

PINE MOUNTAIN LAKE ASSOCIATION MEMBER WORKSHOP

Financial Reporting & Budget
Preparation

October 20, 2018

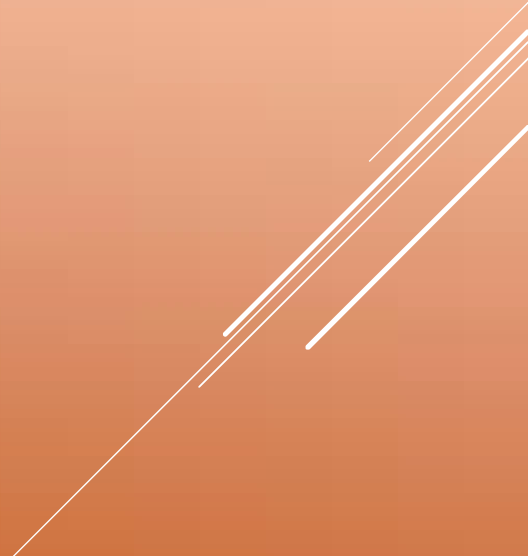
WHO AM I?

- ▶ Graduated Cal-State University – Fullerton 1975
- ▶ BA – Business Administration, Emphasis in Accounting
- ▶ Worked in Accounting positions for 42+ years
- ▶ Controller positions for last 30 years
- ▶ PMLA Controller since May, 2006 (12+ years)

PURPOSE OF PRESENTATION

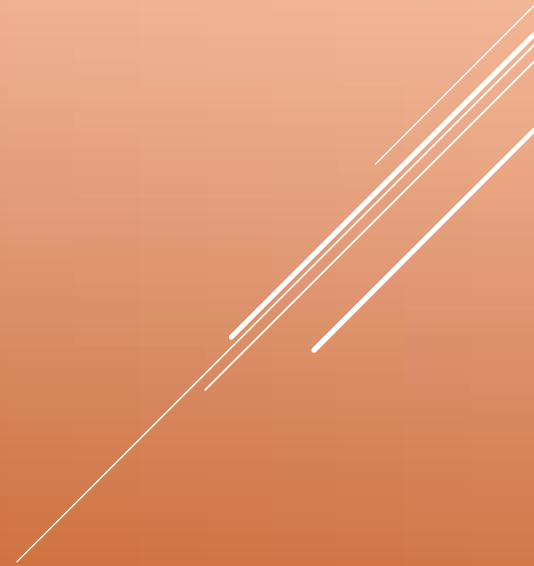
- ▶ After this hour you will.....
 - ▶ Understand how we track, report and control the Association's assets and financial operations
 - ▶ Become aware of the controls and procedures in place to safeguard these assets and operations
 - ▶ Understand and be comfortable with the level of review and oversight currently in place
 - ▶ Have a better understanding of the budget process
 - ▶ Have a higher level of confidence and comfort with how your money is handled

ACCOUNTING & CONTROLS

- ▶ Accounting Methods
 - ▶ Cash Method
 - ▶ Accrual Method
 - ▶ GAAP
 - ▶ Internal Controls
 - ▶ Levels of approval
 - ▶ Check signing and account review
 - ▶ Separation of duties
 - ▶ Reconciliations
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FINANCIAL REPORTS

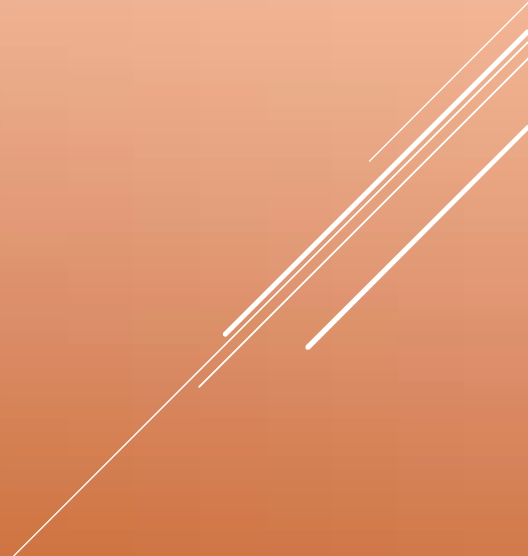
- ▶ Financial Statements
 - ▶ Balance Sheet
 - ▶ By fund type



