



Date: February 1, 2018
To: PGA West Board of Directors
From: Scott Randall, General Manager
Re: Financial Report – December, 2017

You will find attached the Association's Financial Statement for the period ending December 31, 2017.

The Association ended the month with a surplus of \$88,208; and a year-to-date surplus of \$158,903.

Revenues for the month equaled \$350,182, which was \$16,787 more than was budgeted. The deviation in revenue is mostly attributable to higher transponder fees; and unbudgeted revenues through Fairways (Monterra). December expenses equaled \$261,974, which was \$64,640 less than was budgeted. There were no significant deviations in budgeted expenses for December that are worthy of note.

For the fiscal year, cumulative revenues exceeded budget by \$101,287 – with the most significant positive deviations coming from Fairways-Assessments (\$53,589); collection of prior year assessments from Monterra (\$74,568); and Norman Gate reimbursements (\$14,400). Negative deviations will be found in transponder sales (\$8,322); and Residence Club gate reimbursements (\$33,206). Likewise, cumulative expenses for the year were \$57,616 under budget – with the most significant deviations in water (\$93,624); transponder purchases (\$16,147); holiday lighting (\$12,437); and office expenses (\$10,742)

Your monthly financial report has again been expanded to include two additional pieces of information, including:

* There were only two expenses charged to the Reserve Fund in December; including:

* (Streets) Gary Dolenga - \$165.24

* (Streets) Bob Shipley - \$114.26

* A list of the Association's Reserve Fund investment; including the interest rate, maturity date and term of each investment

PGA WEST MASTER ASSN.

Balance Sheet

Period 12/31/2017

Assets

Cash - Operating

| | | |
|-------|------------------------------|------------|
| 10305 | PWB - OPERATING | 444,984.78 |
| 10340 | WELLS FARGO - OPERATING | 251,523.09 |
| 10345 | WELLS FARGO - OP INVESTMENTS | 150,000.00 |
| 10500 | ACCRUED INTEREST - OP | 846.91 |

Total Cash - Operating 847,354.78

Cash - Reserves

| | | |
|-------|-------------------------------|--------------|
| 10625 | WELLS FARGO - RESERVE | 760,542.13 |
| 10626 | WELLS FARGO - RSV INVESTMENTS | 1,650,000.00 |
| 10650 | HOMESTREET BANK - RESERVES | 202,662.43 |
| 10999 | DUE TO/FROM OPERATING | (12,132.50) |
| 17100 | ACCRUED INTEREST - RSVS | 4,767.17 |

Total Cash - Reserves 2,605,839.23

Accounts Receivable

| | | |
|-------|---------------------|------------|
| 11000 | ACCOUNTS RECEIVABLE | 111,872.02 |
|-------|---------------------|------------|

Total Accounts Receivable 111,872.02

Fixed Assets

| | | |
|-------|---------------------|-------------|
| 19300 | FURNITURE/EQUIPMENT | 20,014.43 |
| 19350 | ACCUM DEPRECIATION | (18,563.55) |

Total Fixed Assets 1,450.88

Other Assets

| | | |
|-------|---------------------------------------|-----------|
| 11500 | OTHER RECEIVABLES | 7,620.25 |
| 11505 | ACCTS RECEIVABLE - OTHER REIMBURSABLE | 18,478.63 |
| 12000 | PREPAID EXPENSES | 9,355.34 |
| 18999 | BANK SUSPENSE | |
| 19050 | UTILITY METER DEPOSIT | 1,620.00 |
| 19100 | PREPAID TAXES | 15,817.00 |
| 19999 | CLEARING ACCOUNT | |

Total Other Assets 52,891.22

Total Assets 3,619,408.13

Liabilities & Equity

Liabilities

| | | |
|-------|------------------------|-------------|
| 10499 | DUE TO/FROM RESERVES | (12,132.50) |
| 20100 | ACCOUNTS PAYABLE | 15,274.07 |
| 20150 | ACCRUED EXPENSES | 250,859.95 |
| 20155 | ACCRUED PAYROLL | |
| 20200 | PREPAID ASSESSMENTS | 20,558.49 |
| 20450 | CAL WEST DEPOSIT | 53,722.90 |
| 20600 | INCOME TAXES PAYABLE | |
| 20999 | ACCOUNTS PAYABLE - TMG | 10,844.30 |

