

## **Settler's Village Sub-Association, Inc.**

### October 2006 Financial Statements Overview

#### **Balance Sheet**

The Due To/From accounts are being reduced by the monthly reserve transfer of \$8,679.58. The AR Miscellaneous is money due to Settlers Village by a homeowner that caused damage to the exterior of the building we repaired.

#### **Income Statement**

##### Revenues:

Revenue is unfavorable to budget by \$1,618.07 due to late and legal fees. There have been minimal late payments.

##### Expenses:

1) Operating expenses are unfavorable to budget by \$891.58 due to Water/Sewer (\$1,466.46) and Water/Irrigation (\$836.80) unfavorable variances. There is savings in Trash Removal of \$1,183.90.

2) Maintenance expenses are favorable to budget by \$7,741.16 due primarily to savings in snow removal expense of \$8,407.50. We also have savings in Streets/Sidewalks/Sweeping (\$650.00), Lawncare / Grounds (\$4,689.44) and Fertilization/Weed Control (\$1,500.00). Property Maintenance (\$3,708.39), Building Maintenance Roof & Gutter (\$507.94) and Exterior Lights (\$3,433.03) are unfavorable to budget.

3) Administrative expenses are favorable to budget by \$10,567.62 due to savings in Insurance of \$11,721.26 and Internet Site Expense of \$778.30. The savings in Audit is offset by the Tax expense. The Legal (\$1,752.37) and Prior Year Expense (\$966.38) are unfavorable to budget.

4) Net operating income for the year is favorable to budget by \$15,799.13 due to items mentioned above.

#### **Replacement Fund**

The Replacement Fund net income is unfavorable to budget by \$25,470.11. Reserve expense as a whole will be unfavorable to budget due to increased work accomplished. The overage anticipated in the operating account will be transferred to reserves at the end of the year to offset the unfavorable variance.

Kind Regards,

Brian Sheppelman  
Highlands Ranch Community Association

Settler's Village Subassociation, Inc.  
Balance Sheet  
October 31, 2006

Account	Description	Operating	Reserve	Total
<b>ASSETS</b>				
	Current Assets			
1010	Operating - Wells Fargo	\$83.99	\$0.00	\$83.99
1011	Reserve - Wells Fargo	0.00	14,384.05	14,384.05
1035	Reserve - Vanguard	0.00	119,995.59	119,995.59
1036	Reserve - Market Adjustment	0.00	5,684.03	5,684.03
1034	Reserve - Dain Rauscher	0.00	282,753.27	282,753.27
1100	AR Homeowners Assessments	1,305.00	0.00	1,305.00
1191	AR Miscellaneous	148.20	0.00	148.20
1200	Prepaid Insurance	8,222.50	0.00	8,222.50
1350	Due from Reserve to Operating	22,188.04	0.00	22,188.04
	Total Assets	<u>31,947.73</u>	<u>422,816.94</u>	<u>454,764.67</u>
<b>LIABILITIES &amp; EQUITY</b>				
	Current Liabilities			
2005	Accrued Accounts Payable	12,874.86	0.00	12,874.86
2100	Prepaid Assessments	14,594.50	0.00	14,594.50
2300	Due to Operating from Reserves	0.00	22,188.04	22,188.04
	Total Liabilities	<u>27,469.36</u>	<u>22,188.04</u>	<u>49,657.40</u>
3900	Fund Balance	(10,131.13)	355,763.21	345,632.08
3800	Current Year Earnings	14,609.50	44,865.69	59,475.19
	Total Fund Balance	<u>4,478.37</u>	<u>400,628.90</u>	<u>405,107.27</u>
	Total Liabilities & Fund Balance	<u>31,947.73</u>	<u>422,816.94</u>	<u>454,764.67</u>

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Settler's Village Subassociation, Inc.  
Income Statement  
For the Ten Months Ending October 31, 2006

