

MEMORANDUM

DATE: August 31, 2008  
TO: Board of Directors  
FROM: Ron Phipps, CCAM, PCAM, CONTROLLER  
RE: **For the Month Ending August 31, 2008**

Board,

Please find a brief description on the variances in the budget for the month ending August 31, 2008. The variances that will be described are on the last line of the data set and they are labeled "(Over)/Under Budget". For the purposes of this analysis we will look at each area that exceeded a **\$5,000 and 5% variance** in either direction.

- A. Corporate** - \$10,138 or 6.69% **under** budget.  
This variance is related to greater revenue in the Accounting Department. This revenue is generated from late charges and collection costs.
- B. Lake Operations** - \$6,912 or 10.10% **over** budget.  
This variance was due revenue being less than budgeted. The Association continues to have a few openings in the marina which generated a shortfall of \$2,353 for the month. In addition we also had a shortfall in the amount of boats that were registered as of August 31, which amounted to less permit fees in the amount of \$6,979.
- C. Member Services** - \$11,074 or 108.53% **under** budget.  
The majority of the favorable variance is due to a larger number of escrows closing during the month which accounted for additional transfer fees in the amount of approximately \$9,500.
- D. Lighthouse** - \$17,654 or 188.72% **over** budget.  
The Lighthouse continues to struggle with less volume than budgeted. This month we had restaurant sales of \$40,500 when we had a budget of \$51,000, which amounts to a \$10,500 shortfall or only 79% of budgeted sales. This decreased volume affects the Cost of Goods Sold and Labor ratios, which were both extremely high for the month.

**Summary**

For the month ending August 31, 2008, the Association had a budget of \$673,605 and actual expenditures amounted to \$665,084. The difference of \$8,521 or 1.26% is what the Association was **UNDER** budget for the month ending August 31, 2008.