Total Liabilities 339,127.21

Reserves

| | | |
|-------|-------------------------------|-------------|
| 22000 | RESERVE FOR GATES | 381,859.94 |
| 22050 | RESERVE FOR ELECTRICAL/LIGHTS | (10,334.62) |

PGA WEST MASTER ASSN.

Balance Sheet

Period 12/31/2017

Liabilities & Equity

Reserves

| | | |
|-------|----------------------------|--------------|
| 22060 | RESERVE FOR TRANSPONDERS | 2,885.02 |
| 22070 | RESERVE FOR IRRIGATION | (14,222.57) |
| 22100 | RESERVE FOR LANDSCAPING | 512,492.94 |
| 22150 | RESERVE FOR PAINT | 195,851.89 |
| 22200 | RESERVE FOR STREETS | 1,131,004.15 |
| 22300 | RESERVE FOR GATEHOUSES | 296,487.99 |
| 22400 | RESERVE FOR SIGNAGE | 56,553.16 |
| 22500 | RESERVE FOR WATER FEATURES | 33,773.49 |
| 28000 | RESERVE FOR TAXES | 5,280.39 |
| 28500 | RESERVE INTEREST | 14,207.45 |

Total Reserves 2,605,839.23

Capital/Equity

| | | |
|-------|-------------------|--------------|
| 30300 | RETAINED EARNINGS | 641,435.06 |
| 32000 | PRIOR YEAR OFFSET | (125,895.98) |

Total Capital/Equity 515,539.08

Net Income

Net Income 158,902.61

Total Net Income 158,902.61

Total Liabilities & Equity 3,619,408.13

PGA WEST MASTER ASSN.
Comparative Income Statement
 Period 12/1/2017 to 12/31/2017

