

SUMMERLIN NORTH COMMUNITY ASSOCIATION
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024



HILBURN & LEIN, CPAs
A PROFESSIONAL CORPORATION

SUMMERLIN NORTH COMMUNITY ASSOCIATION

DECEMBER 31, 2024

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HILBURN & LEIN, CPAs
A PROFESSIONAL CORPORATION

Gary W. Lein, CPA
Shareholder

Greg M. Sinacori, CPA
Shareholder

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Members of
Summerlin North Community Association
Las Vegas, Nevada

Opinion

We have audited the accompanying financial statements of Summerlin North Community Association, which comprise the balance sheet as of December 31, 2024, and the related statements of revenues and expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Summerlin North Community Association as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Summerlin North Community Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. We have not applied procedures to determine whether the funds designated for future major repairs and replacements as discussed in Note 6 are adequate to meet such future costs because that determination is outside the scope of our audit. Our opinion on the financial statements is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Summerlin North Community Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Summerlin North Community Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Summerlin North Community Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Reserve Analysis on page 13 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Summerlin North Community Association
May 29, 2025
Page 3

Other Matters

The Schedule of Revenues and Expenses - Budget and Actual on pages 14 and 15 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for the portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Wil & Li, CPAs

Las Vegas, Nevada
May 29, 2025

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
BALANCE SHEET
DECEMBER 31, 2024**

	<u>ASSETS</u>		
	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>	<u>TOTAL</u>
Cash - Notes 3 and 4	\$ 4,600,600	\$ 2,351,979	\$ 6,952,579
Certificates of Deposit - Note 3	1,000,000	2,303,165	3,303,165
Investments - Note 9	-	374,601	374,601
Assessments Receivable, Net of Allowance for Credit Losses \$1,244,401	259,986	-	259,986
Prepaid Expenses	185,757	23,166	208,923
Personal Property, Net of Accumulated Depreciation of \$183,387	10,781	-	10,781
TOTAL ASSETS	\$ 6,057,124	\$ 5,052,911	\$ 11,110,035

LIABILITIES AND FUND BALANCES

Accounts Payable	\$ 155,652	\$ 23,166	\$ 178,818
Federal Income Tax Payable - Note 5	108,080	-	108,080
Prepaid Assessments	1,463,771	-	1,463,771
Contract Liability - Note 2	-	4,810,553	4,810,553
	<u>1,727,503</u>	<u>4,833,719</u>	<u>6,561,222</u>
FUND BALANCES	4,329,621	219,192	4,548,813
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,057,124	\$ 5,052,911	\$ 11,110,035

The accompanying notes are an integral part of these financial statements

SUMMERLIN NORTH COMMUNITY ASSOCIATION
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

	OPERATING FUND	RESERVE FUND	TOTAL
REVENUES			
Member Assessments	\$ 12,424,576	\$ -	\$ 12,424,576
Late Fees	63,202	-	63,202
Collection Fees	148,758	-	148,758
Uncollectible Assessments and Fines, Net	(98,100)	-	(98,100)
Interest Income	85,731	71,692	157,423
Water District Rebate	151,650	-	151,650
Insurance Claim Income	26,056	-	26,056
Easement Income - Note 10	590,000	-	590,000
Other Income	60,108	-	60,108
	<u>13,451,981</u>	<u>71,692</u>	<u>13,523,673</u>
EXPENSES			
Insurance	150,294	-	150,294
Electricity	72,863	-	72,863
Water	1,532,114	-	1,532,114
Landscaping	2,627,053	783,659	3,410,712
Repairs and Maintenance	156,505	271,160	427,665
Lighting	77,581	32,910	110,491
Wall and Gate Repairs and Maintenance	56,686	72,935	129,621
Building Repairs and Maintenance	142,973	-	142,973
Professional Management	1,194,828	-	1,194,828
Professional Fees	173,822	8,500	182,322
Collection Expense	150,389	-	150,389
Depreciation Expense	2,477	-	2,477
Postage and Printing	209,977	-	209,977
Council Facility and Administration - Note 8	5,959,881	-	5,959,881
Federal Income Tax	108,080	-	108,080
Miscellaneous	11,496	-	11,496
	<u>12,627,019</u>	<u>1,169,164</u>	<u>13,796,183</u>
EXCESS OF REVENUES OR (EXPENSES)	824,962	(1,097,472)	(272,510)
Fund Balances at Beginning of Year	4,821,323	-	4,821,323
Inter-Fund Transfers:			
Excess Operating Transfer	<u>(1,316,664)</u>	<u>1,316,664</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 4,329,621</u>	<u>\$ 219,192</u>	<u>\$ 4,548,813</u>