**Pine Mountain Lake Association
Balance Sheet
As of 9/30/18**

	Consolidated	Operating Fund	Reserve Fund	New Cap. Fund
ASSETS:				
Cash & Equivalents	5,014,853.04	1,216,432.93	3,669,420.92	128,999.19
Due To/Due From	-			
Accounts Receivable	395,672.95	395,672.95		
Less: Bad Debt Reserve	(170,641.53)	(170,641.53)		
Inventory	158,124.95	158,124.95		
Deposits & Prepaids	595,958.21	595,958.21		
Total Current Assets	5,993,967.62	2,195,547.51	3,669,420.92	128,999.19
Fixed Assets				
Land & Buildings	17,104,249.48	17,104,249.48		
Operating Equipment	4,185,462.66	4,185,462.66		
Vehicles	1,304,881.66	1,304,881.66		
Total Fixed Asset Costs	22,594,593.80	22,594,593.80	-	-
Accumulated Depreciation	(15,930,918.37)	(15,930,918.37)		
Net Fixed Assets	6,663,675.43	6,663,675.43	-	-
Other Long Term Assets	14,859.06	14,859.06		
TOTAL ASSETS	12,672,502.11	8,874,082.00	3,669,420.92	128,999.19
LIABILITIES & EQUITY				
LIABILITIES:				
Accounts Payable	127,175.38	121,694.63	5,480.75	
Personnel Related Items	382,477.72	382,477.72		
Accrued Taxes & Liabilities	13,771.83	13,771.83		
Unearned Dues	911,419.33	911,419.33		
Other Liabilities	225,659.44	225,659.44		
Total Liabilities	1,660,503.70	1,655,022.95	5,480.75	-
EQUITY:				
Prior Year End Balance	10,726,661.54	7,002,832.97	3,606,470.07	117,358.50
Current Year Equity				
Income/(Exp)	1,346,360.32	(200,086.65)	147,646.68	69,982.29
Asset Transfers from Funds	-	416,312.73	(357,971.13)	(58,341.60)
Reserve Expenses	(1,061,023.45)		(1,061,023.45)	
TOTAL EQUITY	11,011,998.41	7,219,059.05	3,663,940.17	128,999.19
TOTAL LIABILITIES & EQUITY	12,672,502.11	8,874,082.00	3,669,420.92	128,999.19

FINANCIAL REPORTS

- ▶ Income Statement (Profit & Loss, Operational Results)
 - ▶ By department/amenity
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- A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom right towards the top right, set against the orange background.

Pine Mountain Lake Association
Combined Operating Results
For the Period from August 27, 2018 to September 30, 2018

<u>Current Period</u>	<u>Budget Current Period</u>	<u>Month-Budget Variance</u>	<u>Current Period Prior Year</u>	<u>Current-Prior Month Variance</u>		<u>Current Year to Date</u>	<u>Budget Year to Date</u>	<u>YTD-Budget Variance</u>	<u>Prior Year to Date</u>	<u>Prior YTD-Actual Var</u>
Sales										
102,792.61	92,520.00	10,272.61	104,892.24	-2,099.63	Sales - Food	804,632.55	835,604.46	-30,971.91	849,574.94	-44,942.39
13,796.49	9,766.00	4,030.49	4,729.14	9,067.35	Sales - Banquets	101,647.67	104,316.00	-2,668.33	100,242.48	1,405.19
46,006.19	45,149.00	857.19	45,778.28	227.91	Sales - Beverages	346,879.82	337,023.58	9,856.24	340,507.26	6,372.56
16,723.82	12,850.00	3,873.82	17,961.35	-1,237.53	Sales - Merchandise	140,741.70	150,950.00	-10,208.30	152,015.77	-11,274.07
1,040.76	700.00	340.76	1,478.25	-437.49	Sales - Gas	6,261.15	7,215.49	-954.34	8,195.60	-1,934.45
171.56	80.00	91.56	96.98	74.58	Sales - Other	585.58	720.00	-134.42	715.63	-130.05
-1,271.06	-1,000.00	-271.06	-1,491.73	220.67	Member Discounts	-9,656.52	-10,700.00	1,043.48	-10,675.02	1,018.50
179,260.37	160,065.00	19,195.37	173,444.51	5,815.86	Total Sales	1,391,091.95	1,425,129.53	-34,037.58	1,440,576.66	-49,484.71
Other Revenue										
20,652.50	16,000.00	4,652.50	19,083.66	1,568.84	Property Owner Green Fees	130,355.00	122,000.00	8,355.00	120,073.07	10,281.93
23,992.00	18,000.00	5,992.00	23,700.00	292.00	Non-Property Owner Green Fees	143,102.00	142,300.00	802.00	143,820.00	-718.00
10,826.00	14,000.00	-3,174.00	13,441.95	-2,615.95	Membership Fees	97,053.00	122,000.00	-24,947.00	116,829.10	-19,776.10
4,789.00	6,000.00	-1,211.00	5,969.50	-1,180.50	Annual Member Cart Fees	42,900.50	54,000.00	-11,099.50	51,731.14	-8,830.64
6,674.00	8,000.00	-1,326.00	6,363.75	310.25	Tournaments	27,811.50	31,000.00	-3,188.50	27,847.75	-36.25
11,392.50	9,000.00	2,392.50	8,331.00	3,061.50	Property Owner Cart Fees	72,436.70	70,200.00	2,236.70	65,603.75	6,832.95
10,359.00	7,000.00	3,359.00	9,800.00	559.00	Non-Property Owner Cart Fees	53,458.00	53,600.00	-142.00	53,698.00	-240.00
1,881.00	1,500.00	381.00	1,632.00	249.00	Driving Range Fees	12,433.00	12,600.00	-167.00	12,299.50	133.50
667.50	400.00	267.50	357.00	310.50	Club Rentals	4,214.50	4,420.00	-205.50	4,304.00	-89.50
			-24.50	24.50	Club Storage	18,652.03	19,500.00	-847.97	18,248.10	403.93
			-50.00	50.00	Locker Rental	8,489.00	8,700.00	-211.00	8,270.31	218.69
133.00	200.00	-67.00	256.50	-123.50	Shooting Range Fees	2,436.00	2,800.00	-364.00	2,912.50	-476.50
					Swimming Lessons		3,450.00	-3,450.00	2,207.25	-2,207.25
335.00	240.00	95.00	145.00	190.00	Notary Fees	1,686.00	2,160.00	-474.00	2,000.00	-314.00
			214.00	-214.00	Lake Lodge Rental	6,536.00	3,775.00	2,761.00	1,712.00	4,824.00
-181.47	-300.00	118.53	-176.44	-5.03	Fishing License Revenue	682.98	1,674.79	-991.81	837.24	-154.26
12,864.00	4,725.00	8,139.00	9,534.50	3,329.50	Boat Rentals	86,069.50	118,725.00	-32,655.50	89,751.25	-3,681.75
1,437.00		1,437.00	755.50	681.50	Registration Fees	72,500.00	74,107.45	-1,607.45	71,473.50	1,026.50
-4,839.00	105.00	-4,944.00	210.00	-5,049.00	Docking Fees	76,244.00	87,949.05	-11,705.05	83,870.62	-7,626.62
516.00	100.00	416.00	160.00	356.00	Tennis & Pickleball Fees	10,545.00	10,250.00	295.00	9,818.50	726.50

