



Date: December 6, 2018
To: PGA West Board of Directors
From: Scott Randall, General Manager
Re: Financial Report – October, 2018

You will find attached the Association's Financial Statement for the period ending October 31, 2018.

The Association ended the month with a surplus of \$20,669; and a year-to-date surplus of \$87,292.

Revenues for the month equaled \$331,494, which was \$1,706 less than was budgeted. The most significant deviation in revenue was attributable to a slight decrease in transponder fees. October expenses equaled \$305,824, which was \$22,376 less than was budgeted. The most significant deviations in budgeted expenses was in gate maintenance (\$5,763); legal (\$3,829); irrigation repairs (\$1,994); gatehouse supplies (\$1,969); and management/ administration (\$1,962).

For the fiscal year, cumulative revenues are under budget by \$335. Likewise, cumulative expenses for the year are \$87,292 under budget – with the most significant deviations still in water (\$48,417); legal (\$28,092); transponder purchases (\$18,111); gate maintenance (\$13,922); management/ administration (\$11,206); telephone (\$7,090); and chemicals (\$5,641).

You will also find attached a listing of Reserve Fund investments; this information is also included on the balance sheet.

The following is a summary of expenses charged to the Reserve Fund in October, totaling \$101,395.69 including:

| | | |
|-------------|---------------------|--------------|
| * (Signage) | Sign-a-Rama (3) | \$ 21,220.69 |
| * (Streets) | Aggregate Products | \$ 80,000.00 |
| | Sladden Engineering | \$ 175.00 |

PGA WEST MASTER ASSN.

Balance Sheet

Period 10/31/2018

Assets

Cash - Operating

| | | |
|-------|-----------------------------|------------|
| 10305 | PWB - OPERATING | 251,467.26 |
| 10340 | WELLS FARGO - OPERATING | 253,933.85 |
| 10355 | CD PLAINS CB 2.15% 05/23/19 | 75,000.00 |
| 10356 | CD MS 2.3% 08/09/19 | 75,000.00 |
| 10499 | DUE TO/FROM RESERVES | 84,043.17 |
| 10500 | ACCRUED INTEREST - OP | 922.93 |

Total Cash - Operating

740,367.21

Cash - Reserves

| | | |
|-------|---------------------------|-------------|
| 10625 | WELLS FARGO - RESERVE | 379,079.57 |
| 10630 | CD PWB 1.9% 11/08/18 | 100,000.00 |
| 10631 | CD BOFCHINA 1.9% 11/15/18 | 100,000.00 |
| 10632 | CD TCF 1.75% 01/24/19 | 200,000.00 |
| 10633 | CD SAFRA 1.8% 01/30/19 | 200,000.00 |
| 10634 | CD 1ST NTL 1.85% 02/21/19 | 100,000.00 |
| 10635 | CD MELLON 1.9% 02/28/19 | 100,000.00 |
| 10636 | CD UBS 2.15% 04/30/19 | 200,000.00 |
| 10637 | CD WF 2.45% 08/27/19 | 200,000.00 |
| 10638 | MS CD 2.35% 08/16/19 | 175,000.00 |
| 10639 | MERCHANTS 2.05% 12/26/18 | 100,000.00 |
| 10640 | CITIZENS 2.2% 03/26/19 | 100,000.00 |
| 10999 | DUE TO/FROM OPERATING | (84,043.17) |
| 17100 | ACCRUED INTEREST - RSVS | 8,230.97 |

Total Cash - Reserves

1,878,267.37

Accounts Receivable

| | | |
|-------|---------------------|------------|
| 11000 | ACCOUNTS RECEIVABLE | 108,591.26 |
|-------|---------------------|------------|

Total Accounts Receivable

108,591.26

Fixed Assets

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

Total Fixed Assets

Other Assets

| | | |
|-------|---------------------------------------|-----------|
| 11500 | OTHER RECEIVABLES | 8,414.25 |
| 11505 | ACCTS RECEIVABLE - OTHER REIMBURSABLE | 5,010.00 |
| 12000 | PREPAID EXPENSES | 15,231.50 |
| 19100 | PREPAID TAXES | 19,692.00 |

Total Other Assets

48,347.75

Total Assets

2,775,573.59

Liabilities & Equity

Liabilities

| | | |
|-------|------------------------|------------|
| 20100 | ACCOUNTS PAYABLE | 991.82 |
| 20150 | ACCRUED EXPENSES | 192,181.14 |
| 20200 | PREPAID ASSESSMENTS | 15,488.50 |
| 20450 | CAL WEST DEPOSIT | 79.30 |
| 20999 | ACCOUNTS PAYABLE - TMG | 1,752.48 |

PGA WEST MASTER ASSN.

Balance Sheet

Period 10/31/2018

Liabilities & Equity

Liabilities

Total Liabilities 210,493.24

Reserves

| | | |
|-------|-------------------------------|------------|
| 21000 | AP - RESERVES | 4,247.50 |
| 22000 | RESERVE FOR GATES | 456,483.74 |
| 22050 | RESERVE FOR ELECTRICAL/LIGHTS | 10,245.28 |
| 22060 | RESERVE FOR TRANSPONDERS | 22,612.72 |
| 22070 | RESERVE FOR IRRIGATION | (8,529.18) |
| 22100 | RESERVE FOR LANDSCAPING | 251,407.78 |
| 22110 | RESERVE FOR TREES | (2,825.00) |
| 22150 | RESERVE FOR PAINT | 239,047.39 |
| 22200 | RESERVE FOR STREETS | 519,780.62 |
| 22300 | RESERVE FOR GATEHOUSES | 318,706.13 |
| 22400 | RESERVE FOR SIGNAGE | 5,818.09 |
| 22500 | RESERVE FOR WATER FEATURES | 37,970.29 |
| 28000 | RESERVE FOR TAXES | 911.20 |
| 28500 | RESERVE INTEREST | 22,390.81 |

Total Reserves 1,878,267.37

Equity - Operating

| | | |
|-------|--------------------------------------|-------------|
| 30100 | PRIOR YEAR OFFSET | (98,153.30) |
| 30200 | PRIOR PERIOD ADJUSTMENT | 36,364.59 |
| 30300 | BEG BAL - OPERATING EXCESS/(DEFICIT) | 671,308.92 |
| | CY OPERATING EXCESS/(DEFICIT) | 77,292.77 |

