

**BOARD OF DIRECTORS MEETING**  
APRIL 30, 2024  
3:00 P.M., CLC STEVE NOLAN LECTURE HALL  
**AGENDA**

1. Call to Order
2. Pledge of Allegiance
3. Introduction of Managers
4. President's Message
5. 2023 Unaudited Financials
6. General Manager's Report (Steve Hardesty)
7. Directors Comments
8. Homeowner Comments
9. Adjourn Meeting

SUN LAKES HOMEOWNERS ASSOCIATION NO. 2, INC.  
BALANCE SHEETS

DECEMBER 31, 2023 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2022

	2023			2022
	Operating Fund	Capital Funds	Total	Total All Funds
<b>ASSETS</b>				
Cash & cash equivalents	\$ 1,219,925	\$ 795,552	\$ 2,015,477	\$ 4,236,518
Certificate of deposits (CD's) - capital reserve	-	6,269,128	6,269,128	5,277,764
Accounts receivable, net	167,078	-	167,078	175,588
Inventory	373,545	-	373,545	406,069
Deposits	46,400	-	46,400	45,673
Prepaid expenses and other assets	76,006	-	76,006	63,182
Property and equipment, net	11,867,386	-	11,867,386	10,494,548
Operating leases right-of-use assets, net	39,546	-	39,546	-
<b>TOTAL ASSETS</b>	<b>\$ 13,789,886</b>	<b>\$ 7,064,680</b>	<b>\$ 20,854,566</b>	<b>\$ 20,699,342</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts payable	\$ 112,279	\$ -	\$ 112,279	\$ 217,053
Accrued liabilities	592,093	-	592,093	639,470
Operating leases	39,546	-	39,546	-
Deferred income	3,003,340	-	3,003,340	2,804,221
<b>TOTAL LIABILITIES</b>	<b>3,747,258</b>	<b>-</b>	<b>3,747,258</b>	<b>3,660,744</b>
<b>FUND BALANCES</b>				
Contributed capital	7,120,662	-	7,120,662	7,120,662
Operating funds	2,921,966	-	2,921,966	2,550,963
Capital funds				
Palo Verde gate	-	3,482	3,482	3,482
Reserve designated in by-laws	-	500,000	500,000	500,000
Undesignated capital improvement fund	-	672,170	672,170	965,888
Undesignated capital reserve fund	-	5,889,028	5,889,028	5,897,603
<b>TOTAL FUND BALANCES</b>	<b>10,042,628</b>	<b>7,064,680</b>	<b>17,107,308</b>	<b>17,038,598</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 13,789,886</b>	<b>\$ 7,064,680</b>	<b>\$ 20,854,566</b>	<b>\$ 20,699,342</b>

SUN LAKES HOMEOWNERS ASSOCIATION NO. 2, INC.  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2023 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED  
DECEMBER 31, 2022

	2023			2022
	Operating Fund	Capital Funds	Total	Total All Funds
<b>REVENUES</b>				
Member Assessments	\$ 5,274,635	\$ 840,840	\$ 6,115,475	\$ 5,886,303
Palo Verde gate assessments	-	249,634	249,634	239,260
Transfer and other fees	95,633	590,750	686,383	601,886
Golf courses	2,776,909	-	2,776,909	2,688,778
Restaurant and lounges	3,101,463	-	3,101,463	2,992,750
Other revenues	417,679	-	417,679	277,890
Interest income	45,614	103,875	149,489	57,041
<b>TOTAL REVENUES</b>	<u>11,711,933</u>	<u>1,785,099</u>	<u>13,497,032</u>	<u>12,743,908</u>
<b>EXPENSES</b>				
Salaries, payroll taxes and benefits	8,343,606	-	8,343,606	7,656,858
General and administrative	1,105,290	-	1,105,290	966,851
Repairs and maintenance	1,792,209	-	1,792,209	1,763,494
Utilities	788,680	-	788,680	712,273
Other expenses	295,292	-	295,292	348,736
Palo Verde gate expense	-	258,777	258,777	244,679
Depreciation	842,789	-	842,789	2,595,360
Maids	-	-	-	-
Income tax provision	50	-	50	50
Interest expense	1,629	-	1,629	-
<b>TOTAL EXPENSES</b>	<u>13,169,545</u>	<u>258,777</u>	<u>13,428,322</u>	<u>14,288,301</u>
<b>EXCESS OF REVENUES (UNDER) OVER EXPENSES</b>	(1,457,612)	1,526,322	68,710	(1,544,393)
<b>BEGINNING FUND BALANCES</b>	9,671,625	7,366,973	17,038,598	18,582,991
<b>INTERFUND TRANSFERS</b>	<u>1,828,615</u>	<u>(1,828,615)</u>	<u>-</u>	<u>-</u>
<b>ENDING FUND BALANCES</b>	<u>\$ 10,042,628</u>	<u>\$ 7,064,680</u>	<u>\$ 17,107,308</u>	<u>\$ 17,038,598</u>