



Briar Chapel Community Association

06/30/2020

Monthly Financial Reports



Briar Chapel Association, Inc.
Manager Comments to Financials

351 Master

June 2020

533000 – Professional Service Legal – Monthly Variance (\$23,006)

Legal services were based on the level of service from the prior year and spread evenly. As a result, variances are likely to occur monthly based on timing and level of services rendered. Additional services required this month due to new Board transition activities and additional legal representation related to the Waste Water Treatment Plant issue. \$49k over budget YTD. \$52k from the contingency account was transferred into the Legal account. These dollars show up in the December budget month. Even with this transfer, this account may still go over budget by year end based on the legal service needs of the HOA since only \$25k remains in the budget for the remainder of the year.

533200 – Professional Service General – Monthly Variance (\$4,948)

The Board contracted Tetra Tech, Inc. for water testing of reclaimed water for one year (\$13k total expense). We do not expect this to cause a full year variance in this line item at there are dollars that were budgeted for outside RFP work related to the Landscaping contract that will not be used.

541000 – Office Supplies – General - Monthly Variance 2,617

Worked with staff to decrease cost, the only charge for this month was a new card printer.

614000 – Social Events - Monthly Variance \$4,100

All events have been canceled due to COVID-19.

711200 – Landscaping Repairs - Monthly Variance \$4,433

This timing related variance will likely balance out at year end as some known repairs have been put off until September.

711410 – Landscaping Tree/Shrub Contract - Monthly Variance \$5,067

This timing related variance will balance out by year end per the fixed terms of the contract with Bartlett.

723100 – Cleaning Contract - Monthly Variance \$3,477

This timing related variance was caused by the June invoice not arriving on time.

726133 - Pond Repairs - Monthly Variance \$4,704

Pond repairs have started however we have not been fully invoiced to date. Therefore, this is mostly a timing variance.

726141 – Pool Repairs - Monthly Variance \$2,000

No invoices for June pool repairs. Budget likely should balance out throughout the year or may be under budget at year end if less repairs are needed than were budgeted.

748000 – Water - Monthly Variance \$3,165

Below budget for the month due to less watering than expected due to weather. Note: This is for water consumption during the month of May.

981000 – General Reserve Expenses – Monthly Variance \$12,567

Pool pump mechanical and electrical repairs budgeted in a different month.

May 2020

411860 – Amenity Pass – Monthly Variance (\$6,365)

No passes were sold in May due to COVID-19 and Clubhouse being closed.

533200 – Professional Service General – Monthly Variance \$6,550

\$6.5K in the budget in March and May for prep work associated with 2021 Landscaping RFP. It was decided to do this work in-house.

614000 – Social Events - Monthly Variance \$4,087

All events have been canceled due to COVID-19.

711410 – Landscaping Tree/Shrub Contract - Monthly Variance (15,555)

This timing related variance will balance out by year end per the fixed terms of the contract with Bartlett.

711507 – Mulch and Straw - Monthly Variance \$4,000

Some areas of Great Meadow Park tree rings not completed to-date to changes being made with Landscape committee. Also sand for play areas not completed to date.

712200 – Irrigation Repairs & Maintenance - Monthly Variance \$2,500

No repairs were invoiced in May some will hit in June.

748000 – Water - Monthly Variance \$2,157

Less water used with the clubhouse closed due to COVID-19. Also, substantially less lawn watering around the clubhouse due to weather.

981000 – General Reserve Expenses – Monthly Variance \$5,090

Site Improvements completed this month include: BMP (pond) repairs from phase 1 of 2019 inspections/certifications and pool pump mechanical repairs.

April 2020

412100 – Developer Assessments – Monthly Variance \$2,340

Due to turnover of the HOA, the Developer (Newland) now pays an HOA fee for final platted lots they own at the same rate as the Builder Assessment (25% of the master rate = \$31.25 per lot). This line item was not included in the 2020 budget.

533000 – Professional Service Legal – Monthly Variance (\$11,370)

Legal services were based on the level of service from the prior year and spread evenly. As a result, variances are likely to occur monthly based on timing and level of services rendered. Additional services required this month due to defending the HOA stance against the sewer plant activities and additional legal representation. \$24k over budget YTD.

614000 – Social Events - Monthly Variance \$4,069

All events have been canceled due to COVID-19.

981000 – General Reserve Expenses – Monthly Variance (\$20,774)

Site Improvements completed this month include: BMP (pond) repairs from phase 1 of 2019 inspections/certifications and pool pump mechanical repairs.