Pine Mountain Lake Association

Combined Operating Results

For the Period from August 27, 2018 to September 30, 2018

<u>Current Period</u>	<u>Budget Current Period</u>	<u>Month-Budget Variance</u>	<u>Current Period, Prior Year</u>	<u>Current-Prior Month Variance</u>		<u>Current Year to Date</u>	<u>Budget Year to Date</u>	<u>YTD-Budget Variance</u>	<u>Prior Year to Date</u>	<u>Prior YTD-Actual Var</u>
283.00	50.00	233.00	100.50	182.50	Equestrian Center Use Fee	837.00	624.00	213.00	2,762.00	-1,925.00
1,550.00		1,550.00		1,550.00	Entertainment Cover Charges	2,587.50	1,800.00	787.50	1,687.50	900.00
487.06	280.00	207.06	517.96	-30.90	Other Services	2,032.79	2,520.00	-487.21	2,863.35	-830.56
	152.00	-152.00	1,084.00	-1,084.00	Horse Rentals	594.00	20,671.16	-20,077.16	21,400.00	-20,806.00
2,023.00	7,271.00	-5,248.00	2,498.96	-475.96	Boarding	19,917.98	36,795.00	-16,877.02	24,057.96	-4,139.98
			-32.00	32.00	Kids' Camp Income	-80.00	2,540.00	-2,620.00	2,372.00	-2,452.00
9,012.45	8,800.00	212.45	8,855.10	157.35	Advertising	85,779.90	80,900.00	4,879.90	82,977.91	2,801.99
70.00	25.00	45.00		70.00	PML News Subscrip. Revenue	284.00	225.00	59.00	254.90	29.10
2,033.00	1,100.00	933.00	1,817.00	216.00	Plan Check, Var and Insp. Fees	18,193.00	11,600.00	6,593.00	12,051.50	6,141.50
4,500.00		4,500.00		4,500.00	Fines	12,398.13		12,398.13	280.00	12,118.13
4,725.00	3,500.00	1,225.00	5,220.00	-495.00	Transfer Fees	35,817.00	31,500.00	4,317.00	35,698.00	119.00
2,042.00	1,466.00	576.00	1,583.00	459.00	Gate Cards	30,428.85	28,077.00	2,351.85	27,389.80	3,039.05
1,809.00	2,201.00	-392.00	798.00	1,011.00	Clicker Revenue	19,981.05	15,745.00	4,236.05	14,928.50	5,052.55
38,625.00	15,508.00	23,117.00	23,290.00	15,335.00	Vehicle Access Fees	277,823.47	236,804.00	41,019.47	230,852.00	46,971.47
48.00	110.00	-62.00	48.00		Parking Fees	1,350.00	990.00	360.00	1,262.00	88.00
					Amenity Entrance Fees	9,398.00	10,600.00	-1,202.00	10,565.00	-1,167.00
791.31	250.00	541.31	692.27	99.04	Vending Revenue	4,688.00	3,750.00	938.00	4,074.43	613.57
208.39	200.00	8.39		208.39	Jukebox Revenue	936.13	600.00	336.13	311.42	624.71
2,676.00	3,074.00	-398.00	4,098.48	-1,422.48	Campsite Fees	30,801.70	45,884.00	-15,082.30	49,561.62	-18,759.92
5,000.00		5,000.00		5,000.00	GCSD Space Rental	5,000.00	5,000.00		5,000.00	
174.00	120.00	54.00		174.00	ATM Fees	1,599.00	1,385.00	214.00	867.00	732.00
1,040.40	1,000.00	40.40		1,040.40	Cell Tower Rental	9,282.68	9,000.00	282.68		9,282.68
142.59	175.00	-32.41	71.52	71.07	Interest Income	4,402.22	1,915.00	2,487.22	2,000.73	2,401.49
221.95	350.00	-128.05	1,420.05	-1,198.10	Miscellaneous	27,845.60	2,405.00	25,440.60	216,294.11	-188,448.51
178,960.18	130,602.00	48,358.18	151,766.26	27,193.92	Total Other Revenue	1,469,502.71	1,496,541.45	-27,038.74	1,636,819.31	-167,316.60
					Cost of Sales					
47,295.13	45,517.40	1,777.73	53,506.37	-6,211.24	Cost of Sales - Food	382,714.81	414,135.80	-31,420.99	412,582.81	-29,868.00
12,342.54	15,611.40	-3,268.86	16,029.87	-3,687.33	Cost of Sales - Beverages	110,173.79	115,725.81	-5,552.02	110,717.78	-543.99
10,109.53	8,025.00	2,084.53	9,418.65	690.88	Cost of Sales - Merchandise	79,650.45	91,540.25	-11,889.80	89,379.22	-9,728.77
552.24	448.00	104.24	854.10	-301.86	Cost of Sales - Gas	3,332.80	4,617.91	-1,285.11	4,722.46	-1,389.66
2,048.44	2,175.00	-126.56	3,144.30	-1,095.86	Product Spoilage	20,105.62	15,975.00	4,130.62	18,696.19	1,409.43

