

Settlers Village Sub-Association, Inc.

Financial Statements Overview for the nine months ending October 31, 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 \$4,623.93 due to Legal and Late Fee Revenue.

Expenses:

- 1) Operating expenses are favorable to budget by \$7,159.63 due to savings in all line items with the largest variance of \$4,626.50 in Water / Irrigation.
- 2) Maintenance expenses are favorable to budget by \$24,601.75. The largest savings are in Snow Removal (\$12,020.00) and Irrigation Repairs & Maintenance (\$3,965.76). We do have one off-setting unfavorable line item in Building Maintenance (\$1,237.73).
- 3) Administrative expenses are favorable to budget by \$558.50 due to savings in Insurance (\$1,446.70), Audit (\$505.00), Postage (\$243.39), Office Supplies (\$235.23), and Copies (\$204.05). We do have unfavorable variances in Legal (\$1,847.48) and Newsletter Expense (\$280.00).
- 4) Net Operating Income year to date is \$39,049.51 versus the budgeted \$2,405.70 for a favorable variance of \$36,643.81 due to items mentioned above.

Replacement Fund

Replacement Fund Net Income is favorable to budget by \$10,825.90 due to savings in Asphalt (\$14,085.49), Outdoor Landscape Lights (\$8,228.98), Stone Veneer (\$5,408.00), and Free Standing Wall Repair (\$2,104.55). However, we are unfavorable to budget in Painting (\$7,829.08), Landscaping (\$7,407.02), Contingency (\$2,438.00), Concrete Repairs (\$869.08), and Retaining Walls (\$220.90).

Kind Regards,

HRCA, Subassociation Services

Settler's Village Subassociation, Inc.
Balance Sheet
October 31, 2008

Account	Description	Operating	Reserve	Total
ASSETS				
	Current Assets			
1010	Operating - Wells Fargo	\$75,096.59	\$0.00	\$75,096.59
1036	Reserve - Market Adjustment	0.00	(1,409.22)	(1,409.22)
1034	Reserve - Dain Rauscher	0.00	449,830.81	449,830.81
1100	AR Homeowners Assessments	2,545.63	0.00	2,545.63
1191	AR Miscellaneous	1,106.85	0.00	1,106.85
1200	Prepaid Insurance	7,356.78	0.00	7,356.78
1350	Due from Reserve to Operating	36,105.10	0.00	36,105.10
	Total Assets	<u>122,210.95</u>	<u>448,421.59</u>	<u>570,632.54</u>
LIABILITIES & EQUITY				
	Current Liabilities			
2000	Accounts Payable	25,057.39	0.00	25,057.39
2005	Accrued Accounts Payable	12,437.84	0.00	12,437.84
2100	Prepaid Assessments	11,113.74	0.00	11,113.74
2300	Due to Operating from Reserves	0.00	36,105.10	36,105.10
	Total Liabilities	<u>48,608.97</u>	<u>36,105.10</u>	<u>84,714.07</u>
3900	Fund Balance	34,552.47	449,774.58	484,327.05
3800	Current Year Earnings	39,049.51	(37,458.09)	1,591.42
	Total Fund Balance	<u>73,601.98</u>	<u>412,316.49</u>	<u>485,918.47</u>
	Total Liabilities & Fund Balance	<u>122,210.95</u>	<u>448,421.59</u>	<u>570,632.54</u>