

KIAWAH ISLAND  
COMMUNITY  
ASSOCIATION

TITLE:

**Q3 2024**  
**Finance Report**

COMMITTEE:

**Finance Committee**

TREASURER:

**Lisa Mascolo**

September, 2024

## General Overview

- KICA maintains its accounts in accordance with Generally Accepted Accounting Principles (“GAAP”) utilizing fund accounting and two separate and distinct funds: Operating and Reserve.
- The Operating Fund is utilized for general daily operations of the Association while the Reserve Fund is utilized to accumulate and account for funds specifically designated for major repairs and replacements of existing facilities and infrastructure.
- Fund accounting further divides and allocates activities within the Operating Fund into divisions for budgeting, tracking and reporting purposes: General, Recreation, Property as well as segment assessment divisions Vanderhorst Gate (V-Gate), Preserve and Ocean Park.
- The Consolidated Balance Sheet details these Divisions while also depicting the overall assets and liabilities of the Operating and Reserve Funds on an individual and consolidated basis.
- The Operating and Reserve Fund activities are mutually exclusive and reported separately, not consolidated, in the income statement presentations to reflect that distinction.
- References are made within this report to forecasts or forecasting. KICA conducts forecasting throughout the year to determine how activities are tracking against budget. The current forecast which is the 3<sup>rd</sup> iteration and was utilized within the 2025 budget process can be found at the end of this document.

# Cash Management Framework

The chart on the following page depicts the framework implemented by the BOD to manage KICA's cash and investments.

**Operating Cash and Investments** are comprised of those resources needed for current year operating expenditures and are managed by the Director of Finance within the guidelines established by the BOD-approved Financial Controls Manual ("FCM"). The FCM restricts the investment of these funds to short-term investments with maturities not to exceed 12 months. Any funds transferred to the KICA Investment Advisor are governed by the newly established Operating Cash Investment Policy Statement ("IPS").

**Designated Cash and Investments** are comprised of resources that are designated to repair & replace named depreciated assets with useful lives up to 7 years, unique events (named storm reserve), and other assets that don't fit the purpose of the Reserve Fund and are not needed for current operations. These resources are transferred to and managed by the Investment Advisor within the newly established Designated Cash Fund IPS with the flexibility of slightly longer-term maturities (24 months) and the potential for higher yields.

**Reserve Fund Cash and Investments** are resources governed by the KICA Reserve Fund Policy. These funds are transferred to and managed by the KICA Investment Advisor within the guardrails and performance benchmarks established by the Reserve Fund Investment Policy Statement.

# Q3 2024: EXECUTIVE SUMMARY

## Cash Management Status

	6/30/24 Bal	Managed by:	Governing Policy
Operating - Checking / Sweep	\$940,837	Director of Finance	FCM
Operating – U.S. Fed MM – 5 – 5.63% yield	\$5,507,046	Director of Finance	FCM
Operating - Treasuries up to 12-month maturities	\$1,841,107	Dir of Finance / Investment Advisor	FCM / <u>Operating Cash IPS</u>
Designated Cash/Treasuries up to 24-month maturities	\$6,090,924	Investment Advisor	FCM / <u>Designated Cash IPS</u>
Reserve - CDs	\$245,287	Investment Advisor	Reserve Fund Policy <u>Reserve Fund IPS</u>
Reserve - Bonds / Treasuries	\$10,772,666		
Reserve - Stocks / ETFs / Mutual Funds	<u>\$7,113,294</u>		
<b>Total Consolidated Cash &amp; Investments</b>	<b>\$32,511,161</b>		

Please note: When markets are more favorable to treasuries, Operating will be more weighted to that category.

A perpetual, detailed cash flow analysis is maintained by the Dir of Finance that guides the allocation amongst the three Operating categories.

# Consolidated Balance Sheet

**OPERATING FUND CASH** is comprised of checking and sweep accounts. Cash is maintained in the General Division (Operating Fund) bank accounts. In the accounting records, funds are allocated to each division and Reserve Fund based on normal fund accounting procedures.

## **INVESTMENTS**

Please refer to Cash Management on the previous page and the Cook Street/Morgan Stanley investment report included at the end of this report and available at [kica.us/about/financials](http://kica.us/about/financials) for investment performance and analysis.

All investment policy statements (“IPS”) can also be found at [kica.us/about/financials](http://kica.us/about/financials).

# Q3 2024: EXECUTIVE SUMMARY

## Consolidated Balance Sheet

### **ACCOUNTS RECEIVABLE**

Uncollected annual and flood assessments, accrued royalties, accrued CTR and monthly member billing activities account for the receivables balance.

As of the date of this report, there remains 3 Outstanding liens in the amount of \$14K On 2024 annual assessments .

As of late-October, uncollected and delinquent flood billings amount to only 13 properties \$1,700. This was the last of the 5-year installments.

### **PREPAID EXPENSES**

These include 7 months of KICA's insurance portfolio premiums (annual premium paid in May 2024 to eliminate financing), Sandcastle vendor down payments to hold future events and deposits on MRR contractor work.

### **PAYROLL LIABILITIES**

A significant portion of these are accumulated vacation time not yet taken. Vacation is accrued as it is earned; offset against the accrual when taken. Also included is payroll incurred in September but paid in October.

### **DEPOSITS**

Primarily comprised of deposits paid to vendors for future Sandcastle events.

### **ACCOUNTS PAYABLE**

Accounts payable is current.

## Consolidated Balance Sheet

### **FLOOD MITIGATION SPECIAL ASSESSMENT DEFERRED REVENUE**

The deferred balance represents flood assessment billings (final billing was June 2024) in excess of expenditures incurred which is when revenue is recognized.

In accordance with the member vote in 2020, any unspent funds after completion of all projects are restricted solely for major repairs and maintenance of those projects and future water management needs.

Unspent funds will stay as Deferred Revenue on the balance sheet until expenditures are incurred.

As of year end 2023, \$1,289,000 was yet to be incurred. The remaining projects have been bid and the scheduling of contractors is underway. \$353K is expected to be incurred in 2024 with an estimated \$475K in Q1 2025 to complete the projects, leaving approximately \$461K in deferred at completion.

Since completion is expected in Q1, 2025, this is considered a current liability.

### **ROYALTY INCOME DEFERRED REVENUE**

The 2014 agreement with Comcast includes an upfront payment that is recorded here and amortized to revenue over the 12-year agreement. The amount to be amortized within the next 12 months is recorded in the current liabilities section.

## Consolidated Balance Sheet

### RECREATION DIVISION

The Recreation Division operates at a net deficit each year (approx. \$1,000,000 in 2023). The Operating Fund funds the Recreation Division for this deficit. The current negative fund balance is expected to increase to a projected \$755K deficit at the end of the year, at which time, the Operating Fund will fund Recreation to a zero net deficit and fund balance.

### V-GATE DIVISION

Some of the budgeted building repairs and maintenance on the V-Gate in 2024 were delayed to 2025 due to a delay in the delivery of materials. The budgeted \$110k deficit is projected to be a ~\$22K surplus, resulting in an approximate year end fund balance of \$305K.

### OP/PRESERVE DIVISIONS

Historically, Ocean Park and Preserve Segments' revenues (assessments) and expenses have been tracked on separate and distinct income statements. Each have required supplemental funding from the Operating Fund until such time as the communities matured to self-sufficiency.

The Preserve achieved that milestone in 2022 and have accumulated and tracked operating surplus/deficit within the balance sheet fund balance since.

The Preserve 2024 budget strategy included decreasing the assessment in order to draw down its fund balance. Its net deficit is expected to approximate \$82K against a budget of \$88K with a year end fund balance approximating \$14K.



## Consolidated Balance Sheet

### **OP/PRESERVE DIVISIONS** (continued)

The Ocean Park community achieved self-sufficiency in 2024 and will be separated on the balance sheet as well.

Ocean Park is expected to have a 2024 year end fund balance of approximately \$16K.

### **PROPERTY DIVISION**

Cash/investment balances represent asset replacement dollars (funded depreciation) plus investment earnings.

This balance fluctuates with the Operating Fund's funding of depreciation each month and asset disposal or replacement.

### **RESERVE FUND BALANCE**

The Reserve fund balance is 100% restricted for major repairs and replacements. Reserve Fund resources will only be utilized for these activities.

## Q3 2024: EXECUTIVE SUMMARY

# Operating Fund Income Statement

### ASSESSMENTS

The remaining budget is comprised of the budgeted amount of unspent flood assessment which will stay in deferred until expenditures incurred and a slight overestimate of overall assessments in the budgeting process.

### Contribution to Reserves (“CTR”) and Access Fees

CTR & Access Fees now appear on the quarterly Operating Fund income statement to align with GAAP preferred procedures. Historically and in the budget, the gross amount of these revenues were recorded in the Reserve Fund with an offsetting expense for the 15% allocation to the Operating Fund. The 15% allocation was budgeted and recorded as Other Income in the Operating Fund.

Combined CTR from Operating and Reserve Funds as of Sept. 30 is \$3,978,285 against the \$4M budget. Current forecast projects this to be in excess of \$4.3M at year end.

All but 1 of the Cape units have closed as of Sept. 30 with a total CTR of \$1,538,000 against a budget of \$1.4M.

Combined access fees from Operating and Reserve Funds total \$2,496,654 and are forecasted to exceed \$2.9M at year end against a budget of \$2.84M.

# Operating Fund Income Statement

## RECREATION INCOME

Revenue in this area includes the summer grill and community/recreation activities.

These revenue streams, across all activities, are tracking ahead of budget. Current forecasting projects \$696K in revenue against a \$586K budget.

## OTHER INCOME

As previously mentioned, the 15% allocation of CTR and access fees is now recorded in their own line item which causes the significant variance in this line item.

