

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION**MONTHLY FINANCIAL REPORTS****PREPARED FOR THE BOARD OF DIRECTORS****JANUARY 2019**

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Celebration Residential Owner's Association, Inc.
January 31, 2019 (UNAUDITED)

	Actual	Budget	Variance
Income:			
Assessments & Misc. Receipts	387,321.76	379,107.00	(8,214.76)
Expenses:			
Administrative	121,594.18	127,317.00	(5,722.82)
On Site Administrative	401.84	400.00	1.84
Operations	7,627.26	4,394.00	3,233.26
Trash	49,775.38	65,504.00	(15,728.62)
Recreation/Maintenance	164,454.71	177,748.00	(13,293.29)
Property/Income Tax	0.00	0.00	0.00
Total Operating Expenses	343,853.37	375,363.00	(31,509.63)
Net Operating	43,468.39	3,744.00	23,294.87
Depreciation Expense	7,410.27	0.00	(7,410.27)
Actual Net Operating **	36,058.12	3,744.00	15,884.61

Outstanding Accounts Receivable (Note to Financials)

\$893,466.97

Breakdown:	Assessments	210,951.22
	Trash Fees	49,229.96
	Late Fees	11,727.99
	Interest	49,083.34
	Attorneys Fees	67,003.57
	Fines	1,349.00
	Lawn Maintenance	2,077.50
	Returned checks	351.44
	Specific Assessments	240,161.35
	Transfer Fees	550.00
	Lender Setup Fee	275.00
	Apt Rec Fee	255,780.00
	Working Capital	4,926.59
	Total A/R	\$893,466.97

Accounts Receivable: Accounts receivable increased due to the application of 1st quarter assessments and trash service fees being applied to owners accounts during the month.

Reserves Balances are: \$ 4,383,428.30

Notes to Financials:

Income: Income is over budget for the month. See Variance Report for details.

Expenses: Expenses are under budget in all categories except On-Site and Operational Expenses. See Variance Report for details.

Reserve Expenses: Expenses include \$56,283 to Allstate Fence for the deposit and final payment (held at office) for aluminum fencing at Lakeside, \$6,875 for chain link fencing for Lakeside equipment fencing, \$279,000 to Nidy for synthetic turf at athletic fields, \$2,000 to Bumpus & Associates for January owners' representative fees for athletic fields, \$781 to Hanson, Walter & Associates for January engineer fees for athletic fields, \$33,424 to ECDD for water infrastructure to the athletic fields, \$8,000 to Lose Design for the deposit for the Parks & Facilities Master Plan, \$53,520 to Classic Marcite for the deposit and final payment (held at office) for Lakeside Pool refinish.

FINANCIAL VARIANCE SUMMARY
CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.
January 2019 (UNAUDITED)

OPERATING FUND

BALANCE SHEET ITEMS:

Assets

Cash:

Cash - Operating	\$	908,806.18
Cash - Operating Interest Bearing	\$	8,695.64
Oper Surplus Union Bank (Formerly	\$	204,527.83
MM Texas Capital	\$	248,875.04
Regions Operating	\$	8,004.42
Regions Money Market	\$	153,584.98
Petty Cash	\$	3,050.00
Total Operating Cash	\$	1,535,544.09

Accounts Receivable

Accounts Receivable Current	\$	730,533.44
Accounts Receivable Prior	\$	279,974.94
Increase (Decrease)	\$	450,558.50

Fixed Assets

PP/Auto/Equip/Building/deprec	\$	2,388,935.36
PP/Auto/Equip/Building/deprec/pri	\$	2,396,345.63
Increase (Decrease)	\$	(7,410.27)

Other Assets

Deposits/Prepays - Current	\$	42,236.21
Deposits/Prepays - Prior	\$	36,507.11
Increase (Decrease)	\$	5,729.10

Total Assets

\$ 4,697,249.10

Explanation: Accounts receivable increased due to 1st quarter assessments being applied to the owners account.

Liabilities and Equity

Current Liabilities

Accts Pay/Accrued Exp Current	\$	1,486,503.76
Accts Pay/Accrued Exp Prior	\$	732,398.11
Increase (Decrease)	\$	754,105.65

Explanation: Current liabilities increased due to prepaid quarterly assessments for the first quarter of 2019. 1/3 of quarterly assessments are earned each month.

FINANCIAL VARIANCE SUMMARY
CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.
January 2019 (UNAUDITED)

Other Liabilities

Deposits/Long Term Note Payable	\$	101,496.03
Deposits/Long Term Note Payable	\$	<u>7,560.00</u>
Increase (Decrease)	\$	93,936.03

Explanation: Other liabilities increase due to deposits. Contingent liability regarding Davey Tree invoices were recorded as of 12/31/2018 in the amount of 91,336

Equity

Equity YTD +/- Current	\$	3,109,249.31
Equity YTD +/- Prior	\$	<u>3,164,527.22</u>
Increase (Decrease)	\$	(55,277.91)

Total Liabilities and Equity **\$ 4,697,249.10**

INCOME

Actual:	\$	387,321.76
Budget:	\$	<u>379,107.00</u>
Variance:	\$	8,214.76

Explanation: Income is over budget. Line items that are significantly over budget are Working Capital Contribution by \$9,847, Bad Debt adjustment by \$18,867, Specific Assessment by \$30,000.

