</b>	<b>15,497</b>	<b>8,099,026</b>	<b>20,364,463</b>
<b>TOTAL LIABILITIES/FUNDS</b>	<b>7,478,152</b>	<b>248,061</b>	<b>420,539</b>	<b>6,731,991</b>	<b>15,497</b>	<b>8,099,026</b>	<b>22,993,266</b>



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

	YEAR-TO-DATE		Favorable (Unfavorable)		2017 Total	Remaining
	Actual	Budget	\$ Variance	% Variance	Budget	Budget
<b>Revenues</b>						
Assessments	10,825,949	9,789,350	1,036,599	10.59%	9,792,395	(1,033,554)
Investment Income	132,364	83,296	49,068	58.91%	99,955	(32,409)
Contribution to Reserves	1,224,922	1,350,000	(125,078)	(9.27)%	1,500,000	275,078
Commercial Access Fees	1,455,303	1,466,417	(11,114)	(0.76)%	1,610,750	155,447
User Fees	140,951	152,531	(11,580)	(7.59)%	172,650	31,699
Other Income	732,359	688,289	44,069	6.40%	769,126	36,767
<b>Total Revenues</b>	<b>14,511,849</b>	<b>13,529,883</b>	<b>981,966</b>	<b>7.26%</b>	<b>13,944,876</b>	<b>(566,972)</b>
<b>Expenses</b>						
Payroll Expenses	4,887,183	4,889,244	2,061	0.04%	5,858,481	971,297
Building/Equipment R/M	281,725	388,021	106,297	27.39%	432,461	150,736
Common Area R/M	1,082,250	571,717	(510,532)	(89.30)%	630,327	(451,923)
Operating Expenses	2,340,540	2,189,384	(151,157)	(6.90)%	2,548,106	207,566
Capital Equipment Purchases	65,418	0	(65,418)	- %	0	(65,418)
Capital Projects - LCI	277,023	293,567	16,544	5.64%	325,400	48,377
Capital Projects - MRR	3,445,477	3,421,284	(24,193)	(0.71)%	3,484,528	39,051
Depreciation	475,865	412,500	(63,365)	(15.36)%	495,000	19,135
Interest Expense	49,618	48,895	(723)	(1.48)%	58,510	8,893
(Gain)/Loss on Sale of Assets	(24,457)	41,500	65,957	158.93%	41,500	65,957
<b>Total Expenses</b>	<b>12,880,642</b>	<b>12,256,112</b>	<b>(624,530)</b>	<b>(5.10)%</b>	<b>13,874,313</b>	<b>993,671</b>
Transfers						
Community Program Support	0	0	0	0.00%	0	0
Interfund Transfers	0	0	0	0.00%	0	0
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>1,631,207</b>	<b>1,273,771</b>	<b>357,436</b>	<b>28.06%</b>	<b>70,564</b>	<b>(1,560,643)</b>
<b>ENDING FUND BALANCE</b>	<b>20,364,463</b>	<b>20,007,027</b>	<b>357,436</b>	<b>1.79%</b>	<b>18,803,820</b>	<b>(1,560,643)</b>