Total Equity - Operating 686,812.98

Total Liabilities & Equity 2,775,573.59

PGA WEST MASTER ASSN.
Comparative Income Statement

Period 10/1/2018 to 10/31/2018

| | Current Month | | | Year to Date | | | Annual |
|---------------------------------|-------------------|-------------------|------------------|---------------------|---------------------|------------------|---------------------|
| | Actual | Budget | \$ Var | Actual | Budget | \$ Var | |
| Income | | | | | | | |
| Assessment Revenue | | | | | | | |
| 41100 ASSESSMENT INCOME RES 1 | 110,916.00 | 110,916.00 | 0.00 | 1,109,160.00 | 1,109,160.00 | 0.00 | 1,330,992.00 |
| 41120 ASSESSMENT INCOME RES 2 | 49,686.00 | 49,685.75 | 0.25 | 496,860.00 | 496,857.50 | 2.50 | 596,229.00 |
| 41130 ASSESSMENT INC FAIRWAYS | 117,070.20 | 117,070.17 | 0.03 | 1,145,324.92 | 1,170,701.70 | -25,376.78 | 1,404,842.00 |
| 41146 ASSESSMENT RES CLUB | 5,738.91 | 5,738.92 | -0.01 | 57,389.23 | 57,389.20 | 0.03 | 68,867.00 |
| 41147 ASSESSMENT INCOME CLUB | 8,608.66 | 8,608.67 | -0.01 | 86,086.62 | 86,086.70 | -0.08 | 103,304.00 |
| 41148 ASSESSMENT MONTERRA | 0.00 | 0.00 | 0.00 | 19,656.00 | 0.00 | 19,656.00 | 0.00 |
| TOTAL Assessment Revenue | 292,019.77 | 292,019.51 | 0.26 | 2,914,476.77 | 2,920,195.10 | -5,718.33 | 3,504,234.00 |
| Other Revenue | | | | | | | |
| 41155 NORMAN GATES | 1,200.00 | 1,200.00 | 0.00 | 12,000.00 | 12,000.00 | 0.00 | 14,400.00 |
| 41160 TRANSPONDER INCOME | 28,150.73 | 30,000.00 | -1,849.27 | 304,513.68 | 300,000.00 | 4,513.68 | 360,000.00 |
| 41220 INTEREST INCOME | 308.79 | 166.67 | 142.12 | 2,535.92 | 1,666.70 | 869.22 | 2,000.00 |
| 41230 PRIOR YEAR OFFSET | 9,815.33 | 9,815.33 | 0.00 | 98,153.30 | 98,153.30 | 0.00 | 117,784.00 |
| TOTAL Other Revenue | 39,474.85 | 41,182.00 | -1,707.15 | 417,202.90 | 411,820.00 | 5,382.90 | 494,184.00 |
| TOTAL Income | 331,494.62 | 333,201.51 | -1,706.89 | 3,331,679.67 | 3,332,015.10 | -335.43 | 3,998,418.00 |
| Expense | | | | | | | |
| Administration | | | | | | | |
| 54940 LEGAL | 9,245.69 | 5,416.67 | -3,829.02 | 82,258.87 | 54,166.70 | -28,092.17 | 65,000.00 |
| 54950 AUDIT | 0.00 | 541.67 | 541.67 | 7,000.00 | 5,416.70 | -1,583.30 | 6,500.00 |
| 55150 OFFICE EXPENSE | 915.60 | 2,916.67 | 2,001.07 | 11,487.94 | 29,166.70 | 17,678.76 | 35,000.00 |
| 55200 INSURANCE | 3,130.25 | 3,429.17 | 298.92 | 30,576.84 | 34,291.70 | 3,714.86 | 41,150.00 |
| 55250 TELEPHONE - OFFICE | 1,156.32 | 291.67 | -864.65 | 10,006.73 | 2,916.70 | -7,090.03 | 3,500.00 |
| 55350 MANAGEMENT ADMIN/PR | 14,462.10 | 12,500.00 | -1,962.10 | 136,206.96 | 125,000.00 | -11,206.96 | 150,000.00 |
| 55370 POSTAGE / MAILING | 0.00 | 2,000.00 | 2,000.00 | 7,286.50 | 20,000.00 | 12,713.50 | 24,000.00 |
| 55400 BOARD EXPENSE | 378.33 | 1,208.33 | 830.00 | 770.77 | 12,083.30 | 11,312.53 | 14,500.00 |
| 91300 MANAGEMENT CONTRACT | 3,510.00 | 3,508.33 | -1.67 | 35,100.00 | 35,083.30 | -16.70 | 42,100.00 |
| TOTAL Administration | 32,798.29 | 31,812.51 | -985.78 | 320,694.61 | 318,125.10 | -2,569.51 | 381,750.00 |
| Common Area | | | | | | | |
| 54100 LIGHTING REPAIRS | 750.00 | 1,666.67 | 916.67 | 9,100.33 | 16,666.70 | 7,566.37 | 20,000.00 |
| 54125 HOLIDAY LIGHTING | 0.00 | 833.33 | 833.33 | 0.00 | 8,333.30 | 8,333.30 | 10,000.00 |
| 54150 ELECTRICITY | 3,550.58 | 3,750.00 | 199.42 | 31,790.14 | 37,500.00 | 5,709.86 | 45,000.00 |
| 54200 FOUNTAIN MAINTENANCE | 720.00 | 333.33 | -386.67 | 5,458.00 | 3,333.30 | -2,124.70 | 4,000.00 |
| 54500 PEST CONTROL | 85.00 | 125.00 | 40.00 | 1,075.00 | 1,250.00 | 175.00 | 1,500.00 |
| 54550 STREET SWEEPING | 350.00 | 350.00 | 0.00 | 3,500.00 | 3,500.00 | 0.00 | 4,200.00 |
| TOTAL Common Area | 5,455.58 | 7,058.33 | 1,602.75 | 50,923.47 | 70,583.30 | 19,659.83 | 84,700.00 |
| Gates & Patrol | | | | | | | |
| 52100 GATES CONTRACT | 86,733.00 | 101,293.67 | 14,560.67 | 955,796.43 | 1,012,936.70 | 57,140.27 | 1,215,524.00 |
| 52110 PATROL CONTRACT | 47,519.00 | 33,988.25 | -13,530.75 | 394,746.73 | 339,882.50 | -54,864.23 | 407,859.00 |
| 52123 EXTRA SECURITY SERVICES | 0.00 | 2,483.33 | 2,483.33 | 0.00 | 24,833.30 | 24,833.30 | 29,800.00 |
| 52150 PATROL VEHICLES | 2,070.00 | 4,780.00 | 2,710.00 | 41,164.57 | 47,800.00 | 6,635.43 | 57,360.00 |
| 52160 GATE & PATROL ADMIN | 7,944.31 | 9,090.00 | 1,145.69 | 76,753.48 | 90,900.00 | 14,146.52 | 109,080.00 |
| 52170 GASOLINE | 3,957.60 | 2,500.00 | -1,457.60 | 23,974.50 | 25,000.00 | 1,025.50 | 30,000.00 |
| 52200 GATEHOUSE | 4,053.11 | 2,083.33 | -1,969.78 | 17,402.11 | 20,833.30 | 3,431.19 | 25,000.00 |
| 52225 UTILITIES | 15.29 | 0.00 | -15.29 | 657.03 | 0.00 | -657.03 | 0.00 |
| 52230 TELEPHONE - G&P | 160.97 | 3,333.33 | 3,172.36 | 21,478.12 | 33,333.30 | 11,855.18 | 40,000.00 |