EXPENSES:

ADMINISTRATIVE

Actual:	\$	121,594.18
Budget:	\$	<u>127,317.00</u>
Variance:	\$	5,722.82

Explanation: Administrative Expenses include audit, admin payroll, joint committee expenses, legal & professional expenses and administrative fees. Administrative expenses are under budget for the month primarily due to audit expense being budgeted in January, Line items significantly under budget are joint committee expense, legal expenses and miscellaneous administrative.

ON SITE

ADMINISTRATIVE

Actual:	\$	401.84
Budget:	\$	<u>400.00</u>
Variance:	\$	(1.84)

Explanation: On-site Administrative Expenses are telephone & communication expenses. No explanation required.

FINANCIAL VARIANCE SUMMARY
CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.
January 2019 (UNAUDITED)

OPERATIONAL

Actual	\$	7,627.26
Budget:	\$	<u>4,394.00</u>
Variance:	\$	(3,233.26)

Explanation: Operational Expenses include vehicle expenses, park monitor payroll and farmers market expenses. Operational Expenses are over budget primarily due to Farmers Market contract vendor change, with their last day on 1/20/2019.

DIRECT BILLING CONTRACTS

Actual:	\$	49,775.38
Budget:	\$	<u>65,504.00</u>
Variance:	\$	15,728.62

Explanation: Direct Billing Contracts are the trash removal fees charged by Celebration Sanitation and charged to the homeowner accounts as a trash assessment. Direct Billing Contracts are under budget due to the accrual of an invoice from Celebration Sanitation in December that upon analysis, we found it was in error (Celebration Sanitation had billed us correctly during 2018.)

RECREATION/FACILITY MAINTENANCE

Actual:	\$	164,454.71
Budget:	\$	<u>177,748.00</u>
Variance:	\$	13,293.29

Explanation: Recreation/Facility Maintenance Expenses include Maintenance, Recreation and Lifeguard staffing, lifestyle expenditures, operating contracts with landscape, pools and maintenance of facilities. Recreation/Facility Maintenance is under budget primarily due to facility maintenance salaries due to one employee being out during January, landscape maintenance, pool maintenance, facility maintenance and janitorial supplies..

OTHER EXPENSES

Actual:	\$	0.00
Budget:	\$	<u>0.00</u>
Variance:	\$	0.00

Explanation: Other Expenses include Taxes (income and property). No explanation required.

FINANCIAL VARIANCE SUMMARY
CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.
January 2019 (UNAUDITED)

TOTAL OPERATING EXPENSES:

Actual:	\$	343,853.37
Budget:	\$	<u>375,363.00</u>
Variance:	\$	31,509.63

NET INCOME BEFORE DEBT & DEPRECIATION

Actual:	\$	43,468.39
Budget:	\$	<u>3,744.00</u>
Variance:	\$	39,724.39

DEPRECIATION EXPENSE \$ 7,410.27

Explanation: This is the depreciation expense for association assets (furniture, building, auto, machinery and improvements).

ACTUAL NET OPERATING INC.

Actual:	\$	36,058.12
Budget:	\$	<u>3,744.00</u>
Variance:	\$	32,314.12

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
BALANCE SHEET - OPERATING (UNAUDITED)
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

	CURRENT MONTH BALANCE	PREVIOUS MONTH BALANCE	NET CHANGE
CASH			
OPERATING CASH	908,806.18	566,589.11	342,217.07
CASH - OPER INTEREST BEARING	8,695.64	7,319.01	1,376.63
OPER SURPLUS UNION BANK	204,527.83	204,493.11	34.72
MM TEXAS CAPITAL	248,875.04	248,558.82	316.22
REGIONS OPERATING	8,004.42	8,063.92	(59.50)
REGIONS MMA	153,584.98	153,583.68	1.30
PETTY CASH	3,050.00	3,050.00	0.00
TOTAL CASH	1,535,544.09	1,191,657.65	343,886.44
ACCOUNTS RECEIVABLE			
ACCOUNTS RECEIVABLE	743,509.94	381,590.64	361,919.30
A/R - OWNER FINES	1,349.00	1,349.00	0.00
A/R - SPECIFIC ASSESSMENT	148,608.02	118,609.02	29,999.00
RESERVE FOR BAD DEBT	(403,886.84)	(387,837.96)	(16,048.88)
ACCOUNTS RECEIVABLE - OTHER	(372.16)	3,685.28	(4,057.44)
DUE (TO) FROM SERVICE AREA	(3,276.03)	(0.01)	(3,276.02)
DUE (TO) FROM JOINT COMM	229,243.07	147,220.53	82,022.54
DUE (TO) FROM ARTISAN PARK	11,559.28	11,559.28	0.00
ACCOUNTS RECEIVABLE - DUE FRM RESVS	3,799.16	3,799.16	0.00
TOTAL ACCOUNTS RECEIVABLE	730,533.44	279,974.94	450,558.50
FIXED ASSETS			
LAND	629,942.69	629,942.69	0.00
BUILDINGS	1,991,000.00	1,991,000.00	0.00
IMPROVEMENTS	563,540.28	563,540.28	0.00
FURNITURE & EQUIP	47,972.44	47,972.44	0.00
ACCUMULATED DEPRECIATION-FURN & EQU	(889,195.46)	(883,736.52)	(5,458.94)
AUTO LESS ACC DEPR	45,675.41	47,626.74	(1,951.33)
TOTAL FIXED ASSETS	2,388,935.36	2,396,345.63	(7,410.27)
OTHER ASSETS			
DEPOSITS	23,312.02	23,312.02	0.00
PREPAID EXPENSE	13,222.88	13,195.09	27.79
SUSPENSE	5,700.90	0.00	5,700.90
DEPOSIT IN TRANSIT	0.41	0.00	0.41
TOTAL OTHER ASSETS	42,236.21	36,507.11	5,729.10
TOTAL ASSETS	4,697,249.10	3,904,485.33	792,763.77