March 2020

412100 – Developer Assessments – Monthly Variance \$2,723

Due to turnover of the HOA, the Developer (Newland) now pays an HOA fee for final platted lots they own at the same rate as the Builder Assessment (25% of the master rate = \$31.25 per lot). This line item was not included in the 2020 budget.

533000 – Professional Service Legal – Monthly Variance (\$4,591)

Legal services were based on the level of service from the prior year and spread evenly. As a result, variances are

likely to occur monthly based on timing and level of services rendered. Additional services required this month due to new Board transition activities and additional legal representation. \$13k over budget YTD.

533200 – Professional Service General – Monthly Variance \$6,525

This timing related variance will balance out when landscaping RFP work is started. \$6,500 was budgeted for this activity in March.

614000 – Social Events - Monthly Variance \$3,518

All events have been canceled due to COVID-19.

711200 – Landscaping Repairs - Monthly Variance \$2,011

This timing related variance will balance out some repairs put off until April.

711410 – Landscaping Tree/Shrub Contract - Monthly Variance \$17,646

This timing related variance will balance out by year end per the fixed terms of the contract with Bartlett.

726133 - Pond Repairs - Monthly Variance \$2,500

Pond repairs have started however we have not been fully invoiced to date.

726141 – Pool Repairs - Monthly Variance \$3,241

Pool repairs are under way. Working on a few repair quotes for approval. Budget should balance out throughout the year.

981000 – General Reserve Expenses – Monthly Variance \$20,154

Timing. The major expenses planned for this month, which have not yet been completed, include potential pool pump repairs, pool furniture refurbishment and Clubhouse remodel.

February 2020

412100 – Developer Assessments – Monthly Variance \$2,882

Due to turnover of the HOA, the Developer (Newland) now pays an HOA fee for final platted lots they own at the same rate as the Builder Assessment (25% of the master rate = \$31.25 per lot). This line item was not included in the 2020 budget.

533000 – Professional Service Legal – Monthly Variance (\$3,972)

Legal services were based on the level of service from the prior year and spread evenly. As a result, variances are likely to occur monthly based on timing and level of services rendered. Additional services required this month due to new Board transition activities and additional legal representation.

541000 – Office Supplies – General - Monthly Variance (\$4,946)

The cost of an annual statement (in lieu of coupon books) and delinquency letters (about \$1,500 will be repaid by residents for delinquency letters).

614000 – Social Events - Monthly Variance \$2,088

This is a timing issue. Due to the Lifestyle Director leaving, some events were not scheduled but may be put back on the calendar as the Lifestyle Director is temporarily back working part time.

711410 – Landscaping Tree/Shrub Contract - Monthly Variance (\$4,381)

This timing related variance will balance out by year end per the fixed terms of the contract with Bartlett.

711800 – Snow Removal - Monthly Variance \$13,330

Snow removal budgeted for January but none was needed.

721100 - R & M General - Monthly Variance \$2,000

Based on the prior year level of service and spread evenly. As a result, variances are likely to occur monthly based on timing and level of services rendered. Less Maintenance services required this month due to weather.

726141 – Pool Repairs - Monthly Variance \$2,000

Pool repairs didn't start until March due to awarding new pool management contract. Budget should balance out throughout the year.

730000 – Safety / Security - Monthly Variance \$2,680

Patrol contract was canceled. Cost may be incurred as needed or once a different security measure is planned.

747000 – Trash Removal – Monthly Variance (\$2,119)

The trash removal budget was spread loaded based on projected 2020 closings and this projection may cause monthly variances throughout the year. February includes \$3,281 for Christmas tree pick-up in January that was not budgeted.

981000 – General Reserve Expenses – Monthly Variance \$25,199

Timing. The major expenses planned for this month, which have not yet been completed, include potential pool pump repairs, pool furniture refurbishment and Clubhouse remodel.

January 2020

411330 – Operating Capital Contributions - Monthly Variance (\$2,500)

Based on new homes closed in BC and Encore at \$250 each, not as many closed as budgeted for.

412100 – Developer Assessments – Monthly Variance \$3,112

Due to turnover of the HOA, the Developer (Newland) now pays an HOA fee for final platted lots they own at the same rate as the Builder Assessment (25% of the master rate = \$31.25 per lot). This line item was not included in the 2020 budget.

533000 – Professional Service Legal – Monthly Variance (\$4,587)

Legal services were based on the level of service from the prior year and spread evenly, as a result, variances are likely to occur monthly based on timing and level of services rendered. Additional services required this month due to new Board transition activities and additional legal representation.