Other Income is comprised of landscape & security services revenue (i.e., pine straw, landscaping, citations, etc.), the Recreation Division initiation fee charged at time of property sale, Preserve Division revenue from the BOD contribution to expenses and other miscellaneous revenues. These areas are tracking well against budget.

## Operating Fund Income Statement

### **PAYROLL**

In Q3, Employee Benefits are reported separately from Payroll Expenses. Combined, this area continues to be approximately 60% of the overall Operating Fund budget. Overall, payroll is tracking well against budget.

### **Employee Benefits**

Employee benefits includes KICA's self-insurance health program, dental, short and long-term disability and life insurance programs, the 401k match and the travel stipend for employee commutes.

Overall, this area is tracking well against budget.

Toward the end of 2023, the BOD approved KICA moving to a self-funded, health insurance collective. A 3<sup>rd</sup> party administrator manages the program (claims, network, participant interaction, cost containment, etc.). KICA pays a contract fee for these services, a stop-loss fee and actual claims costs. The budget includes the fees which are fixed and the maximum exposure on the variable claims cost.

KICA is tracking claims costs and frequently communicating with the administrator regarding proactive cost containment measures. The administration of the program is going very well.

# Operating Fund Income Statement

## **BUILDING/EQUIPMENT R/M**

This area is currently tracking under budget primarily due to the delay of approximately \$80K of budgeted repairs/maintenance to the V-Gate due to delays in the delivery of materials coupled with general savings across multiple cost centers.

Significant repairs/maintenance of the V-Gate will likely be delayed to the 2025 budget.

## **COMMON AREA R/M**

This area is tracking over budget and is forecasted to exceed budget by approximately \$500K due to the same amount of expenditures having been incurred for Named Storm Cleanup. It is the current orientation of the Finance Committee that the Named Storm Reserve be replenished from the 2024 Operating Fund in order to maintain the Named Storm Reserve at \$1M.

## **G&A EXPENSES**

Generally, this area is tracking and forecasting well against budget.

## Q3 2024: EXECUTIVE SUMMARY

# Operating Fund Income Statement

### **INVESTMENT INCOME**

Please refer to the Cook Street/Morgan Stanley investment report included at the end of this report and available at [kica.us/about/financials](http://kica.us/about/financials) for investment performance and analysis.

Amounts not immediately needed for weekly expenditures were consistently invested in federal money market funds and treasuries earning in excess of 5% throughout the quarter.

Although there is no guarantee current market conditions will continue, investment income is poised to exceed the conservative budget.

### **ROYALTY INCOME**

Royalty Income results from the Comcast relationship initiated in 2014 and includes the amortization of the upfront payment (\$12.5k/qtr) and marketing royalties (approx. \$71.5k/qtr).

### **INTERFUND TRANSFERS**

The \$1M interfund transfer is the estimated unspent flood mitigation special assessment at budget time.

As previously mentioned, unspent funds will remain in deferred income until expenditures for this specific purpose are incurred.

Based on redesign of planned projects, final engineering and cost quotes, the final expenditures are expected as follows: ~\$375K in 2024; ~\$475 in Q1 2025, leaving approximately \$420K in deferred revenue upon completion of all projects.

# Operating Fund Income Statement

## **GAINS (LOSSES)**

The Gains (Losses) line represents a combination of fixed asset and investment activity. Unrealized gains on investments which are unbudgeted totaled \$173K at Q3 whereas gain on disposal of assets was \$19K against a budget of \$42k. Additional asset activity is projected to make up that difference.

## **DEPRECIATION**

Depreciation is expected to be better than budget due to the delay in budgeted asset purchases.

## Reserve Fund Income Statement

### **CONTRIBUTION TO RESERVES (“CTR”) and ACCESS FEES**

See description in Operating Fund Income Statement on page 10.

### **RESERVE OPERATING EXPENSES**

Reserve operating expenses are tracking behind the annual budget. Current forecasts project \$3.237M to be spent in Q4 as follows:

- \$1.575 - street resurfacing;
- \$738.5K - drainage (including \$352k Flood mitigation);
- \$360K – Sandcastle building repairs (window/doors);
- \$182K – boardwalks/bridges/bulkheads;
- \$135K – leisure trails;
- \$146K – street signs;
- and other miscellaneous expenditures.

### **INVESTMENT INCOME**

The investment portfolio performed well through Q3, resulting in good performance against budget for investment income and unrealized investment gains (unbudgeted).

### **INTERFUND TRANSFER**

See explanation on p. 12 under same title.