PGA WEST MASTER ASSN.
Comparative Income Statement

Period 10/1/2018 to 10/31/2018

| | Current Month | | | Year to Date | | | Annual |
|----------------------------------|-------------------|-------------------|------------------|---------------------|---------------------|------------------|---------------------|
| | Actual | Budget | \$ Var | Actual | Budget | \$ Var | |
| 52240 GATEHOUSE SUPPLIES | 3,178.48 | 1,458.33 | -1,720.15 | 19,086.51 | 14,583.30 | -4,503.21 | 17,500.00 |
| 52250 GATE R&M | 7,430.00 | 1,666.67 | -5,763.33 | 30,588.98 | 16,666.70 | -13,922.28 | 20,000.00 |
| TOTAL Gates & Patrol | <u>163,061.76</u> | <u>162,676.91</u> | <u>-384.85</u> | <u>1,581,648.46</u> | <u>1,626,769.10</u> | <u>45,120.64</u> | <u>1,952,123.00</u> |
| Landscaping | | | | | | | |
| 51100 CONTRACT LANDSCAPE | 38,308.00 | 39,553.00 | 1,245.00 | 383,080.00 | 395,530.00 | 12,450.00 | 474,636.00 |
| 51130 WATER (S) | 4,926.61 | 14,333.33 | 9,406.72 | 192,049.51 | 143,333.30 | -48,716.21 | 172,000.00 |
| 51200 PLANT REPLACEMENT | 0.00 | 2,083.33 | 2,083.33 | 873.87 | 20,833.30 | 19,959.43 | 25,000.00 |
| 51220 SUMMER COLOR (S) | 0.00 | 1,250.00 | 1,250.00 | 13,873.14 | 12,500.00 | -1,373.14 | 15,000.00 |
| 51240 WINTER COLOR (S) | 0.00 | 1,250.00 | 1,250.00 | 331.65 | 12,500.00 | 12,168.35 | 15,000.00 |
| 51300 SPECIAL L/S PROJECTS | 0.00 | 1,250.00 | 1,250.00 | 3,563.13 | 12,500.00 | 8,936.87 | 15,000.00 |
| 51350 CHEMICALS/AMENDS | 0.00 | 250.00 | 250.00 | 8,141.62 | 2,500.00 | -5,641.62 | 3,000.00 |
| 51400 IRRIGATION REPAIRS | 3,482.25 | 1,487.50 | -1,994.75 | 16,077.24 | 14,875.00 | -1,202.24 | 17,850.00 |
| 51500 TREE TRIMMING (S) | 0.00 | 0.00 | 0.00 | 57,344.00 | 60,000.00 | 2,656.00 | 60,000.00 |
| TOTAL Landscaping | <u>46,716.86</u> | <u>61,457.16</u> | <u>14,740.30</u> | <u>675,334.16</u> | <u>674,571.60</u> | <u>-762.56</u> | <u>797,486.00</u> |
| Reserve Allocations | | | | | | | |
| 56000 RESERVE ALLOCATION | 54,400.77 | 54,400.75 | -0.02 | 544,007.70 | 544,007.50 | -0.20 | 652,809.00 |
| TOTAL Reserve Allocations | <u>54,400.77</u> | <u>54,400.75</u> | <u>-0.02</u> | <u>544,007.70</u> | <u>544,007.50</u> | <u>-0.20</u> | <u>652,809.00</u> |
| Transponder Program | | | | | | | |
| 52125 TRANSPONDER ADMIN | 3,086.15 | 3,345.83 | 259.68 | 31,299.87 | 33,458.30 | 2,158.43 | 40,150.00 |
| 52270 SYSTEM AGREEMENT | 0.00 | 866.67 | 866.67 | 827.37 | 8,666.70 | 7,839.33 | 10,400.00 |
| 52280 TRANSPONDER PURCHASES | 0.00 | 1,458.33 | 1,458.33 | 32,694.37 | 14,583.30 | -18,111.07 | 17,500.00 |
| 52285 TRANSPONDER SYSTEM R&M | 0.00 | 2,291.67 | 2,291.67 | 5,531.56 | 22,916.70 | 17,385.14 | 27,500.00 |
| 52290 OFFICE SUPPLIES/MISC | 305.54 | 1,166.67 | 861.13 | 11,415.33 | 11,666.70 | 251.37 | 14,000.00 |
| 54800 INCOME TAX EXPENSE | 0.00 | 1,666.67 | 1,666.67 | 10.00 | 16,666.70 | 16,656.70 | 20,000.00 |
| TOTAL Transponder Program | <u>3,391.69</u> | <u>10,795.84</u> | <u>7,404.15</u> | <u>81,778.50</u> | <u>107,958.40</u> | <u>26,179.90</u> | <u>129,550.00</u> |
| TOTAL Expense | <u>305,824.95</u> | <u>328,201.50</u> | <u>22,376.55</u> | <u>3,254,386.90</u> | <u>3,342,015.00</u> | <u>87,628.10</u> | <u>3,998,418.00</u> |
| Excess Revenue / Expense | <u>25,669.67</u> | <u>5,000.01</u> | <u>20,669.66</u> | <u>77,292.77</u> | <u>-9,999.90</u> | <u>87,292.67</u> | <u>0.00</u> |