Account	Description	Current Month			Year-To-Date			Yearly Budget
		Actual	Budget	Favorable/ (Unfavorable)	Actual	Budget	Favorable/ (Unfavorable)	
<b>Revenue</b>								
<i>OPERATING INCOME:</i>								
4000	Assessment Revenue	34,825.00	34,825.00	0.00	348,250.00	348,250.00	0.00	417,900.00
4010	Late Fee Revenue	125.00	142.92	(17.92)	875.00	1,429.20	(554.20)	1,715.00
4020	Legal Fee Revenue	0.00	142.92	(142.92)	350.00	1,429.20	(1,079.20)	1,715.00
4200	Miscellaneous Revenue	0.00	0.00	0.00	15.33	0.00	15.33	0.00
	Total Operating Income	34,950.00	35,110.84	(160.84)	349,490.33	351,108.40	(1,618.07)	421,330.00
<b>Expenses</b>								
<i>OPERATING EXPENSE:</i>								
5000	Water / Sewer	5,520.88	5,316.67	(204.21)	54,633.16	53,166.70	(1,466.46)	63,800.00
5100	Water / Irrigation	547.60	3,400.00	2,852.40	23,936.80	23,100.00	(836.80)	23,500.00
5200	Electric	311.04	313.75	2.71	2,909.72	3,137.50	227.78	3,765.00
5300	Trash Removal	1,643.74	1,768.52	124.78	15,894.13	17,078.03	1,183.90	20,615.00
	Subtotal Operating Expense	8,023.26	10,798.94	2,775.68	97,373.81	96,482.23	(891.58)	111,680.00
<i>MAINTENANCE EXPENSE</i>								
6000	Building Maint, Roof & Gutter	0.00	650.00	650.00	7,007.94	6,500.00	(507.94)	7,800.00
6050	Property Maintenance	1,273.95	596.67	(677.28)	9,675.09	5,966.70	(3,708.39)	7,160.00
6100	Streets / Sidewalks / Sweeping	0.00	0.00	0.00	150.00	800.00	650.00	800.00
6150	Snow Removal	2,662.50	3,450.00	787.50	8,842.50	17,250.00	8,407.50	24,150.00
6200	Lawn care / Grounds	3,555.08	4,400.00	844.92	26,145.56	30,835.00	4,689.44	39,635.00
6250	Irrigation Repairs & Maint	602.64	0.00	(602.64)	5,594.31	5,760.00	165.69	5,760.00
6300	Fertilization / Weed Control	0.00	0.00	0.00	0.00	1,500.00	1,500.00	1,500.00
6350	Tree Maintenance	804.61	282.00	(522.61)	1,522.11	1,500.00	(22.11)	1,500.00
6400	Exterior Lights	1,240.02	440.00	(800.02)	7,833.03	4,400.00	(3,433.03)	5,280.00
	Subtotal Maintenance Expense	10,138.80	9,818.67	(320.13)	66,770.54	74,511.70	7,741.16	93,585.00
<i>ADMINISTRATIVE</i>								
7000	Management Fee	1,791.00	1,800.83	9.83	17,910.00	18,008.30	98.30	21,610.00
7050	Legal	540.00	437.50	(102.50)	6,127.37	4,375.00	(1,752.37)	5,250.00
7100	Audit	348.99	0.00	(348.99)	3,623.99	5,000.00	1,376.01	5,000.00
7150	Taxes	489.00	0.00	(489.00)	2,229.00	0.00	(2,229.00)	0.00
7200	Insurance	3,682.00	5,985.42	2,303.42	48,132.94	59,854.20	11,721.26	71,825.00
7250	Postage	14.31	68.33	54.02	320.16	683.30	363.14	820.00
7300	Copies	44.45	66.67	22.22	558.32	666.70	108.38	800.00
7350	Minutes / Meeting Room	0.00	25.00	25.00	0.00	250.00	250.00	300.00
7500	Party Expense	0.00	0.00	0.00	575.00	500.00	(75.00)	600.00
7600	Bank Charges	0.00	33.33	33.33	(38.89)	333.30	372.19	400.00
7700	Reserve Study	0.00	0.00	0.00	2,425.56	2,500.00	74.44	2,500.00
6600	Office Supplies	139.56	91.67	(47.89)	468.35	916.70	448.35	1,100.00
7900	Internet Site Expense	112.50	142.08	29.58	642.50	1,420.80	778.30	1,705.00
7650	Transfer to Reserves	8,679.58	8,679.58	0.00	86,795.80	86,795.80	0.00	104,155.00
6800	Prior Year Expense	0.00	0.00	0.00	966.38	0.00	(966.38)	0.00
	Subtotal Administrative	15,841.39	17,330.41	1,489.02	170,736.48	181,304.10	10,567.62	216,065.00
	Total Expenses	34,003.45	37,948.02	3,944.57	334,880.83	352,298.03	17,417.20	421,330.00
	<b>Net Operating Income (Loss)</b>	<b>946.55</b>	<b>(2,837.18)</b>	<b>3,783.73</b>	<b>14,609.50</b>	<b>(1,189.63)</b>	<b>15,799.13</b>	<b>0.00</b>