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
BALANCE SHEET - OPERATING (UNAUDITED)
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

	CURRENT MONTH BALANCE	PREVIOUS MONTH BALANCE	NET CHANGE
LIABILITIES & EQUITY			
CURRENT LIABILITIES			
ACCRUED EXPENSES	102,115.67	88,796.90	13,318.77
ACCOUNTS PAYABLE	1,720.77	25,776.26	(24,055.49)
UNCLAIMED FUNDS	6,959.51	6,494.15	465.36
UNEARNED ASSESSMENTS	918,291.84	0.00	918,291.84
UNEARNED TRASH SERVICE FEE	130,712.40	0.00	130,712.40
SALES TAX PAYABLE	218.40	350.84	(132.44)
PREPAID ASSESSMENTS	264,411.74	606,057.77	(341,646.03)
PREPAID EVENT INCOME	3,660.00	885.00	2,775.00
LENDER SETUP FEE	275.00	275.00	0.00
ACCOUNTS PAYABLE - DUE TO RESERVES	60,659.19	5,764.19	54,895.00
DUE TO (FROM) CNOA	(2,002.00)	(2,002.00)	0.00
DUE TO (FROM) CCS	(518.76)	0.00	(518.76)
TOTAL CURRENT LIABILITIES	1,486,503.76	732,398.11	754,105.65
OTHER LIABILITIES			
SECURITY DEPOSITS HELD	10,160.00	7,560.00	2,600.00
DAVEY TREE CONTINGENT LIABILITY	91,336.03	91,336.03	0.00
TOTAL OTHER LIABILITIES	101,496.03	98,896.03	2,600.00
EQUITY			
OWNERS' EQUITY	2,463,248.50	2,463,248.50	0.00
TRANSFER FROM RESERVES	609,942.69	609,942.69	0.00
CURRENT YEAR INCOME (LOSS)	36,058.12	0.00	36,058.12
TOTAL EQUITY	3,109,249.31	3,073,191.19	36,058.12
TOTAL LIABILITIES & EQUITY	4,697,249.10	3,904,485.33	792,763.77

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
OPERATING STATEMENT - DETAIL (UNAUDITED)
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