The accompanying notes are an integral part of these financial statements

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of Revenues or (Expenses)	\$ 824,962	\$ (1,097,472)	\$ (272,510)
ADJUSTMENTS TO RECONCILE EXCESS REVENUES (EXPENSES) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Depreciation Expense	2,477	-	2,477
Interest on Certificates of Deposit	16,854	32,933	49,787
Changes in:			
Assessments Receivable	147,569	-	147,569
Prepaid Expenses	(23,291)	(23,166)	(46,457)
Accounts Payable	29,225	(894)	28,331
Federal Income Tax Payable	108,080	-	108,080
Refundable Deposits	(3,000)	-	(3,000)
Prepaid Assessments	116,222	-	116,222
Contract Liability	-	1,384,632	1,384,632
	<u>394,136</u>	<u>1,393,505</u>	<u>1,787,641</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 1,219,098	\$ 296,033	\$ 1,515,131

The accompanying notes are an integral part of these financial statements

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>	<u>TOTAL</u>
CASH FLOWS USED FOR INVESTING ACTIVITIES			
Purchase of Personal Property	\$ (12,703)	\$ -	\$ (12,703)
Purchase of U.S. Treasury Bills	-	(398,933)	(398,933)
Purchase of Certificates of Deposit	-	(900,000)	(900,000)
	<u>(12,703)</u>	<u>(1,298,933)</u>	<u>(1,311,636)</u>
CASH FLOWS FROM (USED FOR) FINANCING ACTIVITIES			
Inter-Fund Transfers	<u>(1,316,664)</u>	<u>1,316,664</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(110,269)	313,764	203,495
Cash at Beginning of Year	<u>4,710,869</u>	<u>2,038,215</u>	<u>6,749,084</u>
CASH AT END OF YEAR	<u>\$ 4,600,600</u>	<u>\$ 2,351,979</u>	<u>\$ 6,952,579</u>
SUPPLEMENTARY INFORMATION:			
Cash Paid for Federal Income Taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 - ORGANIZATION

The Summerlin North Community Association was incorporated on September 25, 1990. The Association is a statutory planned unit development in Las Vegas, Nevada, organized as a domestic non-profit corporation for purposes of maintaining and preserving the Association's common property. The Association consists of 17,738 residential, commercial, and builder lots.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING METHOD

Summerlin North Community Association maintains its records on the accrual basis of accounting. Under this method of accounting, revenue is recognized when performance obligation is met, whether received or not, and expenses are recognized when goods or services are incurred, whether paid or not.

FUND ACCOUNTING

The Association uses fund accounting which requires funds, such as operating funds for day-to-day expenses, and reserve funds designated for future major repairs and replacements of the common property, to be classified separately for accounting and reporting purposes. Disbursements from the operating fund are made in accordance with an annual budget, or as approved by the Board of Directors. Disbursements from the reserve and other designated funds may be made only for their designated purposes.

REVENUE RECOGNITION

Accounting Standards Codification Topic 606, Revenue from Contracts with Customers requires the recognition of revenue when the performance obligations under the terms of the contracts with customers are satisfied. Revenue is recognized in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. For purposes of this Association, the definition of customers includes the Association's members.

ALLOWANCE FOR CREDIT LOSSES

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Association that are subject to the guidance in FASB ASC 326 were assessments receivable.

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEMBER ASSESSMENTS

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and future major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligation related to its operating assessments is satisfied over time on a daily pro-rata basis using the input method. The performance obligation to the reserve fund assessments is satisfied when these funds are expended for their designated purpose. Any excess assessments at year end are retained by the Association for use in the succeeding year.

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from members. The Association's policy is to assess late fees on assessments over 30 days past due, and place liens on the properties of homeowners whose assessments are 90 days or more delinquent. The Association treats uncollectible assessments as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include consideration of past experience and susceptibility to factors outside the Association's control. The allowance estimate is derived from a review of the Association's historical losses based on the ageing of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Association. The Association believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Association's assessments receivable have remained constant since the Association was built out. The Association's allowance for credit losses is adjusted for each year based upon management's analysis of assessments receivable, in which the main methodology is the aged accounts over nine months (270 days) super priority lien. Allowance for credit losses related to violations or fines is analyzed based on the history of the Association's collections. For the year ended December 31, 2024, uncollectible assessments, late fees, and fines of \$98,100 were excluded from revenue. Assessments receivable at the balance sheet date represents amounts due from members for maintenance assessments, late fees, other fees, and fines, if any, due from owners, and are stated at the amounts expected to be collected. The balances of assessments receivable at the beginning of 2024 and the end of 2024 were \$1,258,985 and \$1,504,387, respectively.

PROPERTY AND EQUIPMENT

Real property and common areas annexed to the Association by the Declarant are not capitalized on the Association financial statements. Common property, which consists of walls, a community management building, sidewalks, fences, lighting, signs, and various landscaping, are restricted to use by the Association's members, their tenants, and guests. Such property provides no probable future economic benefit to the Association, and such ownership is only a legal formality that has no effect on the financial position of the Association. Replacements and improvements to the real property and common areas are also not capitalized. According to the Association governing documents, a majority of all owners must approve dispositions of any common real property.

Personal property purchased with Association funds, to which the Association holds the title, is capitalized at cost, and depreciated over an estimated useful life using the straight-line method of depreciation. Personal property consists of office furniture and equipment, and useful lives range from 5 to 7 years.

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRACT ASSETS AND LIABILITIES

Contract assets represent revenue recognized in excess of amounts billed. No such amounts are reported on the Balance Sheet as of December 31, 2024. Contract liabilities represent revenue collected in advance of the contract period or amount billed in excess of revenue recognized. These liabilities are reported on the Balance Sheet as a contract liability. The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligation related to replacement of reserve assessments. The balances of contract liabilities as of the beginning of 2024 and end of 2024 were \$3,425,921 and \$4,810,553 respectively.

USE OF ESTIMATES

The preparation of financial statements, in conformity with U.S. generally accepted accounting principles, requires management to make certain estimates and assumptions that affect amounts reported in the statements and accompanying notes. Assets, liabilities, and contingency disclosures require estimates as of the date of the financial statements. Revenues and expenses require estimates during the reporting period. Actual results could differ from those estimates.

DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditors' report, which is the date the financial statements were issued.

CASH FLOW STATEMENT

For purposes of the Statement of Cash Flows, the Association considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

INVESTMENTS

Investments in government agency bonds, notes, and certificates that the Association has the positive intent and ability to hold to maturity are reported at cost, adjusted for amortization of premiums and accretion of discounts, which are recognized in interest income using the interest method over the period to maturity.

NOTE 3 - OFF-BALANCE SHEET RISK AND CONCENTRATIONS OF RISK

The Association maintains its funds and certificates of deposit and Insured Cash Sweep (ICS) accounts that are all FDIC insured deposits (\$250,000 limit) with a diversified group of bank institutions. The Association's investments in Certificates of Deposit are all FDIC insured deposits (\$250,000 limit) with a diversified group of banking institutions.

