



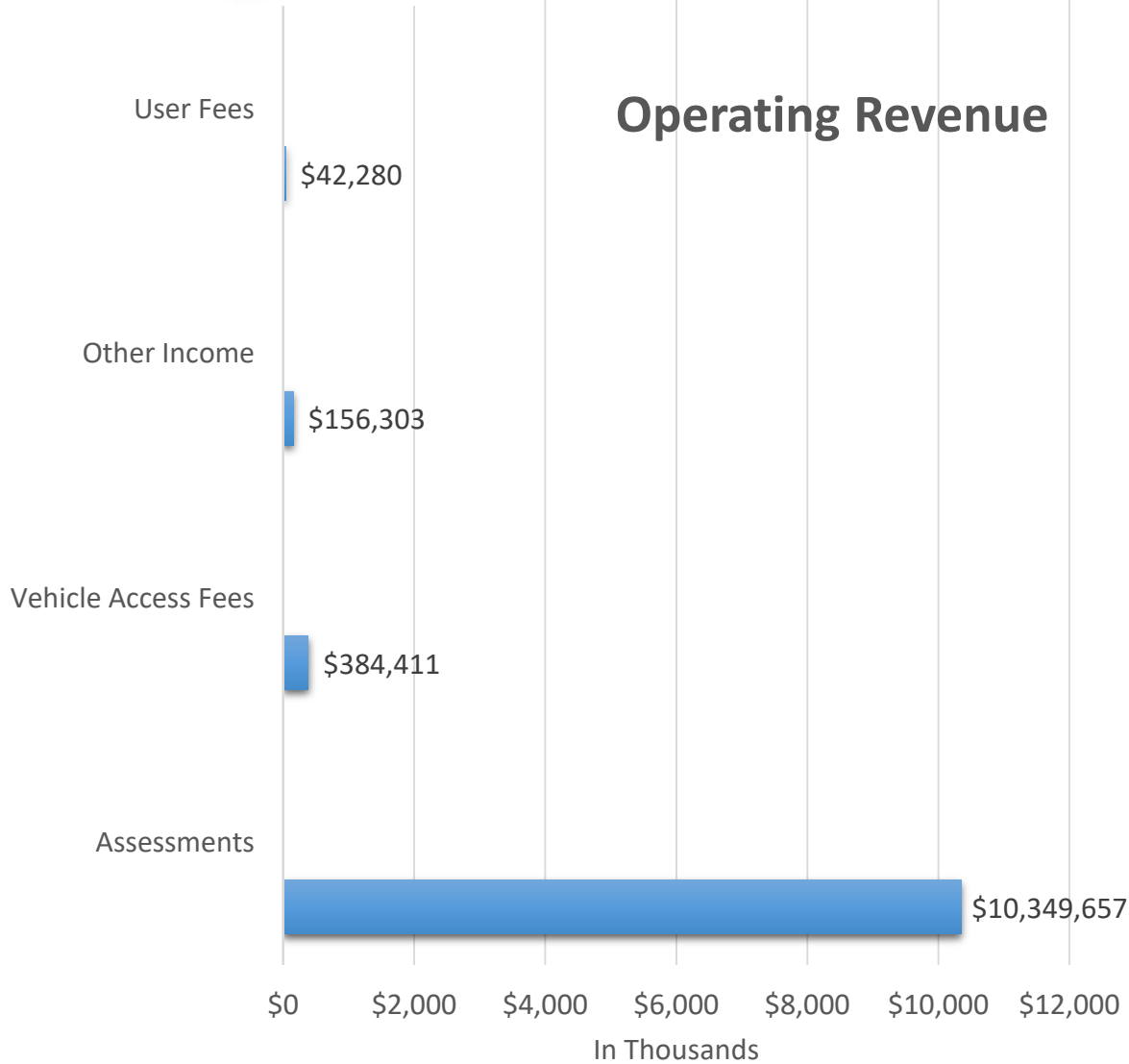
Monthly Financial Results

As of March 31, 2020

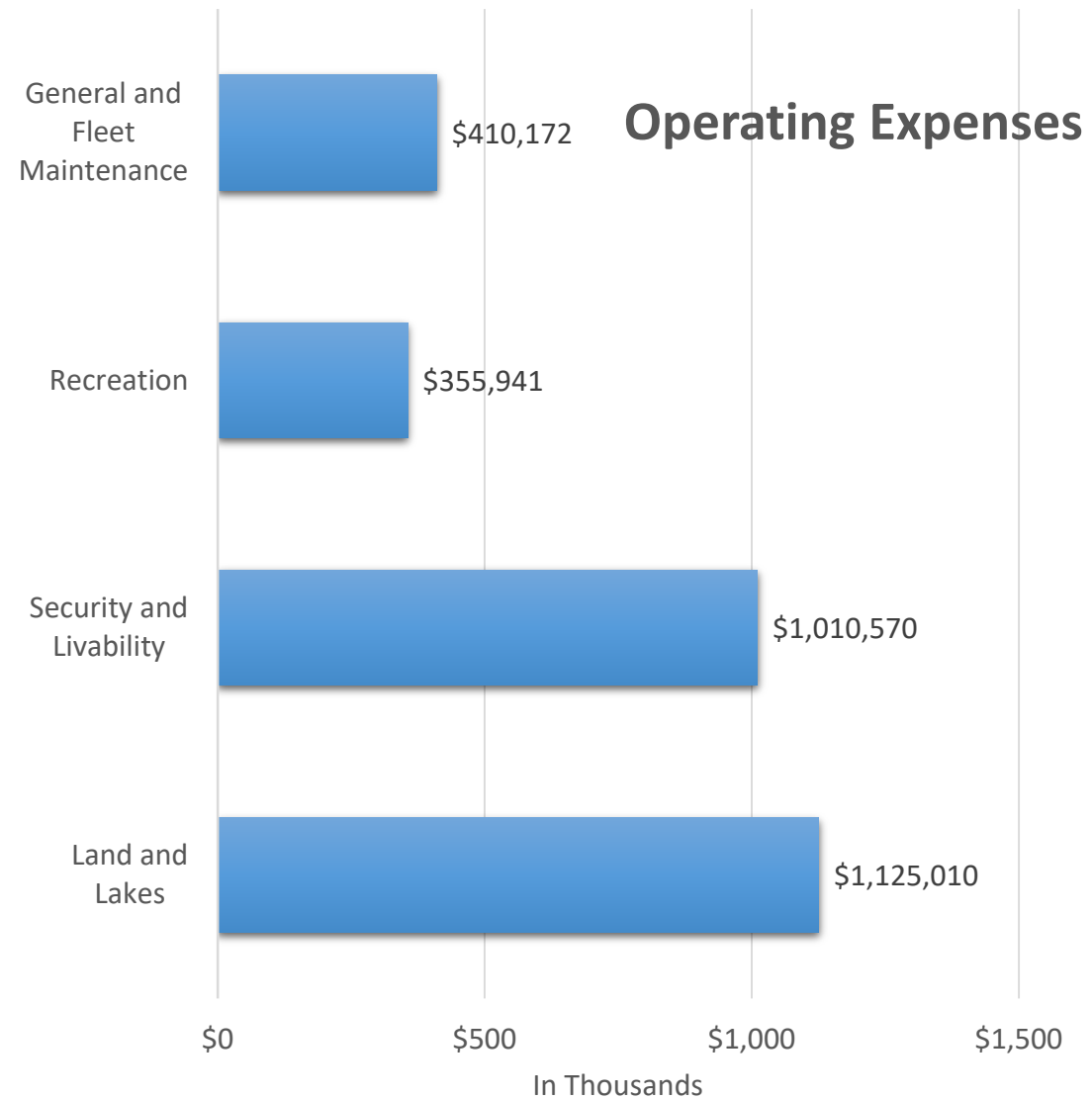


Operating Revenue and Expenses to March 31, 2020

Operating Revenue