MONTHLY ACTUAL	MONTHLY BUDGET	MONTHLY VARIANCE	Jan2019 GL#		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	ANNUAL BUDGET	BUDGET REMAINING
INCOME									
341,895.42	341,834	61.42	0401	ASSOCIATION DUES	341,895.42	341,834	61.42	4,102,008	(3,760,112.58)
33,580.32	23,733	9,847.32	0410	WORKING CAPITAL CONTRIBUTION	33,580.32	23,733	9,847.32	284,796	(251,215.68)
(54,895.00)	(51,869)	(3,026.00)	04100001	WORKING CAPITAL RESERVES	(54,895.00)	(51,869)	(3,026.00)	(622,428)	567,533.00
(9,550.00)	(9,550)	0.00	68318701	CAPITAL EXPENDITURE	(9,550.00)	(9,550)	0.00	(114,600)	105,050.00
(50,567.00)	(50,567)	0.00	0402	RESERVE FUND CONTRIBUTION	(50,567.00)	(50,567)	0.00	(606,804)	556,237.00
65,356.20	65,504	(147.80)	0417	TRASH SERVICE FEES	65,356.20	65,504	(147.80)	786,048	(720,691.80)
21,315.00	28,136	(6,821.00)	0413	RECREATION FEE - APARTMENTS	21,315.00	28,136	(6,821.00)	337,632	(316,317.00)
(20,950.00)	(2,083)	(18,867.00)	0423	LESS: BAD DEBT	(20,950.00)	(2,083)	(18,867.00)	(24,996)	4,046.00
30,000.00	0	30,000.00	04390001	SPECIFIC ASSESSMENT INCOME	30,000.00	0	30,000.00	0	30,000.00
(325.00)	2,583	(2,908.00)	0441	LATE CHARGES	(325.00)	2,583	(2,908.00)	30,996	(31,321.00)
856.36	2,377	(1,520.64)	0449	DELINQUENCY INTEREST	856.36	2,377	(1,520.64)	28,524	(27,667.64)
352.37	225	127.37	0450	INTEREST INCOME - OPERATING	352.37	225	127.37	2,700	(2,347.63)
9,231.00	9,431	(200.00)	0428	MAINTENANCE INCOME	9,231.00	9,431	(200.00)	113,172	(103,941.00)
1,421.00	1,412	9.00	0452	COMMON AREA KEY FEE INCOME	1,421.00	1,412	9.00	16,944	(15,523.00)
225.00	0	225.00	0456	COLLECTION FEE INCOME	225.00	0	225.00	0	225.00
2,083.00	2,083	0.00	0457	RENTAL INCOME	2,083.00	2,083	0.00	24,996	(22,913.00)
744.27	500	244.27	0459	MISCELLANEOUS INCOME	744.27	500	244.27	6,000	(5,255.73)
8,460.56	10,200	(1,739.44)		RECREATION/FACILITY	8,460.56	10,200	(1,739.44)	164,365	(155,904.44)
2,174.06	670	1,504.06	04596620	FARMERS MARKET INC	2,174.06	670	1,504.06	8,040	(5,865.94)
0.00	3,688	(3,688.00)	0461	RECREATION EVENTS INCOME	0.00	3,688	(3,688.00)	37,601	(37,601.00)
720.00	0	720.00	04610004	COMMUNITY CLASS INCOME	720.00	0	720.00	0	720.00
150.00	0	150.00	04610011	SOCCER	150.00	0	150.00	0	150.00
140.00	0	140.00	04610031	PORCH AND YARD SALE	140.00	0	140.00	0	140.00
2,370.00	0	2,370.00	04610039	FATHER DAUGHTER DANCE	2,370.00	0	2,370.00	0	2,370.00
1,250.00	0	1,250.00	04610043	ADULT ACTIVITIES	1,250.00	0	1,250.00	0	1,250.00
460.00	0	460.00	04610044	CHORUS	460.00	0	460.00	0	460.00
148.20	0	148.20	04610047	DOG PARK ART	148.20	0	148.20	0	148.20
411.00	0	411.00	04610060	MAINTENANCE LABOR REIMBURSEMENT	411.00	0	411.00	0	411.00
105.00	0	105.00	04610066	KIDS NIGHT OUT	105.00	0	105.00	0	105.00
160.00	800	(640.00)	0462	AQUATICS INCOME	160.00	800	(640.00)	21,400	(21,240.00)
387,321.76	379,107	8,214.76		TOTAL INCOME	387,321.76	379,107	8,214.76	4,596,394	(4,209,072.24)
EXPENSES									
ADMINISTRATIVE									
0.00	15,900	15,900.00	6501	AUDIT EXPENSE	0.00	15,900	15,900.00	15,900	15,900.00
14,756.80	14,912	155.20	65020001	MANAGER/ADMIN	14,756.80	14,912	155.20	178,943	164,186.20
0.00	125	125.00	6512	COVENANTS HOMEOWNER MAINTENANCE	0.00	125	125.00	1,500	1,500.00
92,525.53	85,634	(6,891.53)	6515	JOINT COMMITTEE EXP	92,525.53	85,634	(6,891.53)	1,027,608	935,082.47
0.00	300	300.00	6524	FOOD & BEVERAGE	0.00	300	300.00	3,600	3,600.00
8,046.60	5,831	(2,215.60)		LEGAL & PROFESSIONAL	8,046.60	5,831	(2,215.60)	94,966	86,919.40
92.93	0	(92.93)	65240005	CREDIT CARD FEES	92.93	0	(92.93)	0	(92.93)
6,172.32	4,615	(1,557.32)		MISC - ADMINISTRATIVE	6,172.32	4,615	(1,557.32)	45,893	39,720.68
121,594.18	127,317	5,722.82		TOTAL ADMINISTRATIVE	121,594.18	127,317	5,722.82	1,368,410	1,246,815.82
ON SITE ADMINISTRATIVE									
401.84	400	(1.84)	6579	TELEPHONE & COMMUNICATIONS	401.84	400	(1.84)	4,800	4,398.16
401.84	400	(1.84)		TOTAL ON SITE ADMINISTRATIVE	401.84	400	(1.84)	4,800	4,398.16
OPERATIONAL EXPENSES									
504.42	765	260.58	6581	GAS/OIL/TRAVEL	504.42	765	260.58	9,670	9,165.58
3,733.84	3,629	(104.84)	6617	SECURITY SERVICES	3,733.84	3,629	(104.84)	43,548	39,814.16
(495.00)	0	495.00	66220001	POSH POOCH	(495.00)	0	495.00	0	495.00
3,884.00	0	(3,884.00)	6620	FARMERS MARKET	3,884.00	0	(3,884.00)	0	(3,884.00)
7,627.26	4,394	(3,233.26)		TOTAL OPERATIONAL EXPENSE	7,627.26	4,394	(3,233.26)	53,218	45,590.74
DIRECT BILLING CONTRACTS									
49,775.38	65,504	15,728.62	6613	TRASH REMOVAL	49,775.38	65,504	15,728.62	786,048	736,272.62
49,775.38	65,504	15,728.62		TOTAL DIRECT BILLING CONTRACTS	49,775.38	65,504	15,728.62	786,048	736,272.62
RECREATIONAL/FACILITY MAIN									
24,237.22	27,129	2,891.78	6649	FACILITY MAINTENANCE	24,237.22	27,129	2,891.78	307,853	283,615.78
21,798.20	22,454	655.80	6701	RECREATION STAFF	21,798.20	22,454	655.80	254,797	232,998.80
4,833.87	4,768	(65.87)		POOL/LIFEGUARD STAFF	4,833.87	4,768	(65.87)	57,216	52,382.13
1,539.40	876	(663.40)		PERSONNEL EQUIP/ADMIN	1,539.40	876	(663.40)	10,512	8,972.60
0.00	925	925.00	6717	NET PROGRAMS/EVENTS	0.00	925	925.00	169,205	169,205.00
67.86	0	(67.86)	67170006	SUMMER BREAKOUT	67.86	0	(67.86)	0	(67.86)
(0.03)	0	0.03	67170024	FOUNDERS' DAY	(0.03)	0	0.03	0	0.03
60.95	0	(60.95)	67170039	FATHER DAUGHTER DANCE	60.95	0	(60.95)	0	(60.95)
546.35	0	(546.35)	67170043	ADULT ACTIVITIES	546.35	0	(546.35)	0	(546.35)
2,371.66	0	(2,371.66)	67170060	MAINTENANCE LABOR ASSISTANCE	2,371.66	0	(2,371.66)	0	(2,371.66)
0.00	1,268	1,268.00	6716	AQUATICS EXPENSE	0.00	1,268	1,268.00	15,216	15,216.00
61,555.62	63,575	2,019.38		LANDSCAPE MGMT	61,555.62	63,575	2,019.38	797,676	736,120.38
4,247.27	9,711	5,463.73		POOL MAINTENANCE	4,247.27	9,711	5,463.73	116,532	112,284.73
5,904.90	15,266	9,361.10		MAINTENANCE	5,904.90	15,266	9,361.10	177,164	171,259.10
12,261.14	11,060	(1,201.14)		ELECTRICITY	12,261.14	11,060	(1,201.14)	151,620	139,358.86
21,450.10	14,254	(7,196.10)		WATER/RECLAIMED WATER	21,450.10	14,254	(7,196.10)	183,548	162,097.90
861.86	737	(124.86)		MONITORING EXPENSE	861.86	737	(124.86)	8,844	7,982.14
683.92	1,003	319.08		JANITORIAL SUPPLIES	683.92	1,003	319.08	12,924	12,240.08
2,034.42	4,722	2,687.58		SUPPLIES/EQUIP	2,034.42	4,722	2,687.58	53,642	51,607.58
0.00	0	0.00	6727	PARKS & REC EVENTS	0.00	0	0.00	49,719	49,719.00
164,454.71	177,748	13,293.29		TOTAL RECREATIONAL EXPENSES	164,454.71	177,748	13,293.29	2,366,468	2,202,013.29