Pine Mountain Lake Association

Combined Operating Results

For the Period from August 27, 2018 to September 30, 2018

<u>Current Period</u>	<u>Budget Current Period</u>	<u>Month-Budget Variance</u>	<u>Current Period, Prior Year</u>	<u>Current-Prior Month Variance</u>		<u>Current Year to Date</u>	<u>Budget Year to Date</u>	<u>YTD-Budget Variance</u>	<u>Prior Year to Date</u>	<u>Prior YTD-Actual Va</u>
1,057.00	1,000.00	57.00	894.00	163.00	Cost of Sales- Employee Meals	10,134.25	9,000.00	1,134.25	8,770.00	1,364.25
73,404.88	72,776.80	628.08	83,847.29	-10,442.41	Total Cost of Sales	606,111.72	650,994.77	-44,883.05	644,868.46	-38,756.74
66,188.53	53,593.60	12,594.93	52,076.71	14,111.82	Gross Margin - Food	493,325.54	500,809.67	-7,484.13	509,768.42	-16,442.88
33,663.65	29,537.60	4,126.05	29,748.41	3,915.24	Gross Margin - Beverages	236,706.03	221,297.77	15,408.26	229,789.48	6,916.55
5,343.23	3,825.00	1,518.23	7,050.97	-1,707.74	Gross Margin - Merchandise	51,434.73	48,709.75	2,724.98	51,961.53	-526.80
488.52	252.00	236.52	624.15	-135.63	Gross Margin - Gas	2,928.35	2,597.58	330.77	3,473.14	-544.79
171.56	80.00	91.56	96.98	74.58	Gross Margin - Other	585.58	720.00	-134.42	715.63	-130.05
105,855.49	87,288.20	18,567.29	89,597.22	16,258.27	Gross Margin - Total	784,980.23	774,134.76	10,845.47	795,708.20	-10,727.97
0.41	0.45	-0.05	0.48	-0.07	COS as percent of sales	0.44	0.46	-0.02	0.45	-0.01
284,815.67	217,890.20	66,925.47	241,363.48	43,452.19	NET REVENUE	2,254,482.94	2,270,676.21	-16,193.27	2,432,527.51	-178,044.57
					Personnel Costs					
366,543.41	401,117.37	-34,573.96	347,544.62	18,998.79	Wages	2,783,405.31	3,005,772.96	-222,367.65	2,569,522.50	213,882.81
					MIP	-8,156.00		-8,156.00	-7,505.00	-651.00
12,916.35	6,449.78	6,466.57	9,015.30	3,901.05	Overtime	82,877.80	53,476.46	29,401.34	71,422.98	11,454.82
30,438.78	31,825.72	-1,386.94	30,496.08	-57.30	Payroll Taxes	286,899.66	289,454.39	-2,554.73	266,572.93	20,326.73
16,096.96	20,442.88	-4,345.92	15,484.59	612.37	Workers Compensation Ins.	126,674.89	151,484.72	-24,809.83	124,329.92	2,344.97
63,071.35	78,300.00	-15,228.65	64,928.00	-1,856.65	Health/Dental/Vision/Life Ins.	588,440.82	703,590.00	-115,149.18	590,555.83	-2,115.01
28,681.62	31,511.38	-2,829.76	23,891.58	4,790.04	Pension/401k Match	227,095.34	243,589.67	-16,494.33	216,713.71	10,381.63
256.46	950.00	-693.54	1,124.10	-867.64	Employee Relations	4,340.17	7,200.00	-2,859.83	6,508.14	-2,167.97
445.85	557.00	-111.15	396.25	49.60	Other Personnel Costs	8,254.16	7,521.00	733.16	9,903.10	-1,648.94
518,450.78	571,154.14	-52,703.36	492,880.52	25,570.26	Total Personnel Costs	4,099,832.15	4,462,089.20	-362,257.05	3,848,024.11	251,808.04
					Material, Supplies & Svcs					
1,793.14	1,335.50	457.64	1,990.89	-197.75	Uniforms	14,311.06	20,395.40	-6,084.34	20,001.33	-5,690.27
5,017.80	3,355.00	1,662.80	2,735.96	2,281.84	Entertainment	49,076.65	50,370.00	-1,293.35	43,924.36	5,152.29
	400.00	-400.00	1,884.00	-1,884.00	Donations	17,821.00	22,800.00	-4,979.00	23,751.88	-5,930.88