536411 – DRC Expenses – Monthly Variance \$2,567

No invoice received in December from Sears Design Group.

711800 – Snow Removal - Monthly Variance \$13,330

Snow removal budgeted for January but none was needed.

721100 R & M General - Monthly Variance \$2,708

Based on the prior year level of service and spread evenly, as a result, variances are likely to occur monthly based on timing and level of services rendered. Less Maintenance services required this month due to weather.

981000 – General Reserve Expenses – Monthly Variance \$24,800

Timing, the major expenses planned for this month were potential pool pump repairs and repairs to the slide structural components. These costs delayed due to delay signing new pool contract.



FirstService Residential, Inc.
5970 Fairview Road
Charlotte, NC 28210

	Operating Fund	Reserve Fund	Total
ASSETS			
Cash & Cash Equivalents			
Cash - Operating	43,935	0	43,935
Metropolitan- Operating MMkt	175,213	0	175,213
Sterling Bank Operating MMkt	1,877	0	1,877
Cash - Reserve	0	26,628	26,628
CIT Bank- Reserve MMkt	0	244,479	244,479
Money Market Account	0	247,960	247,960
Metropolitan Res MM	0	496,671	496,671
Luther Burbank CD-Reserves	0	247,890	247,890
Cash - Petty Cash	380	0	380
Debit Card	4,220	0	4,220
	-----	-----	-----
	225,625	1,263,628	1,489,253
Assessments Receivables			
A/R - Residential Assessments	39,860	0	39,860
Allowance for Doubt	(3,279)	0	(3,279)
	-----	-----	-----
	36,581	0	36,581
Other Receivables			
Collection Reimbursements	2,402	0	2,402
Legal Fee Reimbursements	6,290	0	6,290
	-----	-----	-----
	8,692	0	8,692
Prepaid Expenses			
Prepaid Insurance	44,206	0	44,206
Prepaid Expenses	18,400	0	18,400
	-----	-----	-----
	62,606	0	62,606
TOTAL ASSETS	333,503	1,263,628	1,597,132
	=====	=====	=====
LIABILITIES			
Accounts Payable			
A/P - Trade	48,998	0	48,998
Accrued Expenses	167	0	167
	-----	-----	-----
	49,166	0	49,166
Other Liabilities			
Due to Service Areas	21,464	0	21,464
	-----	-----	-----
	21,464	0	21,464
Prepaid Assessments			
Prepaid - Residential	83,750	0	83,750



FirstService Residential, Inc.
5970 Fairview Road
Charlotte, NC 28210

	Operating Fund	Reserve Fund	Total
	-----	-----	-----
	83,750	0	83,750
	-----	-----	-----
TOTAL LIABILITIES	154,379	0	154,379
FUND BALANCES	179,124	1,263,628	1,442,752
	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	333,503	1,263,628	1,597,132
	=====	=====	=====



FirstService Residential, Inc.
 5970 Fairview Road
 Charlotte, NC 28210

	Operating Fund	Reserve Funds	Total
Residential Assessments	249,860	0	249,860
Developer Assessments	1,985	0	1,985
Builder Assessments	4,877	0	4,877
Other Assessments	5,250	0	5,250
Other Income	8,412	0	8,412
Investment Interest	161	1,786	1,947
Reserve Contribution	(25,000)	25,000	0
TOTAL REVENUES	245,546	26,786	272,332
EXPENSES			
Administrative	90,548	0	90,548
Landscaping	69,671	0	69,671
Repairs & Maintenance	27,362	0	27,362
Safety	100	0	100
Utilities	48,768	0	48,768
Other Expenses	0	12,567	12,567
TOTAL EXPENSES	236,450	12,567	249,016
EXCESS OF REVENUES OVER EXPENSES	9,096	14,219	23,315
Beginning Fund Balances	170,028	1,249,409	1,419,437
ENDING FUND BALANCES	179,124	1,263,628	1,442,752



FirstService Residential, Inc.
 5970 Fairview Road
 Charlotte, NC 28210

	Operating Fund	Reserve Funds	Total
Residential Assessments	1,473,127	0	1,473,127
Developer Assessments	15,025	0	15,025
Builder Assessments	25,405	0	25,405
Other Assessments	20,375	0	20,375
Other Income	29,640	0	29,640
Investment Interest	1,396	8,298	9,693
Reserve Contribution	(150,000)	150,000	0
TOTAL REVENUES	1,414,969	158,298	1,573,266
EXPENSES			
Administrative	431,994	0	431,994
Landscaping	478,038	0	478,038
Repairs & Maintenance	143,614	0	143,614
Safety	2,457	0	2,457
Utilities	292,445	0	292,445
Other Expenses	0	46,215	46,215
TOTAL EXPENSES	1,348,548	46,215	1,394,763
EXCESS OF REVENUES OVER EXPENSES	66,420	112,082	178,503
Beginning Fund Balances	112,703	1,151,546	1,264,249
ENDING FUND BALANCES	179,124	1,263,628	1,442,752