Q3 2024 FINANCE REPORT

# Consolidated Balance Sheet



**Kiawah Island Community Association**  
**Consolidated Balance Sheet**  
**As of September 30, 2024**

ASSETS	Operating Fund Divisions					Operating Fund Total	Reserve Fund	Consolidated Total
	General	Recreation	V-Gate	OP/Preserve	Property			
<b>Current Assets</b>								
Operating Cash	940,837	0	0	0	0	940,837	0	940,837
Investments	5,994,216	(279,876)	369,002	109,734	2,894,741	9,087,816	22,482,508	31,570,324
Accounts Receivable	114,607	40,806	275	2,359	0	158,047	103,342	261,389
Prepaid Expenses	570,335	41,224	0	0	0	611,559	45,000	656,559
<b>Total Current Assets</b>	<b>7,619,994</b>	<b>(197,847)</b>	<b>369,277</b>	<b>112,093</b>	<b>2,894,741</b>	<b>10,798,258</b>	<b>22,630,850</b>	<b>33,429,108</b>
<b>Fixed Assets</b>								
Depreciable Assets (net of accum. depreciation)	0	0	0	0	2,281,998	2,281,998	0	2,281,998
Land	0	0	0	0	408,448	408,448	0	408,448
<b>Total Fixed Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,690,446</b>	<b>2,690,446</b>	<b>0</b>	<b>2,690,446</b>
<b>TOTAL ASSETS</b>	<b>7,619,994</b>	<b>(197,847)</b>	<b>369,277</b>	<b>112,093</b>	<b>5,585,187</b>	<b>13,488,704</b>	<b>22,630,850</b>	<b>36,119,554</b>
<b>LIABILITIES AND FUND BALANCE</b>								
<b>Current Liabilities</b>								
Payroll Liabilities	615,066	72,070	0	0	0	687,137	0	687,137
Deposits	46,614	17,484	0	0	0	64,098	0	64,098
Accounts Payable	227,995	18,616	0	0	0	246,611	11,717	258,328
Deferred Revenue - Royalty Income	50,157	0	0	0	0	50,157	0	50,157
Deferred Revenue - Flood Mitigation	1,271,844	0	0	0	0	1,271,844	0	1,271,844
<b>Total Current Liabilities</b>	<b>2,211,676</b>	<b>108,171</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,319,847</b>	<b>11,717</b>	<b>2,331,563</b>
<b>Non-Current Liabilities</b>								
Deferred Revenue - Royalty Income	62,697	0	0	0	0	62,697	0	62,697
<b>Fund Balance</b>	<b>5,345,622</b>	<b>(306,017)</b>	<b>369,277</b>	<b>112,093</b>	<b>5,585,187</b>	<b>11,106,161</b>	<b>22,619,133</b>	<b>33,725,294</b>
<b>TOTAL LIABILITIES/FUNDS</b>	<b>7,619,994</b>	<b>(197,847)</b>	<b>369,277</b>	<b>112,093</b>	<b>5,585,187</b>	<b>13,488,704</b>	<b>22,630,850</b>	<b>36,119,554</b>

Q3 2024 FINANCE REPORT

# Operating Fund: Income Statement



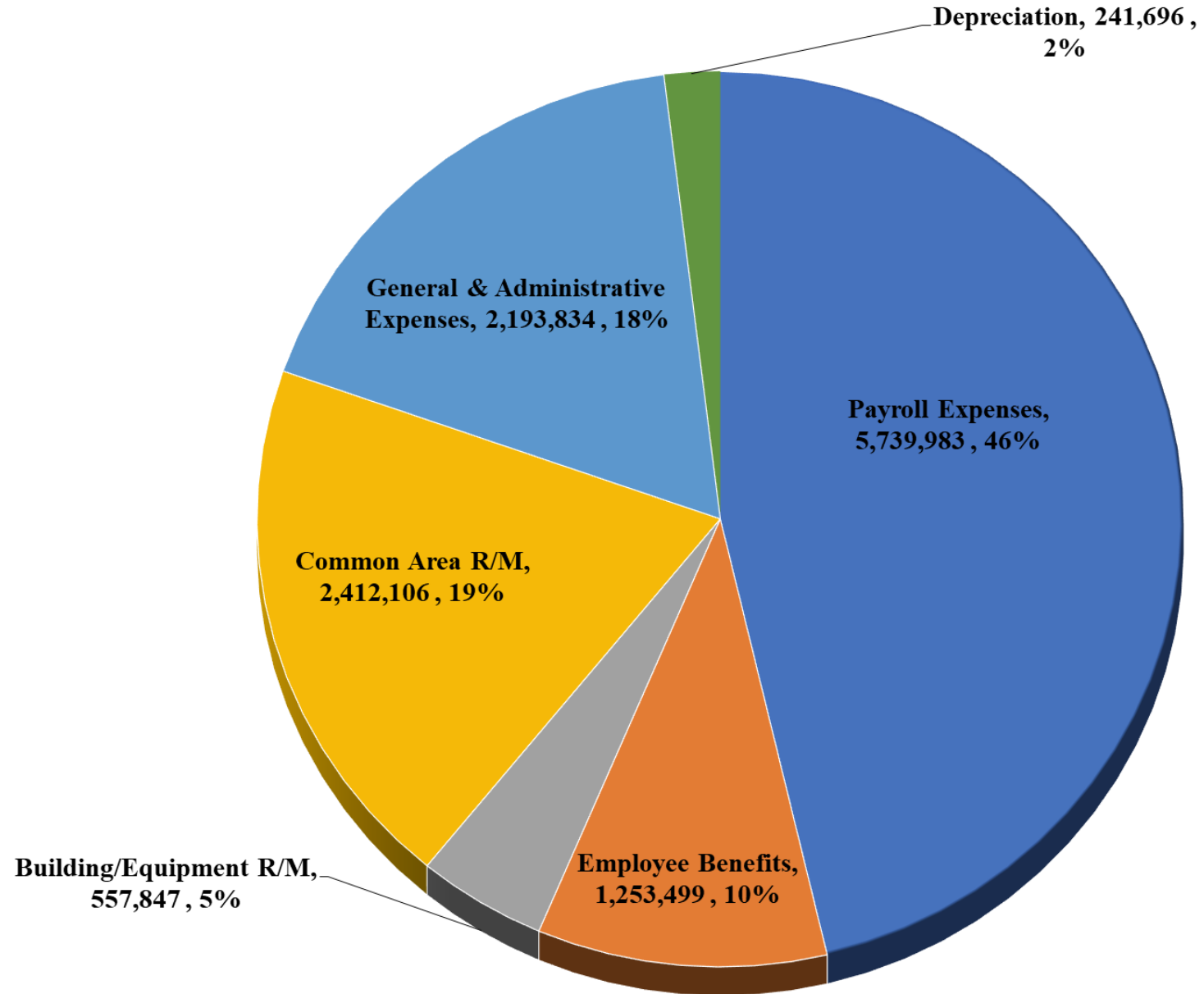
**Kiawah Island Community Association**  
**Operating Fund Income Statement**  
**For Period Ending September 30, 2024**