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 4 - CASH

Cash at December 31, 2024, as represented on the balance sheet is detailed as follows:

	<u>OPERATING FUND</u>	<u>RESERVE FUND</u>
Petty Cash	\$ 200	\$ -
Banc of California:		
ICS Sweep Checking Account	2,916,142	-
ICS Sweep Money Market Account	1,684,256	-
ICS Sweep Money Market Account	-	1,535,212
ICS Sweep Money Market Account	-	799,717
LPL Financial:		
ICS Money Market Account	2	-
ICS Money Market Account	-	17,050
	<u>\$ 4,600,600</u>	<u>\$ 2,351,979</u>

NOTE 5 - FEDERAL INCOME TAXES

The Association has received IRS approval under Internal Revenue Section 501(c)(4) to file as an organization exempt from federal income tax. All income except unrelated business activity revenue is exempt from taxation. For the year ended December 31, 2024, the Association had unrelated business activity revenue, resulting in tax liability of \$108,080. Tax years open under the statute of limitations are 2022, 2023, and 2024.

NOTE 6 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate \$5,029,745 at December 31, 2024, and are presented on the accompanying balance sheet as a contract liability (assessments received in advance) and/or reserve fund equity is held in separate accounts and are not available for operating purposes.

The Association engaged an independent consultant who conducted a study in 2024 to estimate the remaining useful lives and the replacement costs of the common property components. The Association is funding for such major repairs and replacements over the estimated useful lives of the components based on the study's estimates of future replacement costs, considering amounts previously accumulated in the replacement fund. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval, to increase the regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available. According to the reserve study, the recommended reserve contribution for 2024 was \$1,384,631. The Association assessed \$1,384,631 and transferred an additional \$1,316,664 and did not recognize assessment revenue for reserve funding in 2024.

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 7 - OTHER TRANSACTION

On September 26, 1997, the Declarant entered into a special transaction with a commercial property owner. The commercial property paid the Association \$160,053 as a one-time assessment. This figure was computed based on the present value of their current monthly assessment of \$1,087 at eight percent for 30 years. On a monthly basis, the regular monthly assessment is recognized as assessment income along with the applicable discount. For 2024, \$13,046 in assessment income was recognized, net of a present value discount of \$11,009. The remaining balance of \$136,495 has been combined with other prepaid assessments.

NOTE 8 - THE SUMMERLIN COUNCIL

In 1997, the members of the Association voted to amend the existing governing documents of the Association to form The Summerlin Council. The Council provides for member services and recreational programs, facilities and amenity maintenance, and park monitor services within Council parks. Funding for The Summerlin Council comes from Summerlin North, South, and West Community Associations, and Summerlin Centre Owner's Association based on the total density of each Association.

For 2024, Summerlin North Community Association was required to contribute \$5,959,881 which represented approximately 41% of the Council operations. In order to assist the Council in paying operational expenses on a timely basis, each Association advances the Council funds based on anticipated expenses. This is reconciled monthly with any over payment shown as a prepaid expense, and any under payment shown as a liability.

The Mutual Benefit Agreement entered into with The Summerlin Council ran through December 31, 2024. The agreement is automatically extended for a successive period of one year, unless one of the executing parties provides notice at least 90 days prior to the termination date of its intention not to renew the agreement. The agreement was renewed for 2025.

NOTE 9 - INVESTMENTS

Management has classified all investments as held-to-maturity as the Association has the positive intent and ability to hold the assets until maturity; therefore, no unrealized gain or loss is reported. These investments are carried at cost adjusted for amortization of premiums and accretion of discounts. Investments consist of U.S. Treasury Bills. Amortized cost totals \$377,538. Debt securities classified as held-to-maturity mature in 2026.

NOTE 10 - OTHER MATTERS

During 2024, the Association received \$590,000 as part of a settlement agreement in which the City of Las Vegas acquired a portion of certain parcels.

SUPPLEMENTARY FINANCIAL INFORMATION

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
SCHEDULE OF RESERVE ANALYSIS
DECEMBER 31, 2024**

(UNAUDITED)

The Association engaged an independent specialist to conduct a Reserve Study in 2024 to estimate the remaining useful lives and the replacement costs of the common property components. Replacement cost projections are based on future estimated replacement costs with assumed values of interest at 2.5% and inflation at 2.5%. The study uses the threshold method, which funds the reserve by attaining and maintaining a specified dollar or percent funded amount.