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
OPERATING STATEMENT - DETAIL (UNAUDITED)
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

MONTHLY ACTUAL	MONTHLY BUDGET	MONTHLY VARIANCE	Jan2019 GL#		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	ANNUAL BUDGET	BUDGET REMAINING
<u>0.00</u>	<u>0</u>	<u>0.00</u>	6805	OTHER EXPENSES RE PROPERTY TAXES	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>17,450</u>	<u>17,450.00</u>
0.00	0	0.00		TOTAL OTHER EXPENSES	0.00	0	0.00	17,450	17,450.00
343,853.37	375,363	31,509.63		TOTAL OPERATING EXPENSES	343,853.37	375,363	31,509.63	4,596,394	4,252,540.63
43,468.39	3,744	39,724.39		NET INCOME BEFORE DEBT&DEPRECIATION	43,468.39	3,744	39,724.39	0	43,468.39
7,410.27	0	(7,410.27)	6892	DEPRECIATION EXPENSE	7,410.27	0	(7,410.27)	0	(7,410.27)
<u>36,058.12</u>	<u>3,744</u>	<u>32,314.12</u>		OPERATING NET INCOME (LOSS)	<u>36,058.12</u>	<u>3,744</u>	<u>32,314.12</u>	<u>0</u>	<u>36,058.12</u>

**FINANCIAL VARIANCE SUMMARY
CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.
January 2019 (UNAUDITED)**

RESERVE FUND

BALANCE SHEET ITEMS:

Capital Reserve Fund	\$ 226,289.65
Replacement Reserves - Union Bank	\$ 142,527.42
Wells Fargo - Replacement/Surplus Reserve	\$ 846,088.45
Wells Fargo - Capital Improvement Reserve	\$ 2,697,140.55
Wells Fargo - Contingency Fund Reserve	\$ 471,382.23
Total Reserve Cash	\$ 4,383,428.30
Accounts Receivable	
Accounts Receivable Current	\$ 61,799.19
Accounts Receivable Prior	\$ 6,904.19
Increase (Decrease)	\$ 54,895.00
Total Assets	\$ 4,445,227.49
Liability and Equity	
Current Liabilities	
Acct Pay/Accrued Exp Current	\$ 363,193.59
Accts Pay/Accrued Exp Prior	\$ 363,136.73
Increase (Decrease)	\$ 56.86
Equity	
Current Equity	\$ 4,082,033.90
Equity Prior	\$ 4,379,746.40
Increase (Decrease)	\$ (297,712.50)
Total Liabilities and Equity	\$ 4,445,227.49

INCOME:

Income	\$ 118,296.09
Budget	\$ 102,436.00
Variance	\$ 15,860.09

Explanation: Income consists of reserve funding for Replacement Reserve, Contingency Reserve and Capital Improvement Reserve plus interest

FINANCIAL VARIANCE SUMMARY
CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.
January 2019 (UNAUDITED)

RESERVE FUND

EXPENSES:

Actual	\$ 416,008.59
Budget	\$ <u>0.00</u>
Variance	\$ (416,008.59)

Reserve Expenses: Expenses include \$56,283 to Allstate Fence for the deposit and final payment (held at office) for aluminum fencing at Lakeside, \$6,875 for chain link fencing for Lakeside equipment fencing, \$279,000 to Nidy for synthetic turf at athletic fields, \$2,000 to Bumpus & Associates for January owners' representative fees for athletic fields, \$781 to Hanson, Walter & Associates for January engineer fees for athletic fields, \$33,424 to ECDD for water infrastructure to the athletic fields, \$8,000 to Lose Design for the deposit for the Parks & Facilities Master Plan, \$53,520 to Classic Marcite for the deposit and final payment (held at office) for Lakeside Pool refinish.

RESERVE NET INCOME (LOSS):

Actual	\$ (297,712.50)
Budget	\$ <u>102,436.00</u>
Variance	\$ (400,148.50)

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
BALANCE SHEET - RESERVES (UNAUDITED)
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

	CURRENT MONTH BALANCE	PREVIOUS MONTH BALANCE	NET CHANGE
ASSETS			
CASH			
CAPITAL RESERVE FUND	226,289.65	525,330.11	(299,040.46)
REPLACEMENT RESERVES UNION BANK	142,527.42	199,321.69	(56,794.27)
WELLS FARGO REPLACEMENT RESERVES	846,088.45	844,952.47	1,135.98
WELLS FARGO CAPITAL IMPROVEMENT RES	2,697,140.55	2,694,977.95	2,162.60
WELLS FARGO CONTINGENCY FUND RESERV	471,382.23	471,396.72	(14.49)
TOTAL CASH	4,383,428.30	4,735,978.94	(352,550.64)
ACCOUNTS RECEIVABLE			
ACCOUNTS RECEIVABLE - DUE FROM OPER	60,659.19	5,764.19	54,895.00
MISC AR RESERVE	1,140.00	1,140.00	0.00
TOTAL ACCOUNTS RECEIVABLE	61,799.19	6,904.19	54,895.00
TOTAL ASSETS	4,445,227.49	4,742,883.13	(297,655.64)
LIABILITIES & EQUITY			
CURRENT LIABILITIES			
RESERVE ACCT PAYABLE	0.00	47,528.77	(47,528.77)
ACCOUNTS PAYABLE - DUE TO OPERATING	3,705.00	3,705.00	0.00
ACCRUED EXPENSE RESERVES	359,488.59	311,902.96	47,585.63
TOTAL CURRENT LIABILITIES	363,193.59	363,136.73	56.86
EQUITY			
RESERVE FUND BALANCE	1,358,353.50	1,358,353.50	0.00
CAPITAL IMPROVEMENT EQUITY	3,021,392.90	3,021,392.90	0.00
NET INCOME (LOSS)	(297,712.50)	0.00	(297,712.50)
TOTAL EQUITY	4,082,033.90	4,379,746.40	(297,712.50)
TOTAL LIABILITIES & EQUIT	4,445,227.49	4,742,883.13	(297,655.64)

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
RESERVE STATEMENT - DETAIL (UNAUDITED)
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

