EAST LAKE WOODLANDS COMMUNITY ASSOCIATION, INC.
Treasurer's Report
March 13, 2018

1. Balance Sheet

a. Cash- SA (Special Assessment) – this is cash collected from homeowners, plus cash received from the loan draws that we have not yet disbursed to the vendors. All month received is used to pay back the loan for the drainage project.

b. A/R - maintenance fees –February balance was $29,618, down from January's balance of $37,872.
   i. Cypress Estates Unit 3 owes $9,121, this is the association that was far behind and an agreement made years ago to accept partial payments ($250/mth) until they were caught up. We have not received a payment since January 3.
   ii. Cluster 4 is over 90 days past due for $3,335, this is for sidewalk repairs we did on their behalf last year. M&A to follow up with them.

c. A/R – Special Assessment and A/R ELWMSA-
We had originally invoiced 2,089 homeowners for a total of $1,671,200.

As of the end of February 2018, ending receivable balance is $352,856 (approximately 21% of original amount billed). Statements were sent to homeowners in mid-February reminding them that $400 is now past due. There are approximately 260 homeowners that have not paid any amount for the assessment as of the end of February. We need to aggressively pursue payment in order to minimize interest expense on the outstanding loan.

d. Prepaid Country Club Dues – The club paid the entire year in advance, however this should only show a balance of $65,019 (10 months), the offset is Country Club fees, which incorrectly shows a year-to-date unfavorable variance for February. M&A to correct in March.

e. Deferred revenue – SA – this is the amount billed, less what was earned (paid to vendor). There is a separate reconciliation included in the financials for this line item.

f. Note payable – borrowed amount for drainage project, less amounts repaid to date. February balance of $352,217 is up slightly from January due to payment for Sunflower/Elk drive work. Payable amount is approximately the same amount as the receivable. As we collect the rest of the assessment, we will pay off the loan. We will incur interest each month until we pay this off, however we still have $7,474 in unearned revenue. Once that is used up we will have to record the interest as expense.

Right now, the only payments due are for interest. **This loan will begin to amortize on July 11, 2018**, when fixed payments including principal and interest will be due each month (36 months). There is no prepayment penalty and the idea was to pay this off immediately upon receiving the funds from homeowners for the special assessment.

2. Income/Expenses

February variances from budget include the following line items:

a. Maintenance fees-operating- favorable variance $1,796 for the month, $3,592 year-to-date represents additional income for changes in contract members since the budget was prepared (Patio Homes plus Cluster 4 minus Condo 5), net of 62 additional contract members.
b. ELW Country Club fees should show $13,003 and no variance year-to-date. In addition to correcting the missed accrual from last month, this would properly reflect the accounts. We received payment for the full year in February and currently show 11 months in prepaid (see balance sheet above), this should be 10 months prepaid. M&A to correct in March.
c. Legal fees are $4,167 favorable for the month. There were no invoices processed in February, this will be a timing issue with March results showing unfavorable.
d. Admin expenses are $1,948 unfavorable due to Printing Depot-mailing $1,776 and M&A $2,653.
e. R&M-drainage, favorable $12,500 to budget.
f. Grounds/Trees/Shrubs – unfavorable for the month $3,140, includes $4,900 for removal of 14 dead pine trees.

3. Net Income (Loss): Month income is $26,708, Year-do-date income is $11,898