PGA WEST MASTER
WELLS FARGO RESERVE ACCOUNT
CERTIFICATES OF DEPOSIT HOLDINGS AS OF OCTOBER 31, 2018

| <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> |
|---------------------|----------------------------|-------------|----------------------|-------------|----------------------------|------------------------------|----------------------------|
| 3 MERCHANTS | 100,000.00 | 2.05% | 12/26/2018 | 3 months | 99,993.00 | (7.00) | 202.20 |
| 8 CITIZENS | 100,000.00 | 2.20% | 3/26/2019 | 6 months | 99,967.00 | (33.00) | 216.99 |
| 1 PWB | 100,000.00 | 1.90% | 11/8/2018 | 6 months | 99,997.00 | (3.00) | 921.37 |
| 2 BANK OF CHINA | 100,000.00 | 1.90% | 11/15/2018 | 6 months | 99,994.00 | (6.00) | 916.17 |
| 4 TCF NATL BANK | 200,000.00 | 1.75% | 1/24/2019 | 12 months | 199,790.00 | (210.00) | 2,694.52 |
| 5 SAFRA | 200,000.00 | 1.80% | 1/30/2019 | 12 months | 199,792.00 | (208.00) | 2,702.46 |
| 6 1st NATL BK OMAHA | 100,000.00 | 1.85% | 2/21/2019 | 12 months | 99,876.00 | (124.00) | 1,282.33 |
| 7 BNY MELLON NA | 100,000.00 | 1.90% | 2/28/2019 | 12 months | 99,871.00 | (129.00) | 1,280.55 |
| 9 UBS BANK | 200,000.00 | 2.15% | 4/30/2019 | 12 months | 199,814.00 | (186.00) | 23.56 |
| 10 MORGAN STANLEY | 175,000.00 | 2.35% | 8/16/2019 | 10 months | 174,828.50 | (171.50) | 867.57 |
| 11 WF BANK | 200,000.00 | 2.45% | 8/27/2019 | 13 months | 199,944.00 | (56.00) | 67.13 |
| TOTAL | <u>1,575,000.00</u> | | | | <u>1,573,866.50</u> | <u>(1,133.50)</u> | <u>11,174.85</u> |
| | | | | | | | 10,041.35 |