	Actual	Budget	Variance		2024 Budget	Remaining Budget
			\$	%		
<b>Operating Revenues</b>						
Assessments	12,815,151	13,852,263	(1,037,112)	-7.5%	13,860,327	1,045,176
Contribution to Reserves (CTR)	598,550	0	598,550	0.0%	0	(598,550)
Commercial Access Fees	350,411	0	350,411	0.0%	0	(350,411)
Recreation Income	610,593	522,903	87,690	16.8%	586,215	(24,378)
Other Income	400,140	1,251,626	(851,486)	-68.0%	1,437,248	1,037,108
<b>Total Operating Revenues</b>	<b>14,774,845</b>	<b>15,626,792</b>	<b>(851,947)</b>	<b>-5.5%</b>	<b>15,883,790</b>	<b>1,108,945</b>
<b>Operating Expense</b>						
Payroll Expenses	5,739,983	5,919,165	179,182	3.0%	7,926,420	2,186,437
Employee Benefits	1,253,499	1,226,865	(26,634)	-2.2%	1,635,871	382,372
Building/Equipment R/M	557,847	712,394	154,547	21.7%	861,463	303,616
Common Area R/M	2,412,106	2,087,385	(324,721)	-15.6%	2,593,795	181,689
General & Administrative Expenses	2,193,834	2,228,237	34,403	1.5%	2,839,599	645,765
<b>Total Operating Expense</b>	<b>12,157,269</b>	<b>12,174,046</b>	<b>16,777</b>	<b>10.3%</b>	<b>15,857,148</b>	<b>3,699,879</b>
<b>Excess (deficit) operating rev over exp</b>	<b>2,617,576</b>	<b>3,452,746</b>	<b>(835,170)</b>	<b>-24.2%</b>	<b>26,642</b>	<b>(2,590,934)</b>
<b>Non-operating Income (Expense)</b>						
Investment Income (Loss)	436,491	279,473	157,018	56.2%	341,000	(95,491)
Royalty Income	252,503	243,492	9,011	3.7%	324,656	72,153
Interfund Transfers	0	(999,995)	999,995	-100.0%	(1,000,000)	(1,000,000)
Gains (Losses)	192,018	42,000	150,018	357.2%	42,000	(150,018)
Capital Equip Purchases - Net of Capitalization	0	0	0	0.0%	0	0
Depreciation	(241,696)	(252,991)	11,295	-4.5%	(342,736)	(101,040)
<b>Non-operating Income (Expense)</b>	<b>639,316</b>	<b>(688,021)</b>	<b>1,327,337</b>	<b>-192.9%</b>	<b>(635,079)</b>	<b>(1,274,395)</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>3,256,892</b>	<b>2,764,725</b>	<b>492,167</b>	<b>17.8%</b>	<b>(608,437)</b>	<b>(3,865,329)</b>

# Operating Fund Income Chart

Assessments	12,815,151	81.9%
Contribution to Reserves	598,550	3.8%
Commercial Access Fees	350,411	2.2%
Recreation Income	610,593	3.9%
Other Income	400,140	2.6%
Investment	436,491	2.8%
Royalty	252,503	1.6%
Gains	192,018	1.2%
<b>Total Operating Revenues</b>	<b>15,655,857</b>	<b>100%</b>