MONTHLY ACTUAL	MONTHLY BUDGET	MONTHLY VARIANCE		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	ANNUAL BUDGET	BUDGET REMAINING
INCOME								
50,567.00	50,567	0.00	RESERVE FUND CONTRIBUTION	50,567.00	50,567	0.00	606,804	(556,237.00)
64,445.00	51,869	12,576.00	CAPITAL IMPROVEMNT	64,445.00	51,869	12,576.00	622,428	(557,983.00)
866.99	0	866.99	INTEREST INCOME - RESERVE	866.99	0	866.99	0	866.99
27.00	0	27.00	UNREAL GAIN/LOSS	27.00	0	27.00	0	27.00
2,390.10	0	2,390.10	CAPITAL IMP INTEREST	2,390.10	0	2,390.10	0	2,390.10
<u>118,296.09</u>	<u>102,436</u>	<u>15,860.09</u>	TOTAL INCOME	<u>118,296.09</u>	<u>102,436</u>	<u>15,860.09</u>	<u>1,229,232</u>	<u>(1,110,935.91)</u>
EXPENSES								
56,283.00	0	(56,283.00)	RECREATION CENTERS	56,283.00	0	(56,283.00)	0	(56,283.00)
6,875.00	0	(6,875.00)	PARKS REPLACEMENT	6,875.00	0	(6,875.00)	0	(6,875.00)
281,000.00	0	(281,000.00)	ATHLETIC FIELD- CIVIC CORRIDOR	281,000.00	0	(281,000.00)	0	(281,000.00)
10,330.59	0	(10,330.59)	LOT D- CIVIC CORRIDOR	10,330.59	0	(10,330.59)	0	(10,330.59)
8,000.00	0	(8,000.00)	PARKS & REC MASTER PLAN- CIVIC CORR	8,000.00	0	(8,000.00)	0	(8,000.00)
53,520.00	0	(53,520.00)	POOL/JACUZZI	53,520.00	0	(53,520.00)	0	(53,520.00)
<u>416,008.59</u>	<u>0</u>	<u>(416,008.59)</u>	TOTAL EXPENSE	<u>416,008.59</u>	<u>0</u>	<u>(416,008.59)</u>	<u>0</u>	<u>(416,008.59)</u>
<u>(297,712.50)</u>	<u>102,436</u>	<u>(400,148.50)</u>	NET INCOME (LOSS)	<u>(297,712.50)</u>	<u>102,436</u>	<u>(400,148.50)</u>	<u>1,229,232</u>	<u>(1,526,944.50)</u>

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
RECREATION PROGRAMS
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

MONTHLY ACTUAL	MONTHLY BUDGET	MONTHLY VARIANCE		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE
0.00	3,688	0.00	ACTIVITIES & PROGRAMS-INCOME	0.00	3,688	0.00
0.00	(925)	0.00	ACTIVITIES & PROGRAMS-EXPENSE	0.00	(925)	0.00
0.00	2,763	0.00	NET ACTIVITIES & PROGRAMS	0.00	2,763	0.00
0.00	0	0.00	NET KIDS NIGHT OUT PROGRAMS	0.00	0	0.00
720.00	0	(720.00)	COMMUNITY CLASS INCOME	720.00	0	(720.00)
720.00	0	(720.00)	NET COMMUNITY CLASS PROGRAMS	720.00	0	(720.00)
0.00	0	0.00	NET EVENTS PROGRAMS	0.00	0	0.00
(67.86)	0	67.86	BREAKOUT EXPENSE	(67.86)	0	67.86
(67.86)	0	67.86	NET BREAKOUT	(67.86)	0	67.86
0.00	0	0.00	NET SWIM TEAM PROGRAMS	0.00	0	0.00
0.00	0	0.00	NET JR LIFGUARD	0.00	0	0.00
0.00	0	0.00	NET VOLUNTEER LIBRARY	0.00	0	0.00
0.00	0	0.00	NET AQUATICS	0.00	0	0.00
0.00	0	0.00	NET AQUATICS SPLASH	0.00	0	0.00
0.00	0	0.00	TOTAL FLAG FOOTBALL	0.00	0	0.00
150.00	0	(150.00)	SOCCER INCOME	150.00	0	(150.00)
150.00	0	(150.00)	NET SOCCER	150.00	0	(150.00)
0.00	0	0.00	NET FRIDAY NIGHT LIVE	0.00	0	0.00
0.00	0	0.00	NET EASTER EGG HUNT	0.00	0	0.00
0.00	0	0.00	NET 4TH OF JULY	0.00	0	0.00
0.00	0	0.00	NET FAMILY CHILL OUT	0.00	0	0.00
0.03	0	(0.03)	FOUNDERS' DAY	0.03	0	(0.03)
0.03	0	(0.03)	NET FOUNDERS DAY	0.03	0	(0.03)
0.00	0	0.00	NET HOLIDAY SHOPPING	0.00	0	0.00
0.00	0	0.00	NET BEGGAR'S NIGHT	0.00	0	0.00

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
RECREATION PROGRAMS
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