Pine Mountain Lake Association

Combined Operating Results

For the Period from August 27, 2018 to September 30, 2018

<u>Current Period</u>	<u>Budget Current Period</u>	<u>Month-Budget Variance</u>	<u>Current Period, Prior Year</u>	<u>Current-Prior Month Variance</u>		<u>Current Year to Date</u>	<u>Budget Year to Date</u>	<u>YTD-Budget Variance</u>	<u>Prior Year to Date</u>	<u>Prior YTD-Actual Var</u>
1,583.38	2,880.98	-1,297.60	2,696.32	-1,112.94	Internet & Website Expense	23,140.89	26,090.82	-2,949.93	22,736.59	404.30
2,630.64	2,043.00	587.64	2,551.59	79.05	Advertising & Promotion	27,290.12	24,683.00	2,607.12	18,960.34	8,329.78
16,029.56	14,934.00	1,095.56	18,450.01	-2,420.45	Outside Services	198,876.80	227,792.26	-28,915.46	160,279.24	38,597.56
21.52	50.00	-28.48		21.52	Programs & Prizes	509.93	1,000.00	-490.07	611.44	-101.51
					Accounting Fees	13,875.00	15,000.00	-1,125.00	13,875.00	
2,279.06	2,780.00	-500.94	4,333.87	-2,054.81	Automotive	23,740.11	25,870.00	-2,129.89	25,735.99	-1,995.88
2,580.54	8,800.00	-6,219.46	5,748.65	-3,168.11	Legal Fees	110,246.83	79,200.00	31,046.83	91,729.89	18,516.94
	4,500.00	-4,500.00	4,300.00	-4,300.00	Fish Planting	8,999.55	9,000.00	-0.45	8,659.35	340.20
14,649.72	10,995.00	3,654.72	14,498.17	151.55	Janitorial	96,823.53	95,815.00	1,008.53	93,526.14	3,297.39
632.47	652.00	-19.53	662.00	-29.53	Equipment Rentals	12,436.04	11,368.00	1,068.04	5,235.14	7,200.90
2,508.61	1,650.00	858.61	2,216.91	291.70	Laundry	16,679.97	14,700.00	1,979.97	15,332.12	1,347.85
26,205.08	26,965.00	-759.92	27,850.23	-1,645.15	Supplies	326,401.16	334,496.05	-8,094.89	324,216.65	2,184.51
944.25	650.00	294.25	1,271.09	-326.84	Small Tools	6,583.57	8,099.62	-1,516.05	4,897.48	1,686.09
2,878.02	3,207.00	-328.98	2,902.53	-24.51	Office Supplies	31,676.22	30,133.00	1,543.22	31,863.99	-187.77
970.72	529.00	441.72	413.02	557.70	Computer Software & Supplies	4,413.96	6,055.00	-1,641.04	5,518.42	-1,104.46
8,163.91	8,555.00	-391.09	8,954.04	-790.13	Gas & Oil	77,754.87	67,075.00	10,679.87	61,282.27	16,472.60
1,149.51	675.00	474.51	1,143.93	5.58	Safety Program	8,449.90	9,299.00	-849.10	10,059.61	-1,609.71
970.98	900.00	70.98	74.72	896.26	Board & Committee Expenses	3,388.22	8,100.00	-4,711.78	5,401.11	-2,012.89
3,805.44	2,000.00	1,805.44	7,744.51	-3,939.07	Repairs & Maint. - Equipment	26,678.28	23,400.00	3,278.28	22,190.32	4,487.96
-5,700.03		-5,700.03		-5,700.03	Repairs & Maint. - Buildings				-1,368.00	1,368.00
			-1,577.00	1,577.00	Repairs & Maint. - Gates	-10,544.19		-10,544.19	-5,927.00	-4,617.19
1,607.67	300.00	1,307.67	12.58	1,595.09	Repairs & Maint. - Vehicles	4,529.61	4,600.00	-70.39	4,277.34	252.27
					Repairs & Maint. - Other				-2,500.00	2,500.00
9,181.41	7,618.60	1,562.81	9,302.65	-121.24	Credit Card Fees	97,797.24	98,067.94	-270.70	90,022.62	7,774.62
824.31	850.00	-25.69		824.31	Bank Fees & Interest Expense	6,076.49	6,600.00	-523.51	6,014.50	61.99
2,878.91	1,800.00	1,078.91	2,557.81	321.10	Travel, Training, Seminars	11,540.36	25,477.00	-13,936.64	18,389.20	-6,848.84
-218.43	-200.00	-18.43	-266.05	47.62	Discounts Taken	-2,776.60	-1,800.00	-976.60	-2,508.13	-268.47
5,034.88	6,130.00	-1,095.12	3,856.55	1,178.33	Licenses & Permits	49,921.17	51,514.00	-1,592.83	47,282.14	2,639.03
1,561.09	350.00	1,211.09	299.00	1,262.09	Dues & Subscriptions	5,959.19	5,785.52	173.67	4,195.02	1,764.17
9,414.76	7,500.00	1,914.76	9,323.40	91.36	Publication	74,017.03	67,500.00	6,517.03	70,839.04	3,177.99
1,019.35	1,089.00	-69.65	1,118.02	-98.67	Postage and Freight Expense	11,415.78	13,301.00	-1,885.22	12,166.77	-750.99
120,418.27	123,294.08	-2,875.81	137,049.40	-16,631.13	Total Mat., Supplies & Svcs	1,347,109.74	1,381,787.61	-34,677.87	1,250,672.16	96,437.58