# Operating Fund Expenses through Q3



Q3 2024 FINANCE REPORT

# Reserve Fund: Income Statement

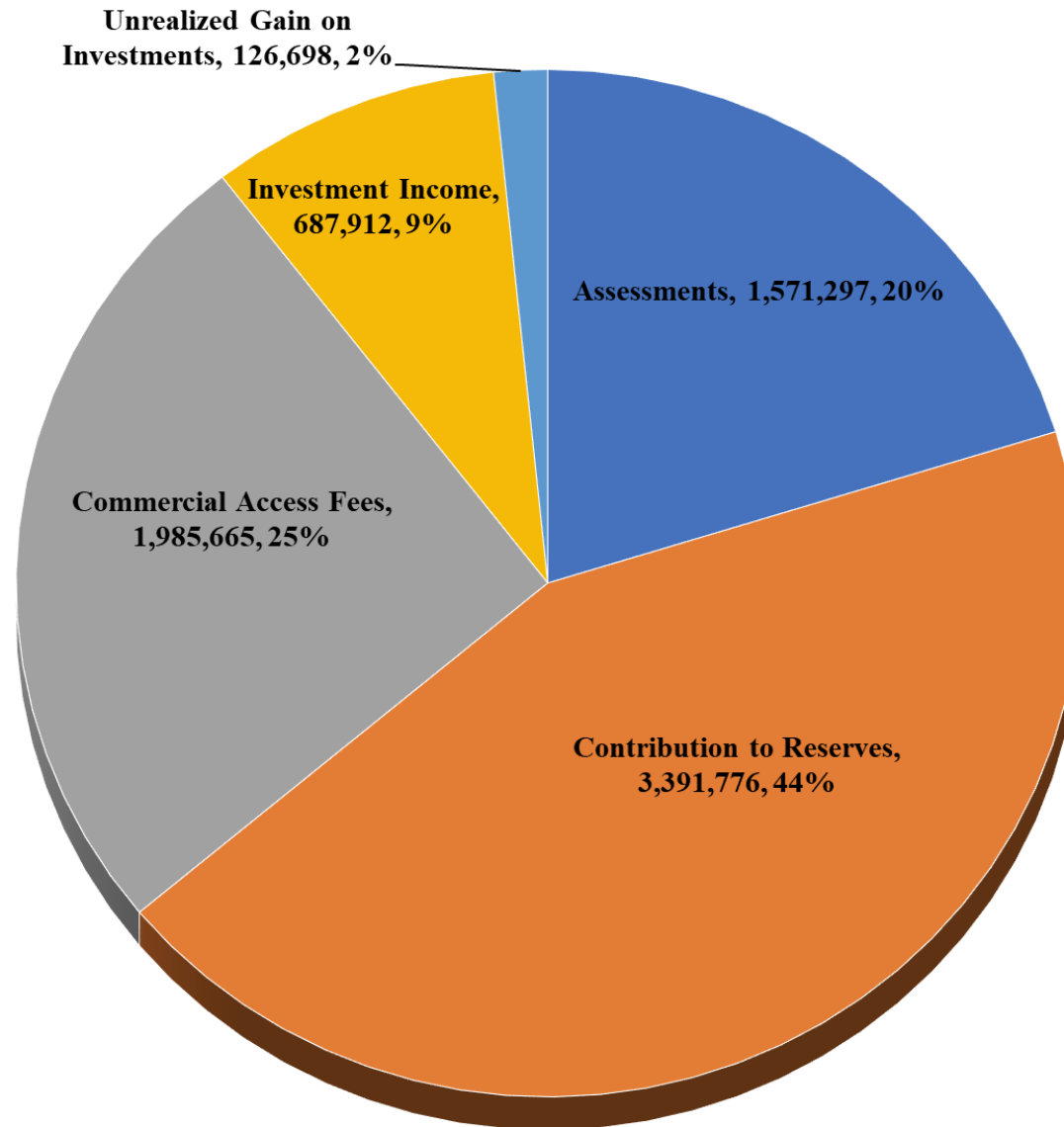


**Kiawah Island Community Association  
Reserve Fund Income Statement  
For Period Ending September 30, 2024**

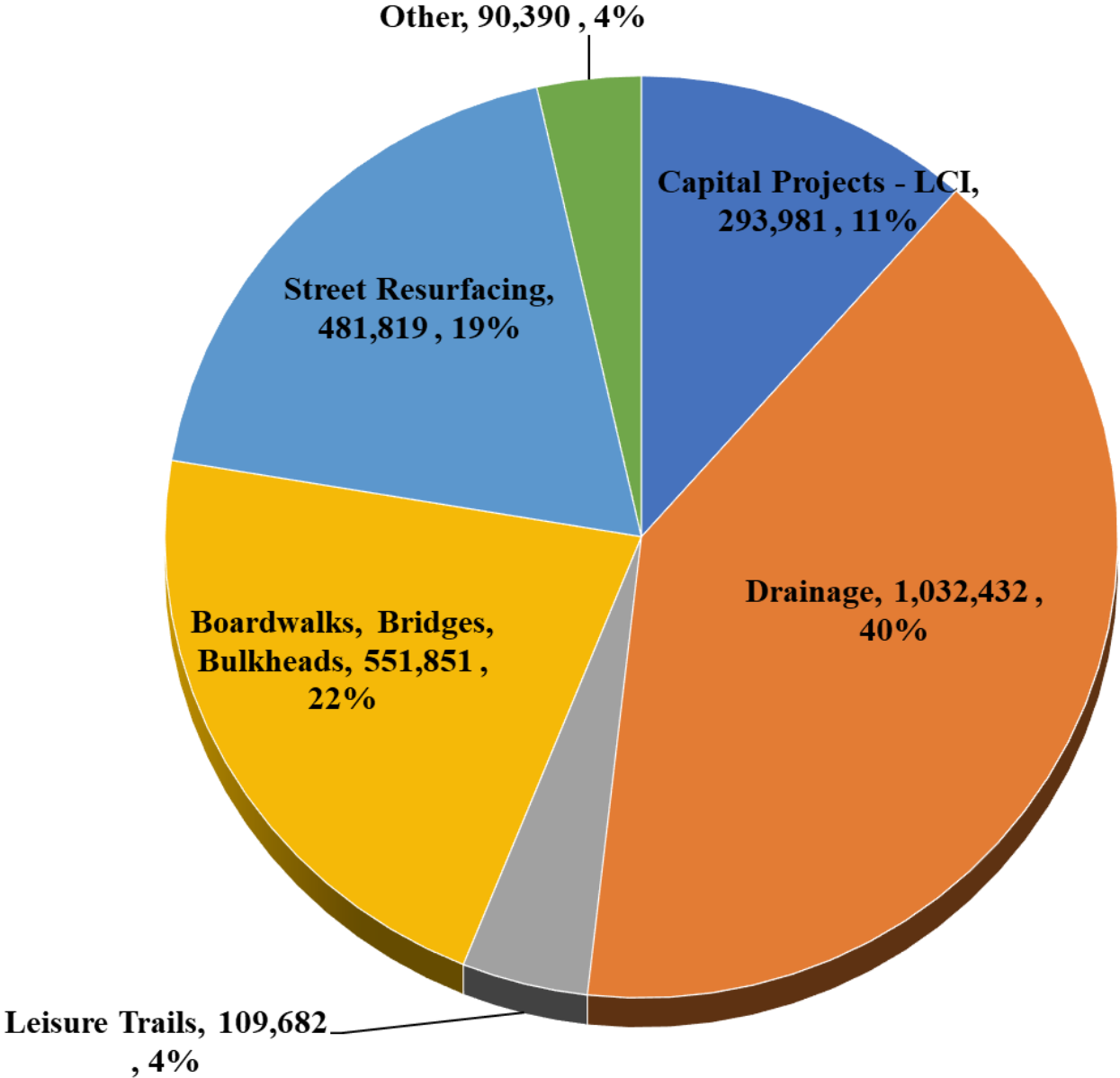
	Actual	Budget	Variance \$	%	2024 Budget	Remaining Budget
<b>Reserve Fund Operating Revenues</b>						
Assessments	1,571,297	1,563,495	7,802	0.5%	1,563,495	(7,802)
Contribution to Reserves	3,391,776	3,575,000	(183,224)	-5.1%	4,000,000	608,224
Commercial Access Fees	1,985,665	2,297,415	(311,750)	-13.6%	2,823,922	838,257
<b>Total Reserve Fund Operating Revenues</b>	<b>6,948,738</b>	<b>7,435,910</b>	<b>(487,172)</b>	<b>-6.6%</b>	<b>8,387,417</b>	<b>1,438,679</b>
<b>Reserve Fund Operating Expenses</b>						
Capital Projects - LCI	293,981	286,250	(7,731)	-2.7%	415,000	121,019
