

To: Sun City Mesquite Finance Committee

From: Larry Saunders

Date: Aug 8, 2021

Subject: June 2021 Financial Review

YTD through June we have had 71 closings against a budget of 72. Seabreeze, our property management company, reports 1,906 total homes sold as of the end of the month. Any variance from budget for closings directly impacts revenue for Transfer Fees, Architectural Fees, Capital Contributions and eventually increased Assessments for both SCM and AMM.

SCM

YTD Revenue of \$1,403k are \$16k less than budget.

Developer Assessments (\$12.5k) had a favorable variance.

Guess Passes (-\$5k), Reserve Interest Income (-\$4k), Community Event Sponsorship (-\$2k) and several other accounts had unfavorable variances.

YTD Expenses of \$1,321k are \$73k less than budget.

General and Administrative (\$7k), Landscape, (\$8.5k), Utilities (\$41k), Capital Improvements (\$6k) and General Maintenance (\$10k) had favorable variances.

Property Protection (-\$5k) had an unfavorable variance.

Utilities variance appears to be the result of less demand for water and gas.

YTD Net Income of \$82k is \$57k better than budget.

Total operating assets of \$676k are \$125k greater than current liabilities of \$551k. Liabilities include pre-paid assessments.

AMM

YTD Revenue of \$528k is \$4.5k less than budget.

Developer Assessments (\$2.5k) had a favorable variance.

Owner Assessments (-\$3.5k) and Bulk Service Income (-\$3k) had unfavorable variances.

YTD Expenses of \$510k are right on budget.

Administration Expenses (\$4.5k) and Capital Improvement (\$3k) had favorable variances.

Insurance Expenses (-\$5k), Utilities Expenses (-\$2.5k), Contracted Maintenance (-\$1.5k) had unfavorable variances.

YTD Net Income of \$18k is \$4.5k below budget.

Total operating assets of \$284k are \$97k greater than current liabilities of \$187k. Liabilities include pre-paid assessments.

BI

YTD Revenues of \$29k are right on budget.

Expenses of \$22k are right on budget.

YTD Net Income of \$7k YTD is right on budget.

Total operating assets of \$37k are \$29k than current liabilities of \$8k. Liabilities include pre-paid assessments.