

Settlers Village Sub-Association, Inc.

Financial Statements Overview for the eight months ending August 31, 2007

Balance Sheet

We continue to monitor the due to Reserves from Operating accounts. The 2006 Audit adjustments were made. We were able to merge the Working Capital equity in with the Fund Balance as we wanted. The other adjustments had to do with the Market Adjustments on the reserve side.

Income Statement

Revenues:

Revenues are favorable to budget by \$400.00 due to Late Fee Revenue.

Expenses:

1) Operating expenses are favorable to budget by \$4,457.98 due to the savings in Water / Irrigation of \$4,759.40. We have savings in Trash of \$291.85 due to switching trash providers. We have unfavorable variances in Water/Sewer of \$532.40 and Electric of \$60.87.

2) Maintenance expenses are unfavorable to budget by \$14,458.37 due to Snow Removal (\$8,800.63), Roof & Gutter Repairs (\$4,123.75), Building Maintenance (\$3,947.32) and Irrigation Repairs & Maintenance (\$1,180.44). We are seeing some savings in Pest Control (\$2,469.75), Tree Maintenance (\$1,000.00) and Landscape Maintenance (\$467.85).

3) Administrative expenses are favorable to budget by \$3,935.83 due to savings in Legal fees of \$3,233.36 and Insurance of \$598.92.

4) Net Operating Income for the year is \$17,843.28 versus the budgeted \$23,507.84 for an unfavorable variance of \$5,664.56 due to items mentioned above.

Replacement Fund

The Replacement Fund net income is favorable to budget by \$18,283.20 due to Interest Income (\$6,713.00), Free Standing Wall Repairs (\$12,040.00) and Landscaping (\$4,400.00) variances. The Audit adjustment put some of the Market adjustment into prior year.

Kind Regards,



Brian Sheppelman

Highlands Ranch Community Association

Settler's Village Subassociation, Inc.
Balance Sheet
August 31, 2007

Account	Description	Operating	Reserve	Total
ASSETS				
	Current Assets			
1010	Operating - Wells Fargo	\$46,827.33	\$0.00	\$46,827.33
1036	Reserve - Market Adjustment	0.00	32.59	32.59
1034	Reserve - Dain Rauscher	0.00	423,699.75	423,699.75
1100	AR Homeowners Assessments	1,350.00	0.00	1,350.00
1191	AR Miscellaneous	1,550.00	0.00	1,550.00
1200	Prepaid Insurance	8,859.50	0.00	8,859.50
1300	Due from Operating to Reserve	0.00	28,938.30	28,938.30
	Total Assets	<u>58,586.83</u>	<u>452,670.64</u>	<u>511,257.47</u>
LIABILITIES & EQUITY				
	Current Liabilities			
2000	Accounts Payable	14,293.28	0.00	14,293.28
2005	Accrued Accounts Payable	2,313.61	0.00	2,313.61
2007	Income Tax Payable - Reserves	0.00	690.00	690.00
2100	Prepaid Assessments	12,624.89	0.00	12,624.89
2350	Due to Reserve from Operating	28,938.30	0.00	28,938.30
	Total Liabilities	<u>58,170.08</u>	<u>690.00</u>	<u>58,860.08</u>
3900	Fund Balance	(17,426.53)	408,541.60	391,115.07
3910	Equity - Unrealized Loss on Invest	0.00	(1,081.00)	(1,081.00)
3800	Current Year Earnings	17,843.28	44,520.04	62,363.32
	Total Fund Balance	<u>416.75</u>	<u>451,980.64</u>	<u>452,397.39</u>
	Total Liabilities & Fund Balance	<u>58,586.83</u>	<u>452,670.64</u>	<u>511,257.47</u>

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Settler's Village Subassociation, Inc.
Income Statement
For the Eight Months Ending August 31, 2007