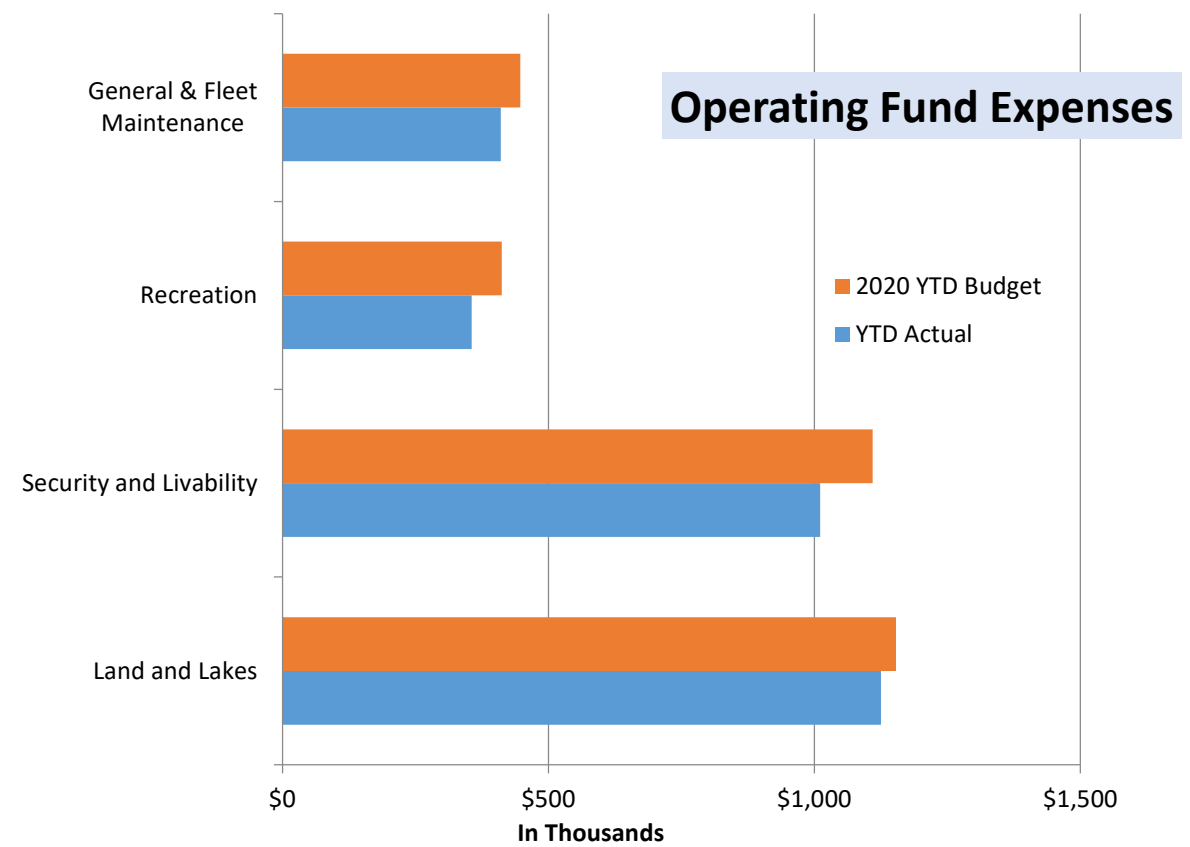
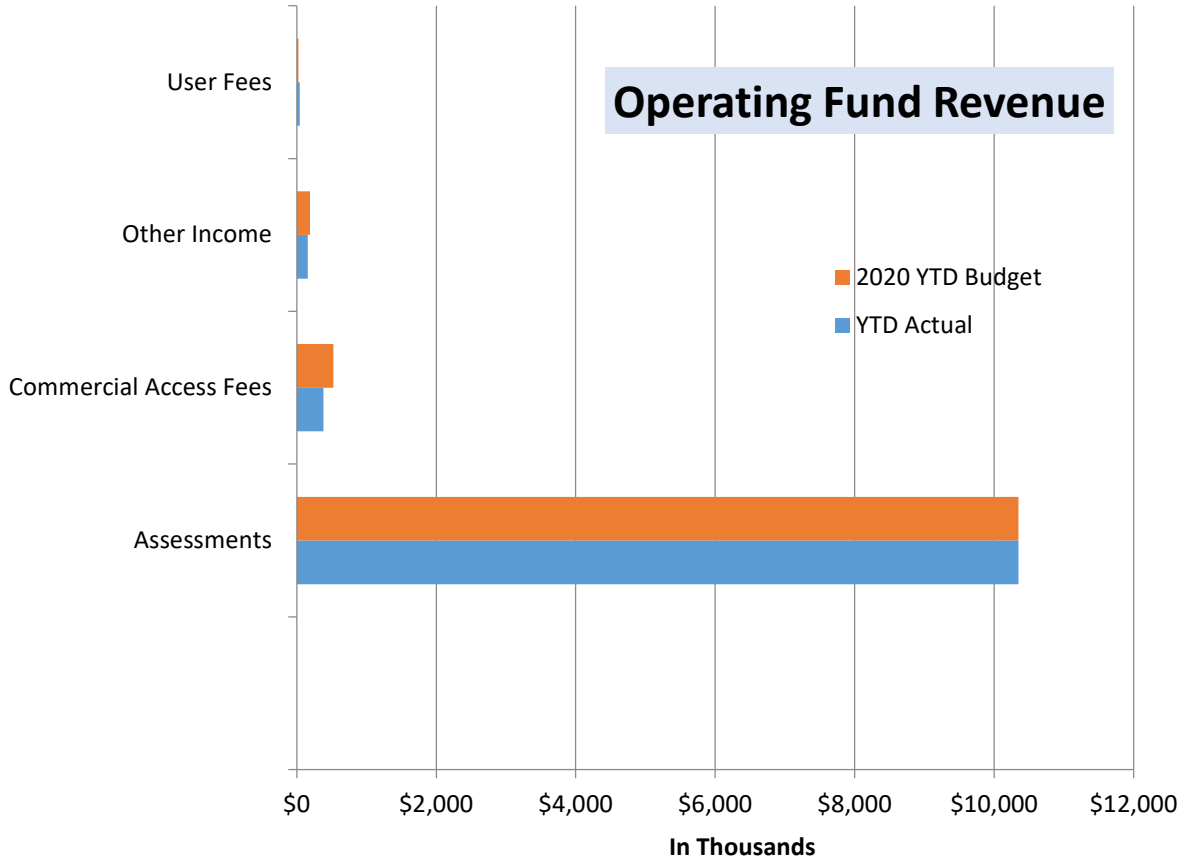
Operating Expenses