Capital Projects - MRR	2,266,174	5,642,636	3,376,462	59.8%	6,601,953	4,335,779
<b>Total Reserve Fund Operating Expenses</b>	<b>2,560,155</b>	<b>5,928,886</b>	<b>3,368,731</b>	<b>56.8%</b>	<b>7,016,953</b>	<b>4,456,798</b>
<b>Excess (deficit) operating rev over exp</b>	<b>4,388,583</b>	<b>1,507,024</b>	<b>2,881,559</b>	<b>191.2%</b>	<b>1,370,464</b>	<b>(3,018,119)</b>
<b>Non-operating Income (Expense)</b>						
Investment Income (Loss)	687,912	664,000	23,912	3.6%	889,000	201,088
Interfund Transfers	0	1,000,000	(1,000,000)	-100.0%	1,000,000	1,000,000
Gains (Losses)	686,954	0	686,954	0.0%	0	(686,954)
<b>Total Non-operating Income (Expense)</b>	<b>1,374,866</b>	<b>1,664,000</b>	<b>(289,134)</b>	<b>-17.4%</b>	<b>1,889,000</b>	<b>514,134</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>5,763,449</b>	<b>3,171,024</b>	<b>2,592,425</b>	<b>81.8%</b>	<b>3,259,464</b>	<b>(2,503,985)</b>