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Settler's Village Subassociation, Inc.  
Income Statement  
For the Ten Months Ending October 31, 2006

Account	Description	Current Month			Year-To-Date			Yearly Budget
		Actual	Budget	Favorable/ (Unfavorable)	Actual	Budget	Favorable/ (Unfavorable)	
<b>Replacement Fund</b>								
<i>REPLACEMENT FUND INCOME:</i>								
8050	Reserve Income	8,679.58	8,679.58	0.00	86,795.80	86,795.80	0.00	104,155.00
8900	Reserve Interest Income	325.84	1,800.00	(1,474.16)	10,831.12	13,740.00	(2,908.88)	18,000.00
	Total Replacement Income	9,005.42	10,479.58	(1,474.16)	97,626.92	100,535.80	(2,908.88)	122,155.00
<i>REPLACEMENT FUND EXPENSES:</i>								
9000	Siding	6,000.00	0.00	(6,000.00)	12,000.00	12,000.00	0.00	12,000.00
9200	Painting	4,685.00	0.00	(4,685.00)	8,685.00	4,000.00	(4,685.00)	4,000.00
9300	Irrigation	3,595.00	0.00	(3,595.00)	4,874.03	4,000.00	(874.03)	4,000.00
9250	Gutter Replacement	0.00	0.00	0.00	0.00	800.00	800.00	800.00
9350	Retaining Walls	0.00	0.00	0.00	0.00	400.00	400.00	400.00
9400	Concrete Repairs	0.00	0.00	0.00	11,471.20	1,000.00	(10,471.20)	1,000.00
9450	Landscaping	0.00	0.00	0.00	10,195.00	4,000.00	(6,195.00)	4,000.00
9600	Outdoor Lights	0.00	0.00	0.00	0.00	4,000.00	4,000.00	4,000.00
9500	General Improvements	3,825.00	0.00	(3,825.00)	3,825.00	0.00	(3,825.00)	1,040.00
9650	Blizzard Contingency	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00
9550	Contingency	1,711.00	0.00	(1,711.00)	1,711.00	0.00	(1,711.00)	3,524.00
	Total Replacement Expenses	19,816.00	0.00	(19,816.00)	52,761.23	30,200.00	(22,561.23)	38,764.00
	Net Reserve Income (Loss)	<u>(10,810.58)</u>	<u>10,479.58</u>	<u>(21,290.16)</u>	<u>44,865.69</u>	<u>70,335.80</u>	<u>(25,470.11)</u>	<u>83,391.00</u>
	Total Settler's Village Net Inco	<u><u>(9,864.03)</u></u>	<u><u>7,642.40</u></u>	<u><u>(17,506.43)</u></u>	<u><u>59,475.19</u></u>	<u><u>69,146.17</u></u>	<u><u>(9,670.98)</u></u>	<u><u>83,391.00</u></u>