

Settlers Village Sub-Association, Inc.

Financial Statements Overview for the six months ending June 30, 2008

Balance Sheet

We continue to monitor the delinquent AR Homeowner Assessment closely with your attorney.

Income Statement

Revenues:

Revenues are favorable to budget by \$2,701.17 due to Legal and Late Fee Revenue.

Expenses:

- 1) Operating expenses are favorable to budget by \$9,790.53 due to savings in all line items with the largest variance of \$8,557.50 in Water / Irrigation.
- 2) Maintenance expenses are favorable to budget by \$16,354.78 due to savings in all but two line items. The largest savings are in Snow Removal (\$7,020.00), Irrigation Repairs & Maintenance (\$2,045.26), Landscape Maintenance (\$1,870.00), Contracted Lawncare / Grounds (\$1,364.78), Roof & Gutter Repairs (\$1,358.25), and Building Maintenance (\$1,151.85). The unfavorable variances are in Pest Control (\$406.00), Exterior Lights (\$160.94) and Tree maintenance (\$88.00).
- 3) Administrative expenses are unfavorable to budget by \$145.67 due to Legal (\$977.14) and Newsletter Expense (\$105.00). However, there are off-setting savings in Audit (\$505.00), Postage (\$142.51), Copies (\$135.45), and Office Supplies (\$128.91).
- 4) Net Operating Income year to date is \$34,196.23 versus the budgeted \$5,495.42 for a favorable variance of \$28,700.81 due to items mentioned above.

Replacement Fund

Replacement Fund Net Income is favorable to budget by \$10,953.60 due to savings in Asphalt (\$14,085.49), Landscaping (\$5,081.82) and Free Standing Wall Repair (\$2,104.55). However, we are unfavorable to budget in Painting (\$7,829.08) and Contingency (\$2,438.00). The contingency expense is for the replacement of a pressure reducing valve.

Kind Regards,

Simone Puetz
HRCA, Subassociation Services