MONTHLY ACTUAL	MONTHLY BUDGET	MONTHLY VARIANCE		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE
0.00	0	0.00	NET PUMPKIN CARVING	0.00	0	0.00
0.00	0	0.00	NET HALLOWEEN	0.00	0	0.00
0.00	0	0.00	NET CELEBRATION GAMES	0.00	0	0.00
0.00	0	0.00	NET OTHER BREAKOUTS	0.00	0	0.00
140.00	0	(140.00)	PORCH AND YARD SALE	140.00	0	(140.00)
140.00	0	(140.00)	NET PRCH AND YARD SALE	140.00	0	(140.00)
0.00	0	0.00	NET MOVIE NIGHTS	0.00	0	0.00
0.00	0	0.00	NET MISC EVENTS	0.00	0	0.00
0.00	0	0.00	NET MEMORIAL DAY EVENTS	0.00	0	0.00
0.00	0	0.00	NET VOLUNTEER EVENTS	0.00	0	0.00
2,370.00	0	(2,370.00)	FATHER DAUGHTER DANCE	2,370.00	0	(2,370.00)
(60.95)	0	60.95	FATHER DAUGHTER DANCE	(60.95)	0	60.95
2,309.05	0	(2,309.05)	NET FATHER DAUGHTER DANCE	2,309.05	0	(2,309.05)
0.00	0	0.00	NET FAMILY CAMP OUT	0.00	0	0.00
0.00	0	0.00	NET TOTALLY TWEEN	0.00	0	0.00
0.00	0	0.00	NET HOME IMPROVEMENT EXPO	0.00	0	0.00
0.00	0	0.00	NET KNOW YOUR NEIGHBOR	0.00	0	0.00
0.00	0	0.00	NET LITTLE LEAGUE	0.00	0	0.00
1,250.00	0	(1,250.00)	ADULT ACTIVITIES	1,250.00	0	(1,250.00)
(546.35)	0	546.35	ADULT ACTIVITES	(546.35)	0	546.35
703.65	0	(703.65)	NET ADULT ACTIVITIES	703.65	0	(703.65)
460.00	0	(460.00)	CELEBRATION CHORUS	460.00	0	(460.00)
460.00	0	(460.00)	NET CELEBRATION CHORUS	460.00	0	(460.00)
4,414.87	2,763	(4,414.87)	NET RECREATION INCOME (LOSS)	4,414.87	2,763	(4,414.87)

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

	MONTHLY ACTUAL	YEAR TO DATE ACTUAL
LAKESIDE		
MONITORING	146.63	146.63
WATER/RECLAIMED WATER	(253.39)	(253.39)
ELECTRICITY	3,803.80	3,803.80
POOL MAINTENANCE	1,250.00	1,250.00
LANDSCAPE	3,611.42	3,611.42
MAINTENANCE	176.64	176.64
LIFEGUARD	4,833.87	4,833.87
TOTAL LAKESIDE	13,568.97	13,568.97
NORTH VILLAGE		
MONITORING	119.35	119.35
WATER/RECLAIMED WATER	393.41	393.41
ELECTRICITY	538.73	538.73
POOL MAINTENANCE	550.00	550.00
LANDSCAPE	4,734.92	4,734.92
MAINTENANCE	66.86	66.86
TOTAL NORTH VILLAGE	6,403.27	6,403.27
SPRING PARK		
MONITORING	205.85	205.85
WATER/RECLAIMED WATER	1,349.61	1,349.61
ELECTRICITY	2,592.69	2,592.69
POOL MAINTENANCE	1,247.27	1,247.27
LANDSCAPE	3,227.25	3,227.25
MAINTENANCE	103.42	103.42
TOTAL SPRING PARK	8,726.09	8,726.09
EAST VILLAGE		
MONITORING	45.38	45.38
WATER/RECLAIMED WATER	(52.50)	(52.50)
ELECTRICITY	414.49	414.49
POOL MAINTENANCE	550.00	550.00
LANDSCAPE	2,579.50	2,579.50
MAINTENANCE	56.11	56.11
TOTAL EAST VILLAGE	3,592.98	3,592.98
851 BUILDING		
JANITORIAL	683.92	683.92
MONITORING	286.74	286.74
WATER/RECLAIMED WATER	123.50	123.50
ELECTRICITY	3,212.66	3,212.66
LANDSCAPE	1,308.00	1,308.00
MAINTENANCE	2,315.37	2,315.37
TOTAL 851 BUILDING	7,930.19	7,930.19
K-8 FACILITY		
WATER/RECLAIMED WATER	842.25	842.25
ELECTRICITY	201.78	201.78
LANDSCAPE	4,718.33	4,718.33
TOTAL K-8 FACILITY	5,762.36	5,762.36
PASSIVE PARK		
WATER/RECLAIMED WATER	18,125.48	18,125.48

CELEBRATION RESIDENTIAL OWNERS ASSOCIATION
FACILITY SUMMARY
01/31/2019

8360 E VIA DE VENTURA
BLDG L SUITE 100
SCOTTSDALE AZ 85258

	MONTHLY ACTUAL	YEAR TO DATE ACTUAL
ELECTRICITY	461.50	461.50
LANDSCAPE	38,341.91	38,341.91
MAINTENANCE	<u>450.00</u>	<u>450.00</u>
TOTAL PASSIVE PARK	57,378.89	57,378.89
MAINTENANCE SHOP		
WATER/RECLAIMED WATER	(3.45)	(3.45)
ELECTRICITY	91.94	91.94
MAINTENANCE	<u>40.77</u>	<u>40.77</u>
TOTAL MAINTENANCE SHOP	129.26	129.26
SPRING LAKE		
LANDSCAPE	1,318.29	1,318.29
MAINTENANCE	46.41	46.41
ELECTRICITY	892.77	892.77
POOL MAINTENANCE	<u>650.00</u>	<u>650.00</u>
TOTAL SPRING LAKE	2,907.47	2,907.47