# Kiawah Island Community Association, Inc.

## Income Statement

YTD as of October 31, 2017

	General		Recreation		V-Gate		MRR		Preserve		Property		Total
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
<b>Revenues</b>													
Assessments	\$8,657,193	\$7,631,381	\$587,405	\$589,025	\$200,950	\$194,745	\$1,357,241	\$1,350,889	\$23,161	\$23,310	\$0	\$0	\$10,825,949
Investment Income	\$19,589	\$40,000	\$1,010	\$3,417	\$1,129	\$2,292	\$106,958	\$37,500	\$34	\$88	\$3,643	\$0	\$132,364
Contribution to Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$1,224,922	\$1,350,000	\$0	\$0	\$0	\$0	\$1,224,922
Commercial Access Fees	\$1,038,633	\$1,049,750	\$0	\$0	\$0	\$0	\$416,670	\$416,667	\$0	\$0	\$0	\$0	\$1,455,303
User Fees	\$0	\$30,742	\$140,951	\$121,789	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$140,951
Other Income	\$515,598	\$480,561	\$216,761	\$207,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$732,359
<b>Total Revenues</b>	<b>\$10,231,013</b>	<b>\$9,232,434</b>	<b>\$946,127</b>	<b>\$921,960</b>	<b>\$202,079</b>	<b>\$197,037</b>	<b>\$3,105,792</b>	<b>\$3,155,055</b>	<b>\$23,195</b>	<b>\$23,398</b>	<b>\$3,643</b>	<b>\$0</b>	<b>\$14,511,849</b>
<b>Expenses</b>													
Payroll Expenses	\$4,272,359	\$4,271,794	\$499,543	\$489,363	\$115,281	\$128,088	\$0	\$0	\$0	\$0	\$0	\$0	\$4,887,183
Building/Equipment R/M	\$157,561	\$182,905	\$123,017	\$200,056	\$1,146	\$5,060	\$0	\$0	\$0	\$0	\$0	\$0	\$281,725
Common Area R/M	\$1,017,733	\$525,951	\$49,400	\$33,667	\$2,100	\$2,100	\$0	\$0	\$13,017	\$10,000	\$0	\$0	\$1,082,250
Operating Expenses	\$1,972,541	\$1,860,858	\$342,675	\$302,224	\$25,324	\$26,302	\$0	\$0	\$0	\$0	\$0	\$0	\$2,340,540
Capital Equipment Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$65,418	\$0	\$65,418
Capital Projects - LCI	\$0	\$0	\$0	\$0	\$12,216	\$50,000	\$255,741	\$235,167	\$9,066	\$8,400	\$0	\$0	\$277,023
Capital Projects - MRR	\$0	\$0	\$0	\$0	\$0	\$0	\$3,445,477	\$3,421,284	\$0	\$0	\$0	\$0	\$3,445,477
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$475,865	\$412,500	\$475,865
Interest Expense	\$49,618	\$48,895	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$49,618
(Gain)/Loss on Sale of Assets	(\$36,023)	\$41,500	\$1,400	\$0	\$0	\$0	\$10,167	\$0	\$0	\$0	\$0	\$0	(\$24,457)
<b>Total Expenses</b>	<b>\$7,433,789</b>	<b>\$6,931,902</b>	<b>\$1,016,035</b>	<b>\$1,025,308</b>	<b>\$156,068</b>	<b>\$211,551</b>	<b>\$3,711,384</b>	<b>\$3,656,451</b>	<b>\$22,083</b>	<b>\$18,400</b>	<b>\$541,284</b>	<b>\$412,500</b>	<b>\$12,880,642</b>
<b>Transfers</b>													
Community Program Support	\$172,503	\$191,667	(\$172,503)	(\$191,667)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interfund Transfers	\$1,006,554	\$0	\$18,568	\$0	\$0	\$0	(\$613,398)	\$0	(\$13,017)	\$0	(\$398,708)	\$0	\$0
<b>Total Transfers</b>	<b>\$1,179,057</b>	<b>\$191,667</b>	<b>(\$153,935)</b>	<b>(\$191,667)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$613,398)</b>	<b>\$0</b>	<b>(\$13,017)</b>	<b>\$0</b>	<b>(\$398,708)</b>	<b>\$0</b>	<b>\$0</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$3,301,930</b>	<b>\$0</b>	<b>\$113,109</b>	<b>\$0</b>	<b>\$374,528</b>	<b>\$0</b>	<b>\$6,704,363</b>	<b>\$0</b>	<b>\$1,368</b>	<b>\$0</b>	<b>\$8,237,958</b>	<b>\$0</b>	<b>\$18,733,256</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$1,618,168</b>	<b>\$0</b>	<b>\$84,027</b>	<b>\$0</b>	<b>\$46,011</b>	<b>\$0</b>	<b>\$7,805</b>	<b>\$0</b>	<b>\$14,129</b>	<b>\$0</b>	<b>(\$138,932)</b>	<b>\$0</b>	<b>\$1,631,207</b>
<b>ENDING FUND BALANCE</b>	<b>\$4,920,098</b>	<b>\$0</b>	<b>\$197,136</b>	<b>\$0</b>	<b>\$420,539</b>	<b>\$0</b>	<b>\$6,712,168</b>	<b>\$0</b>	<b>\$15,497</b>	<b>\$0</b>	<b>\$8,099,026</b>	<b>\$0</b>	<b>\$20,364,463</b>