Note - non-operating revenue and expenses are not included above. These financial reports are unaudited and are for internal use only.



Operating Budget to Actual Comparison March 31, 2020

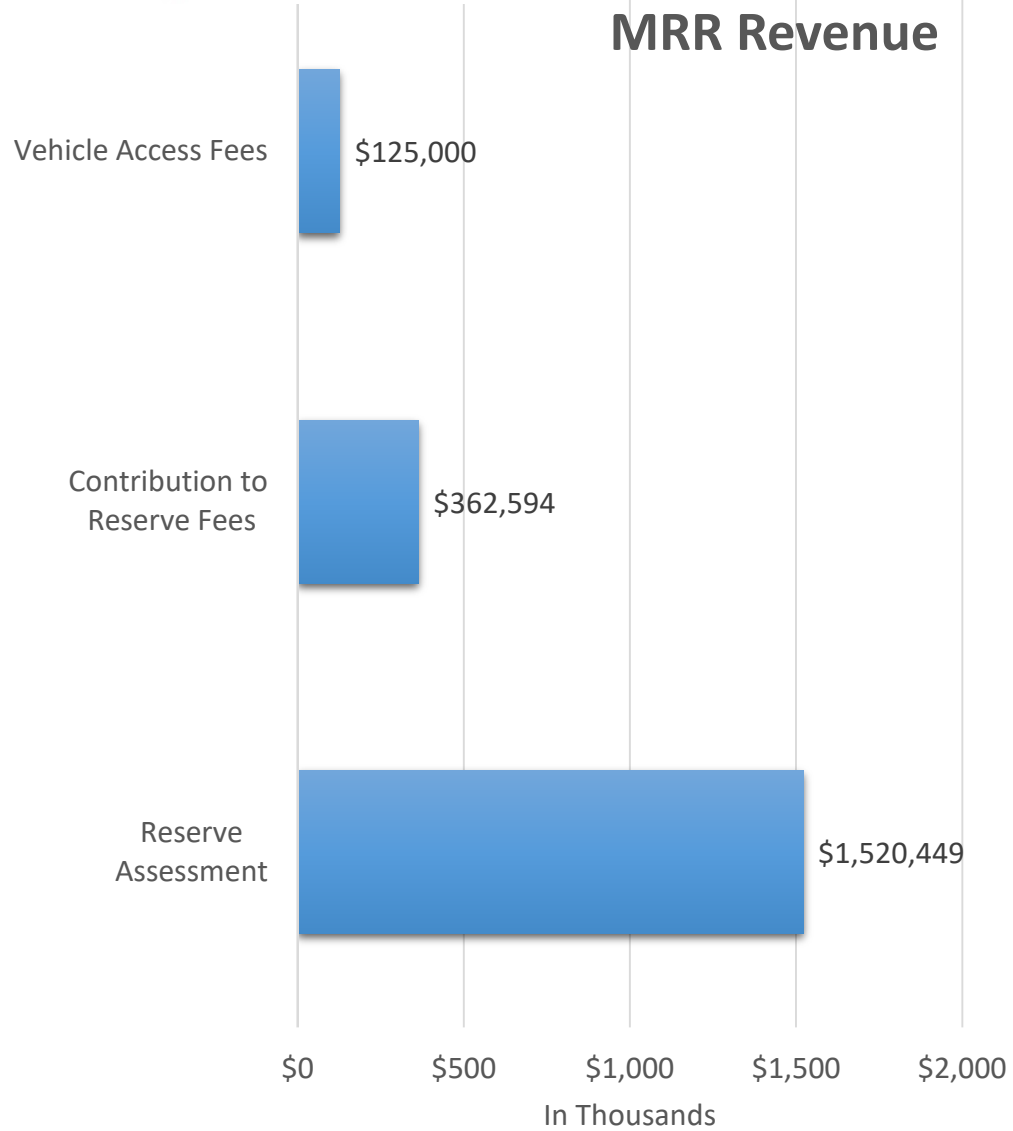


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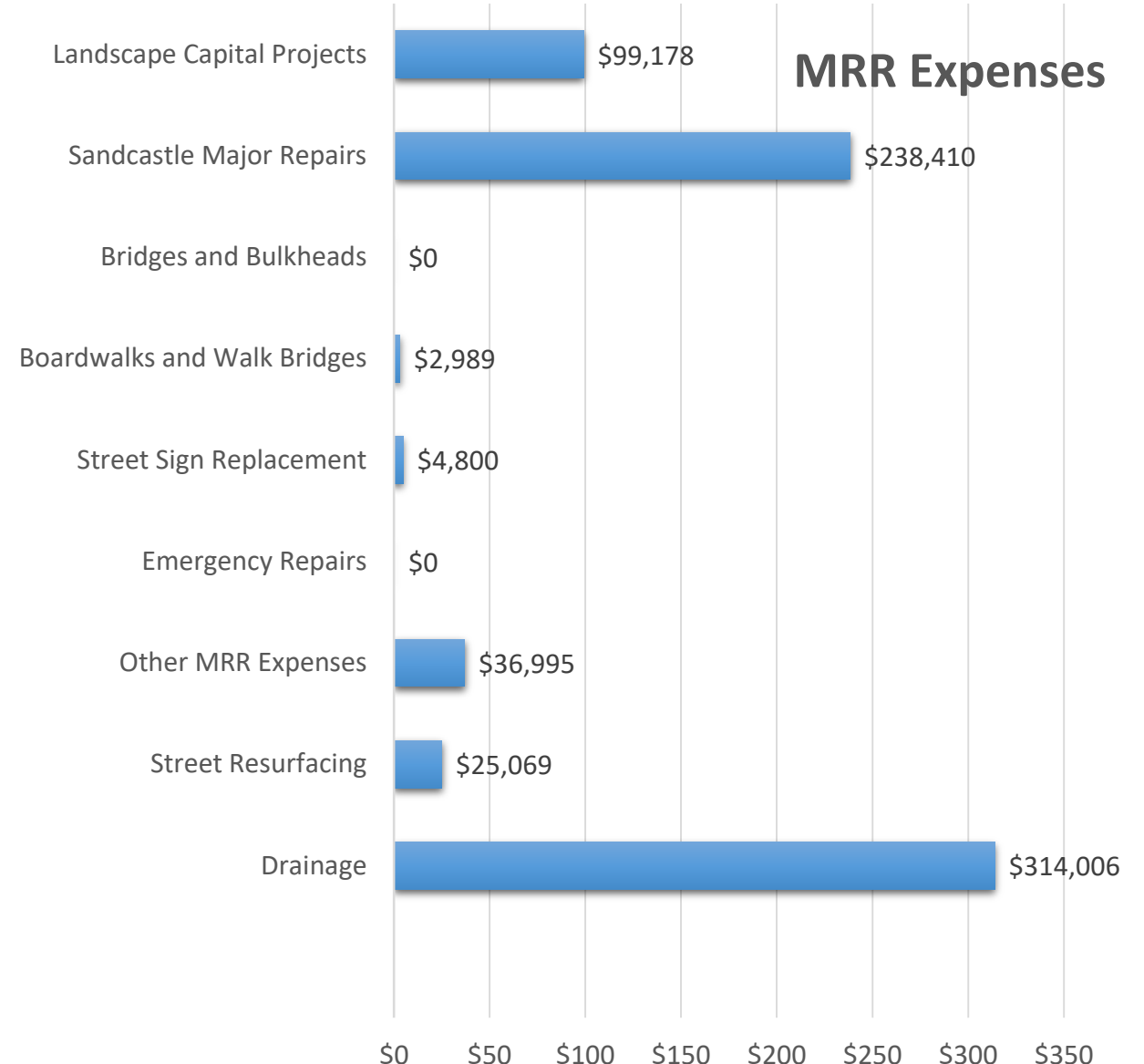


