

Settlers Village Subassociation, Inc.

Financial Statements Overview for the eight months ending August 31, 2009

Balance Sheet

We continue to monitor the A/R accounts. A detailed list can be found in your board packets.

Income Statement

Revenues:

Revenues are favorable to budget by \$2,209.57 due to Legal Fee Revenues (\$1,071.21), Architectural Fee (\$575.00), and Late Fee Revenues (\$563.36).

Expenses:

1) Operating expenses are favorable to budget by \$10,329.18 due to savings in all line items, with the largest savings of \$9,000.05 in Water/Irrigation.

2) Maintenance expenses are favorable to budget by \$8,774.80 due to savings in all but three line items. The largest savings are in Snow Removal (\$2,994.00), Roof & Gutter Repairs (\$2,683.58), Irrigation Repairs & Maintenance (\$1,861.30), and Streets/Sidewalks/Sweeping (\$900.00). The three unfavorable variances are in Building Maintenance (\$1,548.02), Tree Maintenance (\$955.00) and Vandalism Repairs (\$265.75).

3) Administrative expenses are now unfavorable to budget by \$386.58 due to variances in Insurance (\$686.00), Office Supplies (\$529.34), and Reserve Study (\$342.67). We have some savings in Legal (\$448.79), Postage (\$270.85), and Copies (\$191.30).

4) Net Operating Income after transfer's year to date is \$28,663.81 versus the budgeted \$7,736.84 resulting in a favorable variance of \$20,926.97 due to items mentioned above.

Replacement Fund

Replacement Fund Income is unfavorable to budget by \$1,802.85 due to lower than budgeted interest income.

Replacement Fund Expenses are favorable to budget by \$24,628.60 due to minimal expense for Retaining Walls (\$18,293.37), Outdoor Landscape Lights (\$10,267.27), and Stone Veneer (\$3,374.59). However, we have unfavorable variances in Painting (\$5,045.84) and Asphalt (\$3,218.10).

Replacement Fund Net Income year to date is at a loss of \$22,191.36 versus a budgeted loss of \$45,017.11 resulting in a favorable variance of \$22,825.75 due to the items mentioned above.

Kind Regards,

Highlands Ranch Community Association
Subassociation Services

Settler's Village Subassociation, Inc.
Balance Sheet
August 31, 2009

| Account | Description | Operating | Reserve | Total |
|---------------------------------|----------------------------------|-------------------|-------------------|-------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| 1010 | Operating - Wells Fargo | \$110,011.70 | \$0.00 | \$110,011.70 |
| 1036 | Reserve - Market Adjustment | 0.00 | (1,597.20) | (1,597.20) |
| 1034 | Reserve - Dain Rauscher | 0.00 | 425,014.60 | 425,014.60 |
| 1100 | AR Homeowners Assessments | 5,028.48 | 0.00 | 5,028.48 |
| 1191 | AR Miscellaneous | 75.00 | 0.00 | 75.00 |
| 1200 | Prepaid Insurance | 8,549.64 | 0.00 | 8,549.64 |
| 1350 | Due from Reserve to Operating | 15,694.82 | 0.00 | 15,694.82 |
| | Total Assets | <u>139,359.64</u> | <u>423,417.40</u> | <u>562,777.04</u> |
| LIABILITIES & EQUITY | | | | |
| Current Liabilities | | | | |
| 2000 | Accounts Payable | 19,004.02 | 0.00 | 19,004.02 |
| 2005 | Accrued Accounts Payable | 3,606.79 | 3,825.75 | 7,432.54 |
| 2100 | Prepaid Assessments | 10,691.70 | 0.00 | 10,691.70 |
| 2300 | Due to Operating from Reserves | 0.00 | 15,694.82 | 15,694.82 |
| | Total Liabilities | <u>33,302.51</u> | <u>19,520.57</u> | <u>52,823.08</u> |
| 3900 | Fund Balance | 77,393.32 | 426,088.19 | 503,481.51 |
| 3800 | Current Year Earnings | 28,663.81 | (22,191.36) | 6,472.45 |
| | Total Fund Balance | <u>106,057.13</u> | <u>403,896.83</u> | <u>509,953.96</u> |
| | Total Liabilities & Fund Balance | <u>139,359.64</u> | <u>423,417.40</u> | <u>562,777.04</u> |

Settler's Village Subassociation, Inc.
Income Statement
For the Eight Months Ending August 31, 2009

| Account | Description | Current Month | | | Year-To-Date | | | Yearly Budget |
|----------------------------|-------------------------------------|------------------|------------------|-----------------------------|-------------------|-------------------|-----------------------------|-------------------|
| | | Actual | Budget | Favorable/ (Unfavorable) | Actual | Budget | Favorable/ (Unfavorable) | |
| Revenue | | | | | | | | |
| <i>OPERATING INCOME:</i> | | | | | | | | |
| 4000 | Assessment Revenue | 36,815.00 | 36,815.00 | 0.00 | 294,520.00 | 294,520.00 | 0.00 | 441,780.00 |
| 4010 | Late Fee Revenue | 100.00 | 83.33 | 16.67 | 1,230.00 | 666.64 | 563.36 | 1,000.00 |
| 4020 | Legal Fee Revenue | 0.00 | 83.33 | (83.33) | 1,737.85 | 666.64 | 1,071.21 | 1,000.00 |
| 4050 | Architectural Fee Revenue | 0.00 | 0.00 | 0.00 | 575.00 | 0.00 | 575.00 | 0.00 |
| | Total Operating Income | 36,915.00 | 36,981.66 | (66.66) | 298,062.85 | 295,853.28 | 2,209.57 | 443,780.00 |
| Expenses | | | | | | | | |
| <i>OPERATING EXPENSE:</i> | | | | | | | | |
| 5000 | Water / Sewer | 6,006.29 | 5,958.33 | (47.96) | 46,700.67 | 47,666.64 | 965.97 | 71,500.00 |
| 5100 | Water / Irrigation | 4,584.75 | 6,500.00 | 1,915.25 | 12,399.95 | 21,400.00 | 9,000.05 | 29,500.00 |
| 5200 | Electric | 367.98 | 391.67 | 23.69 | 2,857.67 | 3,133.36 | 275.69 | 4,700.00 |
| 5300 | Trash Removal | 1,205.94 | 1,213.38 | 7.44 | 9,358.97 | 9,446.44 | 87.47 | 14,300.00 |
| | Subtotal Operating Expense | 12,164.96 | 14,063.38 | 1,898.42 | 71,317.26 | 81,646.44 | 10,329.18 | 120,000.00 |
| <i>MAINTENANCE EXPENSE</i> | | | | | | | | |
| 6000 | Roof & Gutter Repairs | 1,060.82 | 625.00 | (435.82) | 2,316.42 | 5,000.00 | 2,683.58 | 7,500.00 |
| 6010 | Building Maintenance | 626.49 | 556.67 | (69.82) | 6,001.38 | 4,453.36 | (1,548.02) | 6,680.00 |
| 6050 | Landscape Maintenance | 1,067.20 | 565.00 | (502.20) | 3,931.35 | 3,955.00 | 23.65 | 5,650.00 |
| 6060 | Pest Control | 153.00 | 300.00 | 147.00 | 2,826.00 | 3,500.00 | 674.00 | 6,000.00 |
| 6070 | Signage | 0.00 | 0.00 | 0.00 | 158.32 | 1,000.00 | 841.68 | 1,000.00 |
| 6100 | Streets / Sidewalks / Sweeping | 0.00 | 0.00 | 0.00 | 0.00 | 900.00 | 900.00 | 900.00 |
| 6150 | