

January 2019 WingHaven Financial Report (2018 Month Review)

This will be a review of fiscal year 2017.

Income – Operational

Our total income for 2018 of \$563.6K is under the 5 year average by \$14.1K but is \$6.4K more than last year. This was \$5.6K more than our projected income for the year. Our December expenditures were normal, but for the year we are \$54.7K below the 5 year average and \$41.4K less than last year. Our total expenditures for the year of \$503.3K, leaves us with a \$60.3K surplus for fiscal year 2018. The steady income and surplus are the result taking a conservative tack in budgeting and attention to detail in expenses, along with no major surprises. \$22K of the surplus comes from delaying the EDmerald Ash Borer project for one year. In four years, the Board has moved the budget from a deficit of \$77.3K at the beginning of 2015 to the surplus that exists after this year.

Income – Alleys

Alley income for 2018 (\$35.3K) fell \$250 more than the 5 year average and \$1.6K more than 2017. With no major projects in 2018, expenses totalled \$21.6K and the alley budget ended the year with a \$13.7K surplus. It would have been more without the big snowstorm. These alley surpluses go in to the reserve fund to help pay for major projects that will be needed in the future.

Expenses – Operational

Our overall expenses for 2018 were cited above, here is the breakdown:

Administration:

The \$51.7K in expenses (not including the Master Association Payment) is \$1.6K less than the 5 year average and \$2.8K less than 2017. That was \$9.5K under budget.

Operations:

Electricity increased by over \$750 over last year and \$680 over the 5 year average. The December bill of \$682, over 6 times the average December bill, was the cause of most of this overage. We have asked CMA to look into this. That brought us in \$600 over budget.

Water billed \$4.2K more for the year than the 5 year average, \$15K versus \$10.8K, and \$2K more than last years \$13K. Water ended the year \$2K over budget.

Community Events was above average, \$22.3K versus a \$20.7K for the 5 year average, and \$4.4K less than last year's \$26.7K. It is important to continue to state this budget expense item should be taken in context with revenue the events committee raises in

conjunction with the budgeted allotment \$20K. For the year, they raised \$8K, \$2K less than budgeted, still providing a \$28K real budget, expenses for the year totaled \$22.3K, a \$5.7K surplus.

Maintenance:

We had a change in this item, moving sprinkler and monument maintenance into this category. Monument maintenance came in \$6.3K under budget, next year with a landscaping project may move this closer to the budgeted amount. The Master has said they will assist with the cost of this project. Sprinkler maintenance at \$13.2K came in \$3.8K under budget, \$1.8K less than last year and \$750 less than the 5 year average. Other maintenance and repairs came in \$4.8K under budget, so we dropped the budget for this item by \$4K for next year. Overall, maintenance came in \$15K under budget. That shouldn't be relied on in the future as the monuments and sprinklers age.

Grounds:

Grounds has \$116.2K in expenses for 2018, \$21.5K under budget, this is caused by the \$20K budgeted for the ash tree project being pushed back a year. With that in consideration, Grounds came in as projected , just \$1.5K under budget.

Parks and Gardens:

Parks and Gardens again incurred no new expenses this month, so expenses for 2018 \$5.8K was spent. Due to no major projects, it was \$32.2K under the 5 year average and \$170 less than last year. With no major projects, Parks and Gardens came in \$13.2K under budget.

Insurance and Taxes:

Starting with 2017 when we changed insurance carriers, we only make one payment for insurance each year to receive a discounted rate, compared to 2016, it was \$3K less, came in on budget. As a non-profit, we did not incur any taxes this year.

Cash Position

For 2018, we end the year holding a \$338.6K surplus in our cash position, \$76.9K more than at the end of last year.

Summary

For 2018, our income has exceeded our expenses by \$60.3K, \$47.7K better than last year's \$12.6K surplus, and \$42.5K more than the \$17.8K 5 year average. The 5 year average is slightly skewed as it includes one year when the fees were \$80K higher. If you compare this year to the prior four years with the same fee structure, it averaged a \$6.4K deficit, we are \$66.7K above that 4 year average, two of those years had deficits. Ending 2018 with \$60.3K surplus is a strong positive result, this has been an extremely good year for WingHaven.

Respectfully,

**Ken Albridge
Treasurer
WingHaven Board of Directors**