FirstService Residential, Inc.
 5970 Fairview Road
 Charlotte, NC 28210

GL Code		Jun Actual	Jun Budget	Jun Variance	YTD Actual	YTD Budget	YTD Variance	Total Budget
411100	Residential Assessments	233,441	234,167	(726)	1,382,378	1,384,127	(1,749)	2,827,504
411101	Encore Assessment	11,978	11,502	476	64,330	64,680	(350)	139,755
411123	Alley Fees	4,442	4,447	(5)	26,419	26,497	(78)	53,764
411330	Operating Capital Contributions	5,250	3,750	1,500	20,375	21,500	(1,125)	46,500
411410	Late Fees & Interest	1,162	750	412	6,641	4,500	2,141	9,000
411610	DRC Collection Fees	1,150	500	650	4,625	3,000	1,625	6,000
411860	Amenity Pass	5,065	6,665	(1,600)	6,475	15,998	(9,523)	20,000
411901	Service Area Fee	1,025	1,025	0	6,150	6,150	0	12,300
411904	Club Fee	10	0	10	40	0	40	0
412100	Developer Assessments	1,985	0	1,985	15,025	0	15,025	0
413100	Builder Assessments	3,659	3,406	253	19,325	18,220	1,105	39,159
413102	Builder Encore Assessment	1,218	1,438	(220)	6,080	7,564	(1,484)	15,907
414100	Commercial Assessments	0	0	0	0	0	0	3,000
415000	Events Revenue	0	773	(773)	1,804	3,965	(2,161)	8,603
415310	Facility Use Income	0	1,250	(1,250)	2,240	7,500	(5,260)	15,000
417100	Interest Income Operating	161	250	(89)	1,396	1,500	(104)	3,000
499000	Other Income	0	750	(750)	1,665	1,750	(85)	5,600
941000	Reserve Contributions	(25,000)	(25,000)	0	(150,000)	(150,000)	0	(300,000)
	TOTAL OPERATING REVENUES	245,546	245,673	(127)	1,414,969	1,416,951	(1,983)	2,905,092
	OPERATING EXPENSES							
	ADMINISTRATIVE							
511100	Salaries	31,642	31,806	164	204,981	206,740	1,759	413,480
511139	Training	0	0	0	275	1,500	1,225	3,000
513002	Uniforms	0	0	0	432	500	68	1,000
513500	Bonuses	0	0	0	0	0	0	14,000
521000	Management Fees - Contract	10,000	10,000	0	60,000	60,000	0	121,500
533000	Professional Services Legal	35,356	12,350	(23,006)	86,178	37,350	(48,828)	111,453
533200	Professional Services General	5,785	837	(4,948)	10,323	18,022	7,699	28,394
536411	DRC Expenses	2,550	2,567	17	14,591	15,402	811	30,804
538000	Website	69	310	241	1,206	1,860	654	3,720
541000	Office Supplies - General	800	3,417	2,617	11,741	9,002	(2,739)	20,804
601000	Insurance - General	4,019	5,281	1,262	27,635	29,286	1,651	60,972
611000	Equipment	261	1,560	1,299	3,738	5,360	1,622	9,720
614000	Social Events	67	4,167	4,100	8,741	25,002	16,261	50,004
614110	Music Licensing	0	0	0	2,153	981	(1,172)	1,792
	TOTAL ADMINISTRATIVE EXPENSES	90,548	72,295	(18,253)	431,994	411,005	(20,989)	870,643
	LANDSCAPING/IRRIGATION							
711100	Landscaping Maintenance Contract	61,289	61,280	(9)	367,688	367,680	(8)	735,360
711200	Landscaping Repairs	567	5,000	4,433	3,556	10,000	6,444	35,000
711410	Landscaping Tree/Shrub Contract	5,118	10,205	5,087	55,717	56,859	1,142	109,420
711503	Landscaping Flowers	0	0	0	19,595	19,595	0	39,190
711507	Mulch & Straw	0	0	0	23,060	27,060	4,000	27,060
711800	Snow Removal	0	0	0	0	26,660	26,660	39,990
711810	Pet Waste Removal	901	901	0	5,406	5,406	0	10,812
712200	Irrigation Repairs & Maint	1,797	0	(1,797)	3,016	2,500	(516)	5,000
	TOTAL LANDSCAPING/IRRIGATION EXPENSES	69,671	77,386	7,715	478,038	515,760	37,722	1,001,832
	REPAIRS & MAINTENANCE							
721100	R & M General	2,477	3,333	856	10,128	19,998	9,870	39,996
721130	R & M Supplies	554	417	(137)	1,872	2,502	630	5,004
721134	Access Control	2,693	1,666	(1,027)	5,968	4,982	(986)	9,764
722720	R & M Street Signs	0	1,000	1,000	1,041	6,000	4,959	12,000
723100	Cleaning Contract	0	3,477	3,477	15,760	19,362	3,603	38,724
723300	Cleaning Supplies	0	250	250	1,516	1,500	(16)	3,000
724100	Pest Control Contract	0	0	0	170	170	0	505
726120	Water Amenities Service Contract	18,400	18,400	0	78,200	78,200	0	160,002
726133	Pond Repairs	0	4,704	4,704	10,442	17,876	7,434	36,100
726141	Pool Repairs	0	2,000	2,000	5,600	15,000	9,400	20,000
726150	Water Amenities Supplies	348	500	153	4,397	3,000	(1,397)	4,000
726500	Trail Maintenance	2,890	3,571	681	8,146	10,713	2,567	24,997
728300	Fitness Center Equipment Repairs	0	250	250	375	928	553	1,856
	TOTAL REPAIRS & MAINTENANCE EXPENSES	27,362	39,568	12,206	143,614	180,231	36,617	355,948