| | Current Month | | | Year to Date | | | Annual |
|---------------------------------------|----------------|----------------|---------------|------------------|------------------|----------------|------------------|
| | Actual | Budget | \$ Var | Actual | Budget | \$ Var | |
| Income | | | | | | | |
| Assessment Revenue | | | | | | | |
| 41100 ASSESSMENT INCOME RES 1 | 110,916 | 110,916 | 1 | 1,330,992 | 1,330,986 | 6 | 1,330,986 |
| 41120 ASSESSMENT INCOME RES 2 | 49,686 | 49,686 | 0 | 596,232 | 596,229 | 3 | 596,229 |
| 41130 ASSESSMENT INC FAIRWAYS | 117,695 | 111,667 | 6,028 | 1,393,589 | 1,340,000 | 53,589 | 1,340,000 |
| 41140 ASSESSMENT INCOME CORE | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41146 ASSESSMENT INC RESIDENCE | 5,136 | 5,136 | 0 | 61,637 | 61,637 | 0 | 61,637 |
| 41147 ASSESSMENT INCOME CLUB | 7,704 | 7,704 | 0 | 92,452 | 92,452 | 0 | 92,452 |
| 41148 ASSESSMENT INCOME MONTEPERRA | 2,808 | 0 | 2,808 | 74,568 | 0 | 74,568 | 0 |
| TOTAL Assessment Revenue | 293,946 | 285,109 | 8,837 | 3,549,470 | 3,421,304 | 128,166 | 3,421,304 |
| Other Revenue | | | | | | | |
| 41155 NORMAN GATES | 1,200 | 0 | 1,200 | 14,400 | 0 | 14,400 | 0 |
| 41160 TRANSPONDER PROGRAM | 44,407 | 31,667 | 12,740 | 371,678 | 380,000 | -8,322 | 380,000 |
| 41210 MISCELLANEOUS INCOME | 0 | 0 | 0 | 125 | 0 | 125 | 0 |
| 41220 INTEREST INCOME | 138 | 146 | -8 | 1,875 | 1,751 | 124 | 1,751 |
| 41230 PRIOR YEAR OFFSET | 10,491 | 10,491 | 0 | 125,896 | 125,896 | 0 | 125,896 |
| 43000 RESIDENCE CLUB GATE REIMB | 0 | 5,983 | -5,983 | 38,586 | 71,792 | -33,206 | 71,792 |
| TOTAL Other Revenue | 56,236 | 48,287 | 7,949 | 552,560 | 579,439 | -26,879 | 579,439 |
| TOTAL Income | 350,182 | 333,395 | 16,787 | 4,102,030 | 4,000,743 | 101,287 | 4,000,743 |
| Expense | | | | | | | |
| Administration | | | | | | | |
| 54940 LEGAL | 0 | 6,667 | 6,667 | 78,938 | 80,000 | 1,062 | 80,000 |
| 54950 AUDIT | 0 | 0 | 0 | 6,000 | 6,000 | 0 | 6,000 |
| 55150 OFFICE EXPENSE | 2,755 | 6,250 | 3,495 | 85,742 | 75,000 | -10,742 | 75,000 |
| 55200 INSURANCE | 3,074 | 3,206 | 132 | 42,671 | 38,475 | -4,196 | 38,475 |
| 55250 TELEPHONE - OFFICE | 625 | 417 | -208 | 3,356 | 5,000 | 1,644 | 5,000 |
| 55300 MANAGEMENT CONTRACT | 3,407 | 3,407 | 0 | 40,887 | 40,887 | 0 | 40,887 |
| 55350 MANAGEMENT ADMIN/PR | 12,146 | 12,500 | 354 | 131,403 | 150,000 | 18,597 | 150,000 |
| TOTAL Administration | 22,007 | 32,447 | 10,439 | 388,998 | 395,362 | 6,364 | 395,362 |
| Common Area | | | | | | | |
| 52300 SIGNAGE REPAIRS | 72 | 167 | 95 | 151 | 2,000 | 1,849 | 2,000 |
| 54100 LIGHTING REPAIRS | 377 | 1,667 | 1,289 | 15,119 | 20,000 | 4,881 | 20,000 |
| 54125 HOLIDAY LIGHTING | 0 | 0 | 0 | 22,437 | 10,000 | -12,437 | 10,000 |
| 54150 ELECTRICITY | 2,526 | 3,750 | 1,224 | 43,256 | 45,000 | 1,744 | 45,000 |
| 54200 FOUNTAIN MAINTENANCE | 190 | 260 | 70 | 3,325 | 3,120 | -205 | 3,120 |
| 54500 PEST CONTROL | 170 | 85 | -85 | 1,020 | 1,020 | 0 | 1,020 |
| 54550 STREET SWEEPING | 350 | 350 | 0 | 4,200 | 4,200 | 0 | 4,200 |
| TOTAL Common Area | 3,684 | 6,278 | 2,594 | 89,507 | 85,340 | -4,167 | 85,340 |
| Gates & Patrol | | | | | | | |
| 52100 GATES CONTRACT | 92,711 | 117,647 | 24,936 | 1,140,107 | 1,411,760 | 271,653 | 1,411,760 |
| 52110 PATROL CONTRACT | 32,447 | 16,043 | -16,404 | 406,028 | 192,513 | -213,515 | 192,513 |
| 52123 EXTRA SECURITY SERVICES | 0 | 0 | 0 | 19,008 | 0 | -19,008 | 0 |
| 52150 PATROL VEHICLES | 4,780 | 4,780 | 0 | 57,360 | 57,360 | 0 | 57,360 |
| 52160 GATE & PATROL ADMIN | 7,944 | 8,624 | 679 | 91,887 | 103,485 | 11,598 | 103,485 |
| 52170 GASOLINE | 33 | 2,750 | 2,717 | 23,504 | 33,000 | 9,496 | 33,000 |
| 52200 GATEHOUSE | 940 | 2,500 | 1,560 | 16,540 | 30,000 | 13,460 | 30,000 |