MRR Revenue and Expenses to March 31, 2020

MRR Revenue



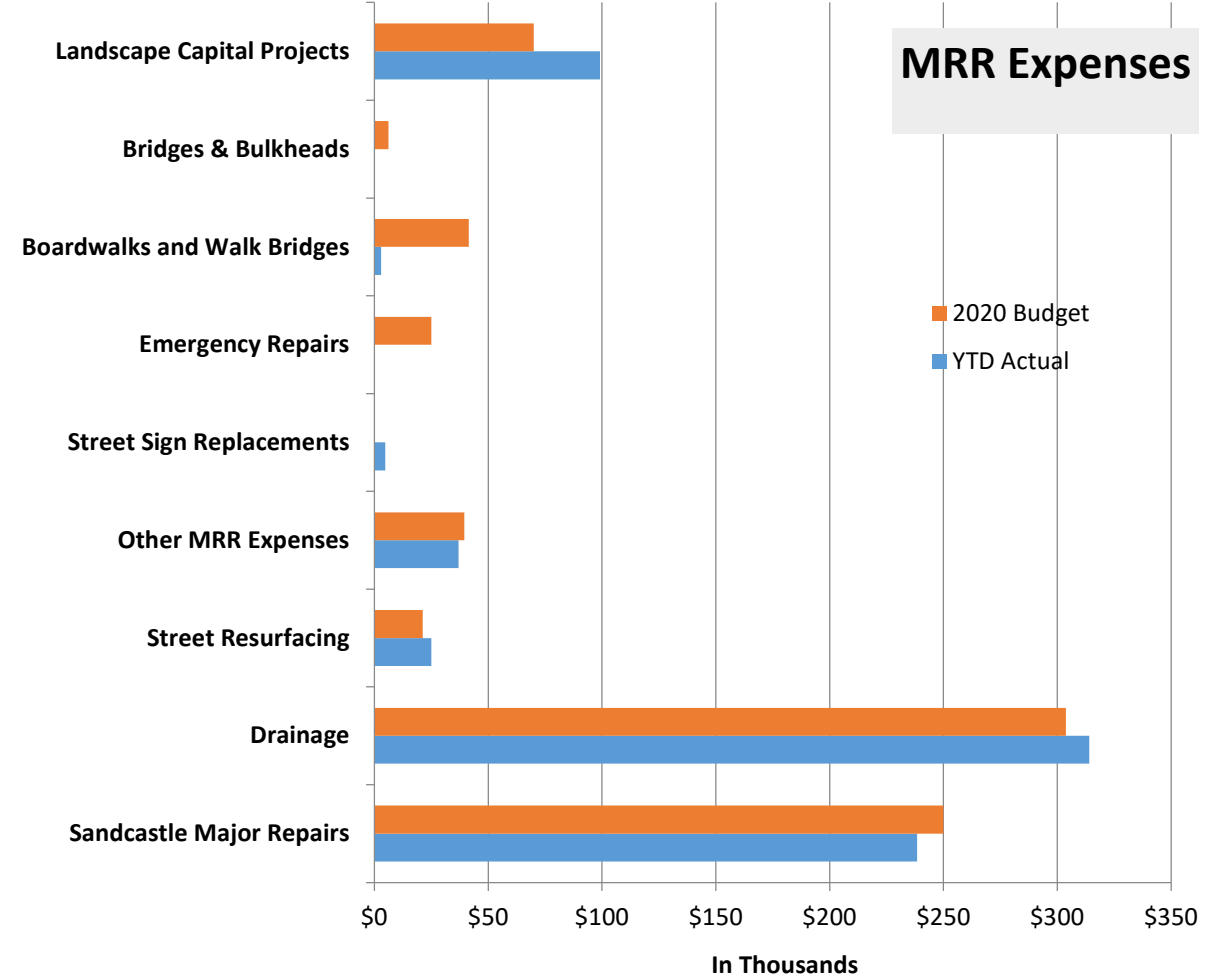
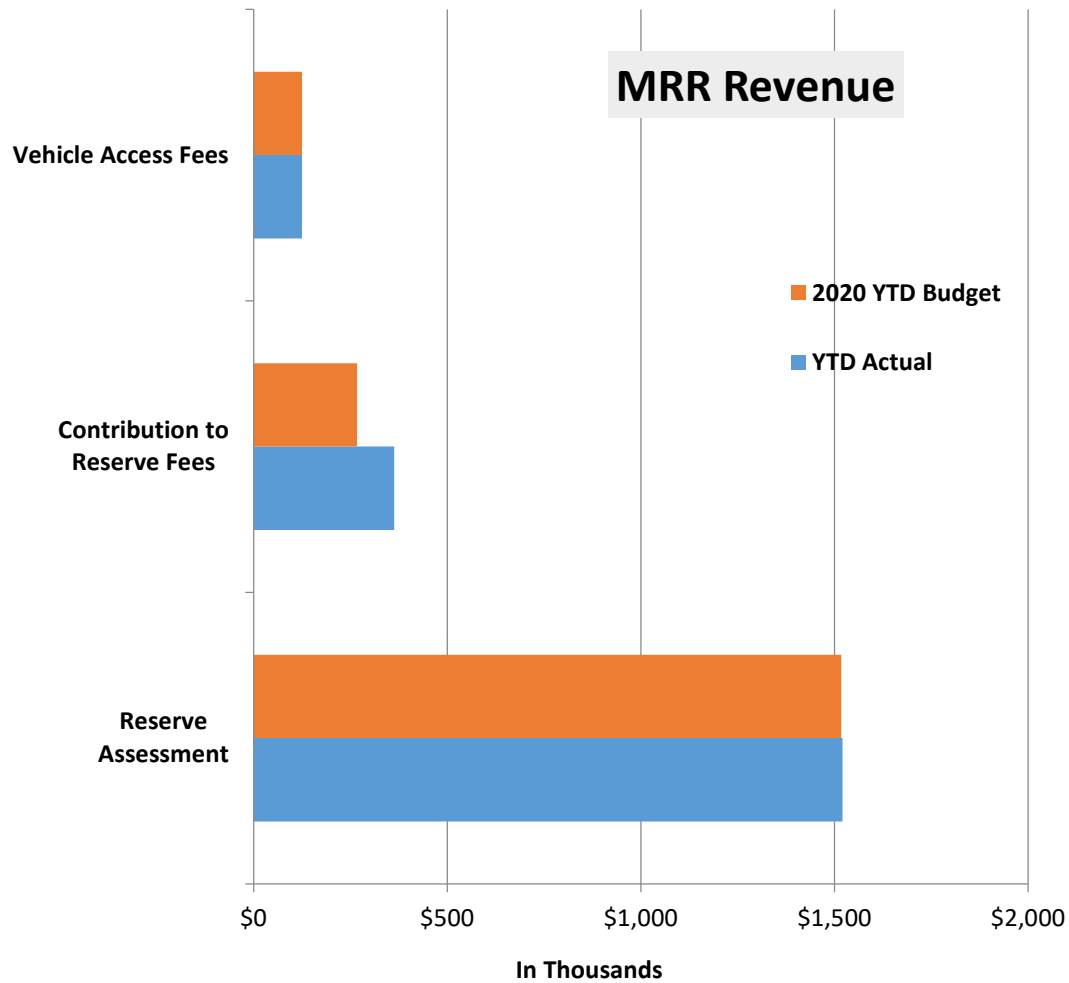
MRR Expenses



