



## Salt Creek Services Treasurer's Report

October 14, 2023

**Period Ending September 30, 2023:** Total Cash for the calendar quarter ending September 30, 2023 decreased by \$22,313 from December 31, 2022, with Total Cash reflecting \$19,710 deposited to the Sanitation and Water Reserve Fund for the same period. The primary use of cash during the quarter was expenditures totaling \$58,900 for the RQAW wastewater and drinking water preliminary engineering reports. From an operational perspective (excluding RQAW expenditures, sanitation reserve deposits and accounts receivables), operating activities generated \$16,877 in net cash, with actual Total Revenues (excluding accounts receivables) for the quarter being generally consistent with budget overall while overall Expenses were below budget by \$12,676.

Given the overall cash position and reductions in our reserves, we will need to continue to monitor cash balances and manage expenditures to maintain sufficient cash to cover any unforeseen future expenditures; however, lower than budgeted repairs and maintenance expenses have helped conserve cash so far in 2023 and have allowed cash from operations to be used for a portion of the RQAW expenditures noted above.

We will also need to be able to demonstrate to any future lenders we have sufficient cash flow from operations to pay debt service on any future line of credit we obtain or any future financing arrangements needed for the upcoming wastewater and/or drinking water projects. YTD 2023, we have not had sufficient excess operating cash flow to pay any debt service, so the 2024 and/or 2025 budgets will need to account for this.

### Cash and Reserve Summary

	930/2023	12/31/2022
Business Checking .....	\$14,843	\$27,159
Money Market .....	38,679	48,676
<b>Total Cash<sup>1</sup> .....</b>	<b>\$53,522</b>	<b>\$75,835</b>
Accounts Receivable (Prepaid Dues) .....	4,145	(334)
<b>Total Current Assets .....</b>	<b>\$57,677</b>	<b>\$75,501</b>
Current Liabilities (Accounts Payable, Sales Tax) .....	(15,221)	(11,470)
<b>Total Net Available Cash<sup>2</sup> .....</b>	<b>\$42,446</b>	<b>\$64,031</b>

### Summary of Actual Revenues and Expenses for the Nine (9) Month Period Ending September 30, 2023:

	SEWER	WATER	DOCKS	RDS & GRDS	ADMIN FEES	TOTAL
<b>REVENUE</b>	\$27,594	\$87,384	\$14,400	\$21,024	\$19,053	\$169,455
<b>EXPENSES</b>	25,533	81,172	6,711	16,165	23,514	153,095
<b>MARGIN</b>	\$2,061	\$6,212	\$7,689	\$4,859	(\$4,461)	\$16,360

### Summary of Budgeted Revenues and Expenses for the Nine (9) Month Period Ending September 30, 2023:

	SEWER	WATER	DOCKS	RDS & GRDS	ADMIN FEES	TOTAL
<b>REVENUE</b>	\$27,594	\$86,544	\$14,400	\$ 21,024	\$ 19,053	\$ 168,615
<b>EXPENSES</b>	26,085	87,584	13,492	18,239	20,372	165,771

<sup>1 2</sup> Total Cash and Total Net Available Cash include amounts allocated to the Sanitation and Water Reserve Fund, including \$19,710 that has been contributed by the owners since December 31, 2022. As of September 30, 2023, a total of \$172,390 has been contributed to the Sanitation and Water Reserve Fund.



<b>MARGIN</b>	\$1,509	(\$1,040)	\$908	\$2,785	(\$1,319)	\$2,884
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**Summary of Actual to Budgeted Variances for the Nine (9) Month Period Ending September 30, 2023:**

	<b>SEWER</b>	<b>WATER</b>	<b>DOCKS</b>	<b>RDS &amp; GRDS</b>	<b>ADMIN FEES</b>	<b>TOTAL</b>
<b>REVENUE</b>	\$0	\$840	\$0	\$0	\$0	\$840
<b>EXPENSES</b>	552	6,412	6,781	2,074	(3,142)	\$12,676
<b>MARGIN</b>	\$552	\$7,252	\$6,781	\$2,074	(\$3,142)	\$13,516

**Sewer Notes:** YTD Sewer expenses were \$552 lower than budget primarily due to lower repairs and maintenance expenses (\$1,352 under budget) and electricity expenses (\$645 under budget), offset by higher than budgeted Bynum & Fanyo contract expenses (\$1,501 over budget).

**Water Notes:** YTD water expenses were \$7,252 lower than budget, primarily due to lower repairs and maintenance expenses (\$11,753 under budget), offset by higher than budgeted Bynum & Fanyo contract expenses (\$6,002 over budget).

**Dock Notes:** YTD dock expenses were \$6,781 lower than budget due to timing of insurance premiums, lower than budgeted repairs and maintenance (\$3,163 lower than budget) and lower electricity expenses (\$625 below budget).

**Roads and Grounds Notes:** YTD roads and grounds expenses were \$2,074 lower than budget due to lower than budgeted repairs and maintenance.

**Administrative Notes:** YTD administrative expenses were \$3,142 above budget due to higher than budgeted office supplies (\$1,159 above budget) and legal and professional (\$1,078 above budget).

**Asset Purchase Notes:** The RQAW contract has been accounted for as an asset and a use of cash where the majority of the contract amount has been paid. There was no corresponding budget for the RQAW contract. There have been no other asset purchases accounted for YTD 2023. Asset purchases represent cash expenditures for capital assets that are not reflected on the income statement.

**Past Due Accounts Three Months or More Overdue (as of October 11, 2023):** [REDACTED] (\$1,029 over 3 mos./\$1,958 total owing), [REDACTED] (\$353 over 3 mos./\$1,409 total owing), and [REDACTED] (\$6,520 over 3 mos./\$7,586 total owing).

The association's outside counsel has been instructed to proceed with a small claims court collections action against [REDACTED] the week of October 9<sup>h</sup> to recover amounts owing. In addition, [REDACTED] lot was sold at tax sale for \$4,005 on October 3<sup>rd</sup> as a result of \$557 in unpaid real estate taxes; however, there is a one year period during which the [REDACTED] can pay all taxes and fees in full prior to the issuance of a final tax deed.