MAJOR COMPONENT LOCATION	ESTIMATED REMAINING USEFUL LIFE	ESTIMATED FUTURE REPLACE- MENT COST
General Common Area	0 - 10	\$ 1,301,392
Hills Village North	1 - 16	503,380
Hills Village South	1 - 7	595,393
Pueblo	1 - 25	585,184
Canyons	1 - 10	400,513
Trails	1 - 13	564,918
Crossings	1 - 13	703,378
Arbors	0 - 19	1,879,803
Community Management Building	0 - 27	<u>675,777</u>
		<u>\$ 7,209,738</u>

(See Independent Auditors' Report)

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>ACTUAL</u>	<u>BUDGET</u> (UNAUDITED)	VARIANCE FAVORABLE/ (UNFAVORABLE) (UNAUDITED)
<u>OPERATING FUND</u>			
REVENUES			
Member Assessments	\$ 12,424,576	\$ 12,439,740	\$ (15,164)
Late Fees	63,202	50,000	13,202
Collection Fees	148,758	90,000	58,758
Fines	-	40,000	(40,000)
Uncollectible Assessments and Fines, Net	(98,100)	(20,000)	(78,100)
Interest Income	85,731	30,000	55,731
Water District Rebate	151,650	75,000	76,650
Insurance Claim Income	26,056	-	26,056
Easement Income - Note 10	590,000	-	590,000
Other Income	60,108	31,440	28,668
	<u>13,451,981</u>	<u>12,736,180</u>	<u>715,801</u>
EXPENSES			
Insurance	150,294	145,500	(4,794)
Electricity	72,863	90,000	17,137
Water	1,532,114	1,625,000	92,886
Landscaping	2,627,053	2,730,155	103,102
Repairs and Maintenance	156,505	169,000	12,495
Lighting	77,581	85,000	7,419
Wall and Gate Repairs	56,686	126,000	69,314
Building Maintenance	142,973	154,913	11,940
Professional Management	1,194,828	1,193,400	(1,428)
Professional Fees	173,822	170,106	(3,716)
Collection Expense	150,389	100,000	(50,389)
Depreciation Expense	2,477	2,000	(477)
Postage and Printing	209,977	175,000	(34,977)
Council Facility and Administration	5,959,881	5,959,856	(25)
Federal Income Tax	108,080	-	(108,080)
Miscellaneous	11,496	10,250	(1,246)
	<u>12,627,019</u>	<u>12,736,180</u>	<u>109,161</u>
EXCESS OF REVENUES OVER EXPENSES	\$ <u>824,962</u>	\$ <u>-</u>	\$ <u>824,962</u>

(See Independent Auditors' Report)

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>ACTUAL</u>	<u>BUDGET</u> (UNAUDITED)	VARIANCE FAVORABLE/ (UNFAVORABLE) (UNAUDITED)
<u>RESERVE FUND</u>			
REVENUES			
Member Assessments	\$ -	\$ 1,384,631	\$ (1,384,631) *
Interest Income	71,692	5,000	66,692
	<u>71,692</u>	<u>1,389,631</u>	<u>(1,317,939)</u>
EXPENSES			
Landscaping	783,659	750,000	(33,659)
Common Area Repairs	271,160	380,000	108,840
Lighting Repairs	32,910	40,000	7,090
Wall and Fence Repairs	72,935	140,000	67,065
Professional Fees	8,500	-	(8,500)
	<u>1,169,164</u>	<u>1,310,000</u>	<u>140,836</u>
EXCESS OF REVENUES OR (EXPENSES)	\$ <u>(1,097,472)</u>	\$ <u>79,631</u>	\$ <u>(1,177,103)</u>

*These reserve assessments were billed in 2024 but not yet earned and have been included in the contract liability on the balance sheet.

(See Independent Auditors' Report)