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MRR Budget to Actual Comparison March 31, 2020



Note - non-operating revenue and expenses are not included above. These financial reports are unaudited and are for internal use only.



Variance Analysis – March 31, 2020

March 17 saw the start of KICA's efforts to limit costs, close some facilities, and practice social distancing in response to the Covid-19 threat. COO, Jimmy Bailey directed each department to freeze hiring and defer expenses until there is clarity around return to work plans and more information about the economic impact of the crisis. At this point, favorable budget variances are considered timing differences unless noted differently below.

Total Revenue: Three months into 2020, KICA's total revenue is \$12,512,002, which is \$594,639 below budget.

Assessments, KICA's primary revenue source, total \$11,870,106 through March 31 and are in line with the \$11,867,625 budgeted.

- Through March 31, 97.2% of 2020 assessments have been collected.

Contributions to Reserve (CTR) through March 31 are \$362,594 which is \$95,540 ahead of budget.

- The Contributions to Reserve estimate for April is \$105,000. As of April 21, 2020, actual April CTR collections are \$32,884.
- For the prior year, contributions to reserve through March of 2019 were \$163,900.

Vehicle Access Fees through March 31 are \$509,411 which is \$137,671 below the \$647,082 budgeted. A large percentage of annual contractor passes expire and are renewed in March of each year. This year, to encourage social distancing, passes expiring in March were given an additional month to renew. KICA's expectation is that most of the variance for March will be made up in the second quarter of the year.

- Vehicle Access Fees through March of 2019 were \$657,094.

Investment Income through March 31, 2020 is below budget by \$551,337. This deficit reflects unrealized losses on mutual fund investments and lower than budgeted earnings on fixed income investments in KICA's reserve account.

The reserve account balance totaled \$7,445,488 at month-end and is comprised of 70% fixed income and 30% equity investments. The portfolio is invested for the long-term and exists primarily for major repair and replacement of island infrastructure. KICA's finance committee met April 15, 2020 to review the account performance and continues to monitor account activity.

Operating Expenses as of March 31 are \$3,558,590, which is 5.04% better than the budget of \$3,747,292.



Payroll Expenses, which typically represent KICA's largest expense line item, are \$1,680,504 through March 31. This amount is 3.78% better than the \$1,746,586 budgeted.

Building Equipment Repairs and Maintenance ended March at \$140,990 which is 14.40% better than the \$164,709 budgeted. At this point, the only permanent favorable variance is the \$10,000 savings related to the storage upgrades at the Sandcastle.

Common Area Repairs and Maintenance ended the quarter totaling \$504,880 which is \$43,021 over the budget of \$461,860. The actual total includes \$46,954 of expenses related to Hurricane Dorian mitigation which are not part of the 2020 budget.

Through March 31, pine straw installations were \$99,619 over budget. These installations were budgeted for April, but a large percentage were completed and expensed in March. The remaining pine straw installations are expected to be completed in April and in total will be in line with the amount budgeted.

Utilities ended the quarter \$51,951 below budget largely thanks to savings in irrigation due to some well-timed rain events and changes in watering philosophies that incorporate chemical wetting agents and new moisture monitoring tools.

Operating/Administrative Expenses ended March totaling \$510,771 which is 17.19% below the budget of \$616,829. Some notable variances include:

- Printing and Postage - \$37,486 favorable variance
- Communications and Technology - \$8,857 favorable variance
- Legal Fees - \$16,149 favorable variance
- Insurance (Property and Worker's Compensation) - \$15,636 favorable variance

Landscape Capital Projects ended the quarter totaling \$99,178 which is \$29,178 or 41.68% over budget. Of the total actual expenses, \$44,323 relates to the median restoration on Governor's Drive which was a 2019 carryforward project and was not included in the 2020 budget.

Major Repairs and Replacements (MRR) expenses through March 31 total \$622,267 and are 9.46% under the budget of \$687,308. Two expense categories represent the bulk of the major repairs for the first quarter:

- Drain cleaning along Kiawah Beach Drive, Beachwalker Drive, on Dunlin Court, and on Glossy Ibis Lane.
- Drainage repair and replacement at Seascape and along Shipwatch Drive.



- Renovation of the plaster and lighting at the Sandcastle family pool. This project was budgeted for \$250,000, but was completed at a cost of \$238,410 for a permanent savings of \$11,590.

There were no emergency repairs recorded in the first quarter of 2020 which resulted in a positive variance of \$25,000.

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



Kiawah Island Community Association, Inc.