Account	Description	Current Month			Year-To-Date			Yearly Budget
		Actual	Budget	Favorable/ (Unfavorable)	Actual	Budget	Favorable/ (Unfavorable)	
Revenue								
OPERATING INCOME:								
4000	Assessment Revenue	35,820.00	35,820.00	0.00	286,560.00	286,560.00	0.00	429,840.00
4010	Late Fee Revenue	75.00	25.00	50.00	500.00	200.00	300.00	300.00
4020	Legal Fee Revenue	300.00	0.00	300.00	100.00	0.00	100.00	0.00
	Total Operating Income	35,995.00	35,845.00	150.00	287,160.00	286,760.00	400.00	430,140.00
Expenses								
OPERATING EXPENSE:								
5000	Water / Sewer	5,742.15	5,887.50	145.35	45,982.40	45,450.00	(532.40)	60,000.00
5100	Water / Irrigation	3,533.40	4,800.00	1,246.60	12,740.60	17,500.00	4,759.40	20,800.00
5200	Electric	295.04	383.33	88.29	2,727.55	2,666.68	(60.87)	4,200.00
5300	Trash Removal	1,096.50	1,033.33	(63.17)	12,774.83	12,066.68	291.85	16,200.00
	Subtotal Operating Expense	10,667.09	12,104.16	1,437.07	73,225.38	71,683.36	4,457.98	119,200.00
MAINTENANCE EXPENSE:								
6000	Roof & Gutter Repairs	627.30	1,740.00	1,112.70	10,323.75	6,000.00	(4,123.75)	13,000.00
6010	Building Maintenance	100.87	283.34	482.47	7,113.98	3,366.66	(3,947.32)	5,500.00
6050	Landscape Maintenance	254.20	500.00	245.80	2,532.15	3,000.00	467.85	4,900.00
6060	Pest Control	0.00	600.00	600.00	730.25	3,200.00	2,469.75	4,400.00
6150	Snow Removal	0.00	0.00	0.00	23,800.63	13,000.00	(10,800.63)	34,000.00
6200	Contracted Lawn care / Grounds	3,555.08	3,555.00	0.00	28,440.64	28,440.64	0.00	42,661.00
6250	Irrigation Repairs & Maint	2,022.74	1,666.67	(356.07)	7,513.78	6,333.34	(1,180.44)	8,500.00
6300	Fertilization / Weed Control	900.00	0.00	(900.00)	900.00	750.00	(150.00)	1,500.00
6350	Tree Maintenance	0.00	0.00	0.00	0.00	1,000.00	1,000.00	1,500.00
6370	Bush Replacement	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
6400	Exterior Lights	725.33	666.67	(58.66)	5,527.19	5,333.36	(193.83)	8,000.00
	Subtotal Maintenance Expense	8,185.32	9,321.75	1,136.43	64,682.37	70,224.00	(14,458.37)	123,061.00
ADMINISTRATIVE:								
7000	Management Fee	1,831.69	1,834.17	2.48	14,829.32	14,833.36	3.94	22,250.00
7050	Legal	0.00	436.67	436.67	100.00	3,233.36	3,233.36	5,000.00
7100	Audit	2,163.63	2,000.00	(163.63)	2,163.61	2,000.00	(163.61)	2,000.00
7200	Insurance	3,289.75	3,318.00	28.25	28,119.08	28,728.00	598.92	42,000.00
7250	Postage	67.09	66.67	0.42	365.93	531.36	165.43	800.00
7300	Copies	28.34	66.67	(21.67)	565.71	533.36	(32.35)	800.00
7600	Bank Charges	(75.00)	37.50	(112.50)	169.33	100.00	(69.33)	250.00
6600	Office Supplies	109.29	62.50	(46.79)	486.39	500.00	13.61	750.00
7900	Internet Site Expense	62.50	66.67	4.17	350.00	733.34	383.34	1,000.00
7650	Transfer to Reserves	0.00	0.00	0.00	64,050.00	64,050.00	0.00	64,050.00
	Subtotal Administrative	7,599.27	7,888.85	289.58	111,808.97	115,344.80	3,535.83	138,960.00
	Total Expenses	26,469.68	29,314.76	2,845.08	269,316.72	263,252.16	(6,064.56)	383,161.00
	Net Operating Income (Loss)	9,525.32	6,530.24	2,995.08	17,843.28	23,507.84	(5,664.56)	46,979.00

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Settler's Village Subassociation, Inc.
Income Statement
For the Eight Months Ending August 31, 2007

Account	Description	Current Month			Year-To-Date			Yearly Budget
		Actual	Budget	Favorable/ (Unfavorable)	Actual	Budget	Favorable/ (Unfavorable)	
Replacement Fund								
REPLACEMENT FUND INCOME								
8050	Reserve Income	0.00	0.00	0.00	64,050.00	64,050.00	0.00	64,050.00
8900	Reserve Interest Income	2,279.93	0.00	2,279.93	16,713.00	10,000.00	6,713.00	10,000.00
8910	Reserve Market Adjustment	4,675.89	0.00	4,675.89	(3,360.26)	0.00	(3,360.26)	0.00
	Total Replacement Income	6,955.84	0.00	6,955.84	77,402.74	74,050.00	3,352.74	74,050.00
REPLACEMENT FUND EXPENSES:								
7150	Income Taxes	0.00	0.00	0.00	850.00	850.00	0.00	850.00
9000	Free Standing Walk Repair	0.00	14,560.00	14,560.00	2,520.00	14,560.00	12,040.00	14,560.00
9200	Painting	0.00	0.00	0.00	21,923.25	21,923.16	9.90	21,923.16
9300	Irrigation	0.00	0.00	0.00	0.00	2,080.00	2,080.00	2,080.00
9350	Retaining Walls	0.00	0.00	0.00	3,200.00	3,200.00	0.00	3,200.00
9400	Concrete Repairs	0.00	0.00	0.00	350.00	0.00	(350.00)	13,047.84
9450	Landscaping	799.44	7,600.00	1,800.56	799.44	5,200.00	4,400.56	5,200.00
9550	Contingency	3,250.00	0.00	(3,250.00)	3,250.00	0.00	(3,250.00)	0.00
	Total Replacement Expenses	4,049.44	17,160.00	13,110.56	72,882.70	47,813.16	24,969.54	60,863.00
	Net Reserve Income (Loss)	2,906.40	(17,160.00)	20,066.40	44,520.04	26,236.84	18,283.20	13,189.00
	Total Settler's Village Net Inco	12,431.72	(10,629.76)	23,061.48	62,362.32	49,344.68	13,017.64	60,169.00