Pine Mountain Lake Association

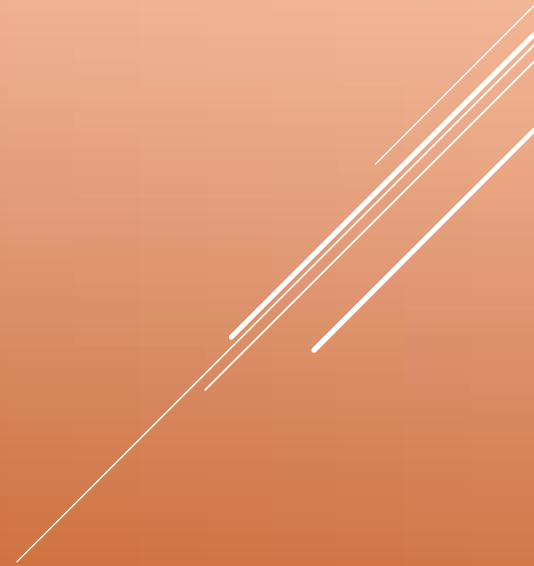
Combined Operating Results

For the Period from August 27, 2018 to September 30, 2018

<u>Current Period</u>	<u>Budget Current Period</u>	<u>Month-Budget Variance</u>	<u>Current Period, Prior Year</u>	<u>Current-Prior Month Variance</u>		<u>Current Year to Date</u>	<u>Budget Year to Date</u>	<u>YTD-Budget Variance</u>	<u>Prior Year to Date</u>	<u>Prior YTD-Actual Var</u>
					Utilities					
29,377.41	24,350.50	5,026.91	28,948.92	428.49	Gas & Electric	200,245.21	190,904.71	9,340.50	193,807.43	6,437.78
8,743.10	5,958.40	2,784.70	6,581.98	2,161.12	Telephone	75,338.20	56,995.76	18,342.44	52,309.71	23,028.49
8,310.58	7,585.50	725.08	19,844.96	-11,534.38	Water & Sewer	61,290.96	71,959.40	-10,668.44	63,154.77	-1,863.81
5,146.10	5,026.50	119.60	5,740.24	-594.14	Disposal	44,095.63	47,134.50	-3,038.87	46,929.32	-2,833.69
51,577.19	42,920.90	8,656.29	61,116.10	-9,538.91	Total Utilities	380,970.00	366,994.37	13,975.63	356,201.23	24,768.77
					Other Indirect Costs					
20,609.85	19,963.00	646.85	19,278.60	1,331.25	Insurance	183,979.35	179,667.00	4,312.35	173,966.63	10,012.72
					Landscaping	2,265.36	4,600.00	-2,334.64	3,614.63	-1,349.27
	27,000.00	-27,000.00	37,430.00	-37,430.00	Fire Abatement	35,975.00	60,000.00	-24,025.00	279,050.37	-243,075.37
					Election Expense	12,930.45	13,000.00	-69.55	12,923.52	6.93
1,363.26	1,000.00	363.26	1,620.62	-257.36	Member Relations	10,595.83	10,000.00	595.83	9,177.75	1,418.08
4,325.10		4,325.10	4,471.77	-146.67	Trail Rental	4,471.73	2,000.00	2,471.73	5,645.08	-1,173.35
1,132.00		1,132.00	827.40	304.60	Member Communications	6,604.30	13,000.00	-6,395.70	11,028.92	-4,424.62
					(Gain)/Loss on Sale of Assets	-7,055.48		-7,055.48	-4,368.39	-2,687.09
					Inc Tax Expense - Operating	456.00	1,000.00	-544.00	344.00	112.00
2,123.25	2,300.00	-176.75	2,130.16	-6.91	Property Tax Expense	17,809.78	20,700.00	-2,890.22	20,282.38	-2,472.60
13.95		13.95	-24.74	38.69	Cash Short/Over	-267.75		-267.75	124.60	-392.35
29,567.41	50,263.00	-20,695.59	65,733.81	-36,166.40	Total Other Indirect Costs	267,764.57	303,967.00	-36,202.43	511,789.49	-244,024.92
81,144.60	93,183.90	-12,039.30	126,849.91	-45,705.31	Total Indirect Costs	648,734.57	670,961.37	-22,226.80	867,990.72	-219,256.15
720,013.65	787,632.12	-67,618.47	756,779.83	-36,766.18	Total Expense	6,095,676.46	6,514,838.18	-419,161.72	5,966,686.99	128,989.47
435,197.98	569,741.92	-134,543.94	515,416.35	-80,218.37	Net Operating (Inc)/Exp	3,841,193.52	4,244,161.97	-402,968.45	3,534,159.48	307,034.04

FINANCIAL REPORTS

- ▶ Preparation
 - ▶ Monthly
 - ▶ Annually



REVIEW & OVERSIGHT

- ▶ Internal Review
 - ▶ Accounting Staff
 - ▶ Department Managers
 - ▶ Budget & Finance Committee (B&F)
 - ▶ Board of Directors
- 
- A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom right towards the top right, located in the lower right quadrant of the slide.