Consolidated Balance Sheet

03/31/2020

	FUNDS						TOTAL
	General	Recreation	V-Gate	Reserve	Preserve	Property	
ASSETS							
Current Assets							
Cash and Cash Equivalents	585,452	0	0	0	0	0	585,452
Money Market Funds	8,103,823	686,036	221,094	2,835,154	227,068	606,709	12,679,884
CD's	0	0	62,500	1,062,500	0	125,000	1,250,000
Interest Receivable	0	0	1,831	26,708	0	3,661	32,199
Accounts Receivable	265,986	45,869	4,486	74,342	6,998	0	397,681
Accounts Receivable- Other	12	0	0	0	0	0	12
Royalty Receivable	37,500	0	0	0	0	0	37,500
Prepaid Expenses	309,538	2,375	0	150,000	0	0	461,913
Total Current Assets	9,302,311	734,280	289,910	4,148,703	234,067	735,370	15,444,641
Fixed Assets							
Equipment & Furniture	0	0	0	0	0	1,565,690	1,565,690
Trucks and Trailers	0	0	0	0	0	819,629	819,629
Pool Furniture	0	0	0	0	0	93,182	93,182
Bathhouse and Pool Area	0	0	0	0	0	166,443	166,443
Buildings	0	0	0	0	0	2,530,343	2,530,343
Land	0	0	0	0	0	440,253	440,253
Accumulated Depreciation	0	0	0	0	0	(2,520,655)	(2,520,655)
Total Fixed Assets	0	0	0	0	0	3,094,883	3,094,883
Other Assets							
Mutual Fund Investments	0	0	34,941	1,759,892	0	551,710	2,346,543
Corporate Bonds	0	0	169,750	2,885,750	0	339,500	3,395,000
Corporate Bond Premium	0	0	2,001	34,023	0	4,003	40,027
Unrealized Gain/Loss on Investments	0	0	2,082	35,389	0	4,164	41,635
Total Other Assets	0	0	208,774	4,715,054	0	899,376	5,823,205
TOTAL ASSETS	9,302,311	734,280	498,684	8,863,758	234,067	4,729,630	24,362,729

LIABILITIES AND FUND BALANCE

Current Liabilities

Payroll Withholdings	51,660	0	0	0	0	0	51,660
Accrued Payroll	315,183	49,547	0	0	0	0	364,729
Deposits and Prepaid Assessments	156,902	31,070	0	0	0	0	187,972
Accounts Payable	68,268	51,678	0	178,852	0	0	298,798
Accrued Liabilities	163,308	0	0	0	0	0	163,308
ARB Coordinator Salary	22,979	0	0	0	0	0	22,979



Kiawah Island Community Association, Inc.

Consolidated Balance Sheet

03/31/2020

	FUNDS						TOTAL
	General	Recreation	V-Gate	Reserve	Preserve	Property	
Current Mortgage Payable	0	0	0	0	0	45,702	45,702
Deferred Revenue- Royalty Income- Cur	37,617	0	0	0	0	0	37,617
Total Current Liabilities	815,916	132,294	0	178,852	0	45,702	1,172,764
Non-Current Liabilities							
Deferred Revenue- Royalty Income	300,939	0	0	0	0	0	300,939
LT Mortgage Payable	0	0	0	0	0	397,155	397,155
Total Non-Current Liabilities	300,939	0	0	0	0	397,155	698,094
Fund Balance							
Fund Balance	8,185,456	601,986	498,684	8,684,905	234,067	4,286,774	22,491,871
Total Fund Balance	8,185,456	601,986	498,684	8,684,905	234,067	4,286,774	22,491,871
TOTAL LIABILITIES/FUNDS	9,302,311	734,280	498,684	8,863,758	234,067	4,729,630	24,362,729



Kiawah Island Community Association, Inc.

Consolidated Income Statement with Budget Variances

for the Period Ending 03/31/2020

	YEAR-TO-DATE		Favorable (Unfavorable)		2020 Total	Remaining
	Actual	Budget	\$ Variance	% Variance	Budget	Budget
Total Revenue						
Operating Revenues						
Assessments	11,870,106	11,867,625	2,481	0.02 %	11,872,373	2,266
Contribution to Reserves	362,594	267,054	95,540	35.78 %	1,345,937	983,343
Commercial Access Fees	509,411	647,082	(137,671)	(21.28)%	1,615,758	1,106,347
User Fees	42,280	23,975	18,305	76.35 %	174,100	131,820
Other Income	156,303	191,348	(35,046)	(18.32)%	691,709	535,406
Total Operating Revenues	12,940,694	12,997,085	(56,391)	(0.43)%	15,699,877	2,759,183
Non-Operating Revenue						
Investment Income	(496,263)	55,115	(551,377)	(1,000.42)%	225,940	722,203
Comcast Revenue	67,571	54,442	13,129	24.12 %	217,767	150,196
Total Non-Operating Rev.	(428,692)	109,557	(538,248)	(491.30)%	443,707	872,399
Total Revenue	12,512,002	13,106,641	(594,639)	(4.54)%	16,143,584	3,631,582
Total Expenses						
Operating Expense						
Payroll Expenses	1,680,504	1,746,586	66,083	3.78 %	6,842,410	5,161,906
Building/Equipment R/M	140,990	164,709	23,719	14.40 %	687,762	546,772
Common Area R/M	504,880	461,860	(43,021)	(9.31)%	2,365,446	1,860,565
Operating Expenses	510,771	616,829	106,058	17.19 %	2,385,407	1,874,636
Capital Projects - LCI	99,178	70,000	(29,178)	(41.68)%	280,000	180,822
Capital Projects - MRR	622,267	687,308	65,041	9.46 %	3,752,100	3,129,833
Total Operating Expense	3,558,590	3,747,292	188,702	5.04 %	16,313,124	12,754,534
Non-Operating Expense						
Community Program Support	0	0	0	0.00 %	0	0
Interfund Transfers	0	0	0	0.00 %	0	0
Other (Gains)/Losses	(24,745)	0	24,745	0.00 %	0	24,745
Capital Equipment Purchases	8,404	45,808	37,404	81.65 %	130,333	121,929
Interest Expense	12,850	12,850	0	0.00 %	50,838	37,988
Depreciation	73,372	73,197	(175)	(0.24)%	305,000	231,628
Total Non-Operating Exp.	69,882	131,855	61,973	47.00 %	486,171	416,289
Total Expenses	3,628,472	3,879,147	250,675	6.46 %	16,799,295	13,170,823
BEGINNING FUND BALANCE	13,608,341	13,608,341	0	0.00 %	13,608,341	0
NET SURPLUS/(DEFICIT)	8,883,530	9,227,494	(343,964)	(3.73)%	(655,711)	(9,539,242)
ENDING FUND BALANCE	22,491,871	22,835,835	(343,964)	(1.51)%	12,952,629	(9,539,242)



Kiawah Island Community Association, Inc.