PGA WEST MASTER ASSN.
Comparative Income Statement
 Period 12/1/2017 to 12/31/2017

| | Current Month | | | Year to Date | | | Annual |
|----------------------------------|----------------|----------------|---------------|------------------|------------------|----------------|------------------|
| | Actual | Budget | \$ Var | Actual | Budget | \$ Var | |
| 52225 UTILITIES | 0 | 0 | 0 | 810 | 0 | -810 | 0 |
| 52230 TELEPHONE - G&P | 3,474 | 4,417 | 942 | 44,279 | 53,000 | 8,721 | 53,000 |
| 52240 GATEHOUSE SUPPLIES | 0 | 1,667 | 1,667 | 11,963 | 20,000 | 8,037 | 20,000 |
| 52250 GATE R&M | 0 | 1,667 | 1,667 | 15,113 | 20,000 | 4,887 | 20,000 |
| TOTAL Gates & Patrol | 142,330 | 160,093 | 17,763 | 1,826,600 | 1,921,118 | 94,518 | 1,921,118 |
| Landscaping | | | | | | | |
| 51100 CONTRACT LANDSCAPE | 38,308 | 38,141 | -167 | 459,696 | 457,690 | -2,006 | 457,690 |
| 51130 WATER (S) | -6,320 | 11,386 | 17,706 | 265,624 | 172,000 | -93,624 | 172,000 |
| 51200 PLANT REPLACEMENT | 0 | 4,167 | 4,167 | 5,728 | 50,000 | 44,272 | 50,000 |
| 51220 SUMMER COLOR (S) | 0 | 0 | 0 | 12,753 | 15,000 | 2,247 | 15,000 |
| 51240 WINTER COLOR (S) | 162 | 0 | -162 | 13,697 | 15,000 | 1,303 | 15,000 |
| 51300 SPECIAL L/S PROJECTS | 0 | 625 | 625 | 16,301 | 7,500 | -8,801 | 7,500 |
| 51350 CHEMICALS/AMENDS | 0 | 667 | 667 | 6,112 | 8,000 | 1,889 | 8,000 |
| 51400 IRRIGATION REPAIRS | 300 | 1,417 | 1,116 | 20,540 | 17,000 | -3,540 | 17,000 |
| 51500 TREE TRIMMING (S) | 0 | 4,803 | 4,803 | 56,415 | 57,640 | 1,225 | 57,640 |
| TOTAL Landscaping | 32,449 | 61,205 | 28,756 | 856,865 | 799,830 | -57,035 | 799,830 |
| Reserve Allocations | | | | | | | |
| 56000 RESERVE ALLOCATION | 54,401 | 54,401 | 0 | 652,809 | 652,809 | 0 | 652,809 |
| TOTAL Reserve Allocations | 54,401 | 54,401 | 0 | 652,809 | 652,809 | 0 | 652,809 |
| Transponder Program | | | | | | | |
| 52125 TRANSPONDER ADMIN | 1,803 | 4,000 | 2,197 | 36,901 | 48,000 | 11,099 | 48,000 |
| 52270 SYSTEM AGREEMENT | 276 | 857 | 581 | 7,956 | 10,284 | 2,328 | 10,284 |
| 52280 TRANSPONDER PURCHASES | 0 | 667 | 667 | 24,147 | 8,000 | -16,147 | 8,000 |
| 52285 TRANSPONDER SYSTEM R&M | 0 | 2,500 | 2,500 | 26,914 | 30,000 | 3,086 | 30,000 |
| 52290 OFFICE SUPPLIES/MISC | 623 | 833 | 210 | 16,731 | 10,000 | -6,731 | 10,000 |
| 54800 INCOME TAX EXPENSE | 4,400 | 3,333 | -1,067 | 15,699 | 40,000 | 24,301 | 40,000 |
| TOTAL Transponder Program | 7,102 | 12,190 | 5,088 | 128,348 | 146,284 | 17,936 | 146,284 |
| TOTAL Expense | 261,974 | 326,614 | 64,640 | 3,943,127 | 4,000,743 | 57,616 | 4,000,743 |
| Excess Revenue / Expense | 88,208 | 6,781 | 81,427 | 158,903 | 0 | 158,903 | 0 |

