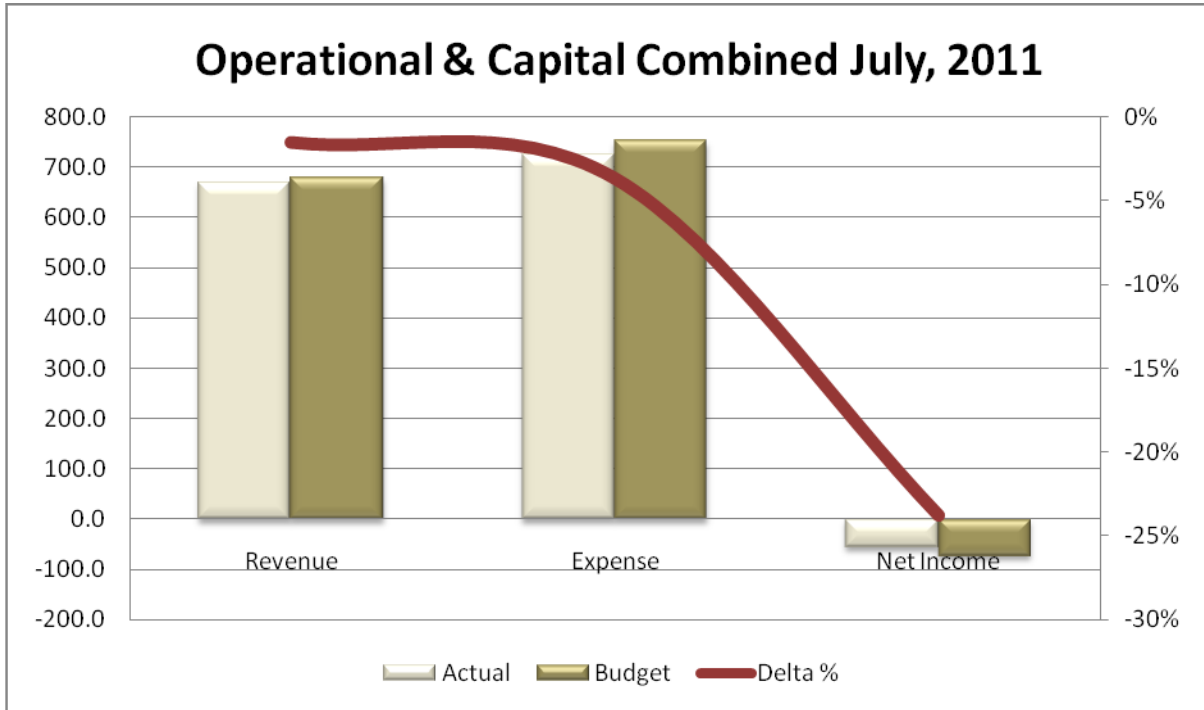


July 2011 YTD Summary: Operational & Capital Funds

Total Income is 1.5% (10.2K) under budget
Total Expenses are 4% (27.5K) under budget



| OP & Cap Combined | | July, 2011 | | | | YTD FY 2010-2011 | | | |
|-------------------|------------|------------|--------|----------|---------|------------------|--------|----------|---------|
| | | Actual | Budget | Delta \$ | Delta % | Actual | Budget | Delta \$ | Delta % |
| Total | Revenue | 14.3 | 12.1 | 2.2 | 18.4% | 670.9 | 681.1 | -10.2 | 1.5% |
| Total | Expense | 137.0 | 155.4 | -18.3 | -12% | 726.3 | 753.7 | -27.5 | -4% |
| Total | Net Income | -122.7 | -143.3 | 20.6 | -14% | -55.3 | -72.6 | 17.3 | -24% |

July 2011 Explanations

Operational Budget

July, 2011

Income

Operational income is 1% (3.6K) under budget for this fiscal year. As of the end of July there are nineteen (19) property owners who are 120 days+ past due; of those who are over 120 days+, five (5) are bank owned. Currently ten (10) properties are bank owned.

Expense

We are 5% (29K) under budget for this fiscal year.

Items under Budget

| | |
|--|--------|
| Weed Control | (4.8K) |
| Payroll Village Pool..... | (4.3K) |
| Likely a spread issue coupled with less hours worked because of rain during June | |
| Insurance - Association | (4.2K) |
| Insurance came in slightly under budget; trend will continue | |
| Director Travel | (3.2K) |
| Administrative Payroll..... | (3.0K) |
| Started receptionist 2 weeks later than usual because less training was required (this was her 2 nd year) and because of cooler spring temperatures | |
| Payroll Harker Pool | (2.4K) |
| Likely a spread issue coupled with less hours worked because of rain during June | |
| ADC Expense | (2.4K) |
| Fewer ADC Meetings | |
| Snow Removal..... | (1.7K) |
| Less snowfall than anticipated | |

Items over Budget

| | |
|--|--------|
| Legal Services | (4.2K) |
| Trails lawsuit | |
| Professional Services..... | (4.2K) |
| Review of Proctor Hill Parcel (3.6K) | |
| Supplies (Harker Pool)..... | (.8K) |
| Meeting Expense..... | (.8K) |
| Higher attendance than anticipated at the annual BBQ: 280 last year vs. 321 in attendance this year | |
| Computer – Web Support..... | (.6K) |
| Annual billing of 1K for offsite backup; this additional security measure was requested by the SVEA Executive Committee and was not part of the original budget. | |

Capital Budget

July, 2011

Income

Capital income is 5% (6.6K) under budget for this fiscal year.

Expense

We are 1% (1.5K) over budget for this fiscal year.

With savings of 40K by deferring the installation of the saltwater system at the Village pool and 13.4K for the "Master Plan Study" (additional payments will be processed during the 2011-12 fiscal year), it appears that staff will continue to be able to make up for a large percentage of the overages by the end of this fiscal year. Currently, there are no plans to defer any additional maintenance covered by the Capital budget. As always Marlene, Chuck and Darlene are constantly looking for ways to save money on SVEA projects. We will know more about the possibility of future savings as summer progresses.

Items under Budget

Salt Water Chlorination VP..... (40K)

This item has been deferred

Master Plan (13.4K)

Original budgeted amount was 35K; 10.8K has been deferred until the 2011-12 budget year-this item will remain under budget

Furniture Harker Pool..... (2.5K)

This item will remain under budget - Instead funds were used to purchase Village Pool furniture (see below).

Outdoor Furniture..... (0.5K)

This item will remain under budget - Instead funds were used to purchase Village Pool furniture (see below).

Items over Budget

Pool Coping at Harker Pool (25K)

Upon demolition of the pool coping it was found that skimmers had deteriorated to the point of non-usability. Because of the problem it was necessary to replace all skimmers.

Equipment Repairs at Village Pool (17.8K)

During the summer startup of the Village pool it was discovered that the 10 year old boiler had melted several burner tubes from overheating. As the cost of the repair would have been $\frac{3}{4}$ that of a new heater, a new heater was ordered and installed.

Sand & HP Filter (12K)

After staff investigation, a superior solution to increase the clarity of the pool water was to purchase and install an additional filter in-line with the existing filter and install a second pump to increase water flows. This action brought the 'water turnover rate' within suggested industry standards. The budget impact for this upgrade was an increase of \$10k over the approved \$15K. On February 18, 2011, the Executive Committee approved a budget line item increase to \$25K to cover the filter upgrade.

Village Pool Furniture..... (3K)

Budgeted funds from the Harker Pool & Outdoor Furniture accounts have been used to offset this item (see above).