Income Statement

For Period Ending 03/31/2020

	General		Recreation		V-Gate		MRR		Preserve		Property		Total
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
Total Revenue													
Operating Revenues													
Assessments	\$9,098,797	\$9,105,722	\$765,294	\$766,506	\$208,800	\$208,042	\$1,520,449	\$1,517,299	\$276,766	\$270,056	\$0	\$0	\$11,870,106
Contribution to Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$362,594	\$267,054	\$0	\$0	\$0	\$0	\$362,594
Commercial Access Fees	\$384,411	\$522,082	\$0	\$0	\$0	\$0	\$125,000	\$125,000	\$0	\$0	\$0	\$0	\$509,411
User Fees	\$0	\$0	\$42,280	\$23,975	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,280
Other Income	\$146,414	\$170,559	\$9,889	\$20,789	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$156,303
Total Operating Revenues	\$9,629,622	\$9,798,363	\$817,463	\$811,270	\$208,800	\$208,042	\$2,008,043	\$1,909,353	\$276,766	\$270,056	\$0	\$0	\$12,940,694
Non-Operating Revenue													
Investment Income	\$20,750	\$16,378	\$1,785	\$965	(\$6,383)	\$1,745	(\$387,029)	\$27,627	\$540	\$0	(\$125,926)	\$8,400	(\$496,263)
Comcast Revenue	\$67,571	\$54,442	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$67,571
Total Non-Operating Rev.	\$88,321	\$70,820	\$1,785	\$965	(\$6,383)	\$1,745	(\$387,029)	\$27,627	\$540	\$0	(\$125,926)	\$8,400	(\$428,692)
Total Revenue	\$9,717,944	\$9,869,183	\$819,248	\$812,235	\$202,417	\$209,787	\$1,621,014	\$1,936,980	\$277,306	\$270,056	(\$125,926)	\$8,400	\$12,512,002
Total Expenses													
Operating Expense													
Payroll Expenses	\$1,470,577	\$1,523,424	\$153,589	\$166,825	\$40,000	\$40,000	\$0	\$0	\$16,338	\$16,337	\$0	\$0	\$1,680,504
Building/Equipment R/M	\$68,887	\$85,285	\$66,626	\$76,074	\$5,477	\$3,350	\$0	\$0	\$0	\$0	\$0	\$0	\$140,990
Common Area R/M	\$415,800	\$310,849	\$60,158	\$73,158	\$2,020	\$5,472	\$0	\$0	\$26,901	\$72,380	\$0	\$0	\$504,880
Operating Expenses	\$452,585	\$557,891	\$56,978	\$57,040	\$1,208	\$1,898	\$0	\$0	\$0	\$0	\$0	\$0	\$510,771
Capital Projects - LCI	\$0	\$0	\$0	\$0	\$0	\$0	\$99,178	\$70,000	\$0	\$0	\$0	\$0	\$99,178
Capital Projects - MRR	\$0	\$0	\$0	\$0	\$0	\$0	\$622,267	\$687,308	\$0	\$0	\$0	\$0	\$622,267
Total Operating Expense	\$2,407,850	\$2,477,449	\$337,352	\$373,097	\$48,705	\$50,720	\$721,445	\$757,308	\$43,239	\$88,718	\$0	\$0	\$3,558,590
Non-Operating Expense													
Community Program Support	\$132,660	\$132,660	(\$132,660)	(\$132,660)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interfund Transfers	\$978,723	\$0	\$12,571	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$991,294)	\$0	\$0
Other (Gains)/Losses	(\$31,020)	\$0	\$0	\$0	\$314	\$0	\$5,334	\$0	\$0	\$0	\$628	\$0	(\$24,745)
Capital Equipment Purchases	\$0	\$12,608	\$0	\$10,700	\$0	\$0	\$0	\$0	\$0	\$0	\$8,404	\$22,500	\$8,404
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,850	\$12,850	\$12,850



Kiawah Island Community Association, Inc.

Income Statement

For Period Ending 03/31/2020

	General		Recreation		V-Gate		MRR		Preserve		Property		Total
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,372	\$73,197	\$73,372
Total Non-Operating Exp.	\$1,080,363	\$145,268	(\$120,089)	(\$121,960)	\$314	\$0	\$5,334	\$0	\$0	\$0	(\$896,040)	\$108,547	\$69,882
Total Expenses	\$3,488,212	\$2,622,717	\$217,262	\$251,137	\$49,019	\$50,720	\$726,779	\$757,308	\$43,239	\$88,718	(\$896,040)	\$108,547	\$3,628,472
BEGINNING FUND BALANCE	\$1,955,724	\$0	\$0	\$0	\$345,286	\$0	\$7,790,671	\$0	\$0	\$0	\$3,516,660	\$0	\$13,608,341
NET SURPLUS/(DEFICIT)	\$6,229,731	\$0	\$601,986	\$0	\$153,398	\$0	\$894,235	\$0	\$234,067	\$0	\$770,114	\$0	\$8,883,530
ENDING FUND BALANCE	\$8,185,456	\$0	\$601,986	\$0	\$498,684	\$0	\$8,684,905	\$0	\$234,067	\$0	\$4,286,774	\$0	\$22,491,871