PGA WEST MASTER ASSOCIATION
WELLS FARGO RESERVE ACCOUNT
CERTIFICATES OF DEPOSIT HOLDINGS DECEMBER 31, 2017

18

| <u>ISSUER</u> | <u>AMOUNT</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>TERM</u> | Current <u>Market</u> | Unrealized <u>Gn/Loss</u> | Accrued <u>Interest</u> |
|---------------------|----------------------------|-------------|----------------------|-------------|----------------------------|------------------------------|------------------------------------|
| SYNCHRONY BANK | 200,000.00 | 1.15% | 1/16/2018 | 3 months | 199,990.00 | (10.00) | 504.11 |
| WELLS FARGO | 200,000.00 | 1.15% | 1/26/2018 | 3 months | 199,984.00 | (16.00) | 415.89 |
| BANK HAPOALIM | 100,000.00 | 1.40% | 2/7/2018 | 6 months | 100,015.00 | 15.00 | 563.84 |
| MIZRAHI TEFAHT | 100,000.00 | 1.15% | 2/26/2018 | 3 months | 99,977.00 | (23.00) | 119.73 |
| BANK OF BARODA CD | 100,000.00 | 1.30% | 4/30/2018 | 6 months | 99,953.00 | (47.00) | 220.82 |
| MORGAN STANLEY | 100,000.00 | 1.30% | 5/2/2018 | 6 months | 99,951.00 | (49.00) | 213.70 |
| STATE BANK OF INDIA | 175,000.00 | 1.30% | 6/28/2018 | 9 months | 174,800.50 | (199.50) | 592.12 |
| BARCLAYS | 100,000.00 | 1.35% | 7/12/2018 | 3 months | 99,896.00 | (104.00) | 639.86 |
| BARCLAYS | 100,000.00 | 1.40% | 7/19/2018 | 12 months | 99,917.00 | (83.00) | 636.72 |
| BANK HAPOALIM | 100,000.00 | 1.45% | 7/20/2018 | 12 months | 99,944.00 | (56.00) | 651.50 |
| GOLDMAN SACHS | 175,000.00 | 1.35% | 8/8/2018 | 10 months | 174,777.75 | (222.25) | 349.52 |
| BANK OF BARODA CD | 100,000.00 | 1.45% | 9/11/2018 | 12 months | 99,904.00 | (96.00) | 443.93 |
| BEAL | 100,000.00 | 1.35% | 9/19/2018 | 12 months | 99,897.00 | (103.00) | 409.18 |
| TOTAL | <u>1,650,000.00</u> | | | | <u>1,649,006.25</u> | <u>(993.75)</u> | <u>5,760.92</u> 4,767.17 |

AP Check Register with Detail

Check Date 12/1/2017 to 12/31/2017 11:59:00 PM
GL Account Key 10625 WELLS FARGO - RESERVE

PGA WEST MASTER ASSN.

WELLS FARGO - RESERVE

| | | | | | |
|----------------------|-----------|---------------------------|--------|-----------|------|
| 1524 | 12/7/2017 | Bob Shipley | | 114.26 | PAID |
| Inv. # 120617-023055 | | 22200 RESERVE FOR STREETS | 114.26 | OPERATING | |

| | | | | | |
|----------------------|-----------|---------------------------|--------|-----------|------|
| 1525 | 12/7/2017 | Gary Dolenga | | 165.24 | PAID |
| Inv. # 120617-035412 | | 22200 RESERVE FOR STREETS | 165.24 | OPERATING | |

| | | |
|---------------------------------------|--------|---------------|
| | Total | 279.50 |
| | Voided | 0.00 |
| WELLS FARGO - RESERVE TOTAL \$ | | 279.50 |