# Reserve Fund Revenue through Q3



# Reserve Fund Expenses through Q3



**KICA**  
**10/17/24 Finance Committee Budget Meeting**  
**2024 Forecast vs 2024 Budget**

Operating Revenues	Operating Fund		Explanation	Reserve Fund		Explanation
	Forecast	Budget		Forecast	Budget	
Assessments	12,824,006	13,860,327	\$1M Flood Mitigation unspent \$ originally budgeted as revenue: changed treatment; will leave in deferred revenue until \$ spent and then record revenue directly to the Reserve Fund	1,925,143	1,563,495	\$373K Flood mitigation Revenue in first to offset against the same in MRR expenses below - not budgeted (net zero affect)
Contributions to Reserve	645,843	0	Eliminated Gross up - Total CTR FRCST = \$4.3M	3,661,108	4,000,000	Eliminated Gross up - Tot CTR FRCST = \$4.3M
Commercial Access Fees	447,968	0	Eliminated Gross up - Total Access Fees = \$2.9M	2,451,851	2,823,922	Eliminated Gross up - To Access Fees = \$2.9M
Amenity User Fees	696,074	586,215	Incr from Sandcastle Events and Grill activities	0	0	
Other income	437,698	1,437,248	CTR/Access fees recorded directly to above line items in first - Remaining revenues in line with budget	0	0	
<b>Total Operating Revenues</b>	<b>15,051,589</b>	<b>15,883,790</b>		<b>8,038,101</b>	<b>8,387,417</b>	
<b>Operating Expenses</b>						
Payroll Expense	7,745,209	7,926,420	2.5% savings variance - open positions at various times throughout the year	0	0	
Employee Benefits	1,642,066	1,635,871	.4%: comprised of \$1.1M Health; \$382K Travel; \$172K 401K	0	0	
Building/Equip R/M	748,681	861,463	15% - \$80k not spent to V-gate design and general savings	0	0	
Common Area Expenses	3,090,460	2,593,795	19% - \$447,345 Storm Expenses in this line item	0	0	
General Expenses	2,822,278	2,839,599	.6%	0	0	
Capital Project- Landscape	0	0		415,000	415,000	
Capital Project - MRR	0	0		5,990,827	6,601,953	Budget includes ~\$1M of CTR/Access gross up eliminated in first: offset by \$373 first of Flood expenses
<b>Total Operating Expenses</b>	<b>16,048,694</b>	<b>15,857,148</b>		<b>6,405,827</b>	<b>7,016,953</b>	
<b>Excess (Deficit) Operating Revenue over Expense</b>	<b>(997,104)</b>	<b>26,642</b>		<b>1,632,275</b>	<b>1,370,464</b>	
<b>Non-Operating Revenues</b>						
Investment Income	499,623	341,000	good results on ST investing	801,998	889,000	
Comcast Revenue	329,806	324,656		0	0	
<b>Total Non-Operating Revenues</b>	<b>829,429</b>	<b>665,656</b>		<b>801,998</b>	<b>889,000</b>	
<b>Non-Operating Expenses</b>						
Community Programs Support	0	0	Recreation frostd deficit - \$755,381 to be funded by General	0	0	
Interfund Transfers	2	999,999	\$1M unspent flood - now \$400K and staying as "Designated"/not transferred	0	(1,000,000)	\$1M unspent flood - now \$400K and staying as "Designated"
Gains/Losses	(192,019)	(42,000)	Line item includes Gain on sale of assets and unrealized gain on investments: unrealized gains not budgeted	(686,954)	0	unrealized gain on investments not budgeted
Capital Equipment Purchase	0	0		0	0	
Depreciation	316,551	342,736	Purchases made later in year than budgeted; overestimated	0	0	
<b>Total Non-Operating Expenses</b>	<b>124,534</b>	<b>1,300,735</b>		<b>(686,954)</b>	<b>(1,000,000)</b>	
<b>Total Non-Operating Revenue (Expense)</b>	<b>704,895</b>	<b>(635,079)</b>		<b>1,488,953</b>	<b>1,889,000</b>	
<b>Net Surplus/(Deficit)</b>	<b>(292,209)</b>	<b>(608,437)</b>		<b>3,121,228</b>	<b>3,259,464</b>	

Budget	6,601,953
CTR/Access - budget	(1,023,588)
Flood Expenses	373,000
Variance to Budget	<u>39,462</u>
Forecast	\$5,990,827