FirstService Residential, Inc.
 5970 Fairview Road
 Charlotte, NC 28210

GL Code		Jun Actual	Jun Budget	Jun Variance	YTD Actual	YTD Budget	YTD Variance	Total Budget
	SAFETY							
730000	Safety / Security	100	1,680	1,580	2,457	13,380	10,923	23,460
	TOTAL SAFETY EXPENSES	100	1,680	1,580	2,457	13,380	10,923	23,460
	UTILITIES							
742100	Electric General	8,053	8,500	447	48,860	51,000	2,140	108,000
743000	Natural Gas	23	60	37	245	360	115	720
744200	Sewer	465	500	35	2,792	3,000	208	6,000
746100	Telephone - Landlines	1,011	1,000	(11)	6,109	6,000	(109)	12,000
747000	Trash Removal	37,882	39,117	1,235	226,917	230,569	3,652	472,487
748000	Water	1,335	4,500	3,165	7,522	17,500	9,978	54,000
	TOTAL UTILITIES EXPENSES	48,768	53,677	4,909	292,445	308,429	15,984	653,207
	TOTAL OPERATING EXPENSES	236,450	244,606	8,156	1,348,548	1,428,805	80,257	2,905,090
	EXCESS OF REVENUES OVER EXPENSES	9,096	1,067	8,029	66,420	(11,854)	78,274	2



FirstService Residential, Inc.
5970 Fairview Road
Charlotte, NC 28210

GL Code		Jun Actual	Jun Budget	Jun Variance	YTD Actual	YTD Budget	YTD Variance	Total Budget
RESERVE REVENUE								
417200	Interest Income Reserve	567	975	(408)	3,354	5,625	(2,271)	11,620
417700	Int Inc - CD's	1,219	1,514	(295)	4,943	5,078	(135)	9,115
451000	Reserve Contribution	25,000	0	25,000	150,000	0	150,000	0
	TOTAL RESERVE REVENUES	26,786	2,489	24,297	158,298	10,703	147,595	20,735
RESERVE EXPENSES								
981204	Site Improvements	0	0	0	23,600	0	(23,600)	20,000
981205	Building Exterior	0	0	0	3,861	43,600	39,739	57,100
981206	Building Interior	0	0	0	0	0	0	50,000
981207	Mechanical, Electrical, Plumbing Systems	11,982	0	(11,982)	15,248	22,000	6,752	47,000
981208	Amenities	584	584	0	3,506	13,504	9,998	42,008
	TOTAL RESERVE EXPENSES	12,567	584	(11,983)	46,215	79,104	32,889	216,108
	EXCESS OF REVENUES OVER EXPENSES	14,219	1,905	12,314	112,082	(68,401)	180,483	(195,373)