REVIEW & OVERSIGHT

- ▶ Annual Audit
 - ▶ Independent CPA
 - ▶ Based on GAAP
 - ▶ On-site evaluation
 - ▶ Process review
 - ▶ Transactional review
 - ▶ Issuing opinion – 2 types
 - ▶ Qualified Opinion
 - ▶ Unqualified Opinion

INFORMATION DISTRIBUTION

- ▶ Communication to members
 - ▶ Publish in PML News
 - ▶ Monthly summary
 - ▶ Posted to PMLA website
 - ▶ Detailed financial reports
 - ▶ Available at Admin office
 - ▶ Printed copies
 - ▶ Annual report

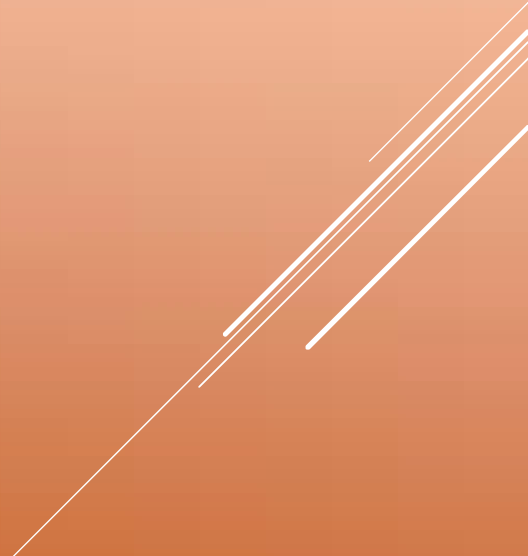
BUDGETING

- ▶ What is a budget?
 - ▶ An ESTIMATE of anticipated revenue and expenses
 - ▶ Used as a management tool
 - ▶ In HOAs used to determine assessment
- ▶ Preparation schedule
 - ▶ Begins in August
 - ▶ Extends through early November
 - ▶ Includes Operational items, Reserve Expenditures/Funding and New Cap Requests

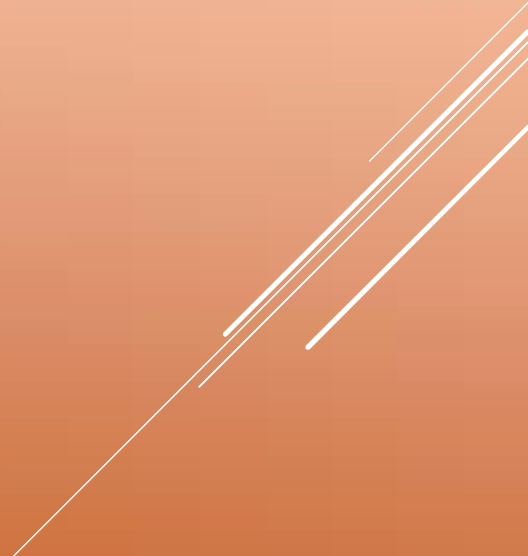
BUDGETING

- ▶ Methodology
 - ▶ Historical
 - ▶ Zero based
- ▶ Underlying assumptions
 - ▶ Revenue
 - ▶ Sales
 - ▶ Service based

BUDGETING

- ▶ Underlying assumptions
 - ▶ Expenses
 - ▶ Fixed
 - ▶ Semi-fixed
 - ▶ Variable
 - ▶ Staff/service level
 - ▶ Wage rates
 - ▶ Inflation
- 
- A decorative graphic consisting of several parallel white lines of varying lengths, slanted upwards from left to right, located in the bottom right corner of the slide.

BUDGETING

- ▶ Determination of required assessment
 - ▶ Total Budget (inc. Reserve & New Cap / total assessable lots
 - ▶ Impact of mergers
 - ▶ Review and presentation
 - ▶ Budget & Finance Committee
 - ▶ Board of Directors
 - ▶ All day meeting in October
 - ▶ Revision after review
 - ▶ Final Approval
 - ▶ Publication and distribution to members
- 

PRESENTATION REVIEW

- ▶ As a result of this presentation do you
- ▶ Understand how we track, report and control the Association's assets and financial operations
- ▶ Understand the controls and procedures in place to safeguard these assets and operations
- ▶ Understand and are comfortable with the level of review and oversight currently in place
- ▶ Have a better understanding of the budget process
- ▶ Have a higher level of confidence and comfort with how your money is handled

COMMENTS/QUESTIONS?

The background is a solid orange color with a vertical gradient, being lighter at the top and darker at the bottom. On the right side, there are several thin, white, parallel diagonal lines that extend from the top right towards the bottom center.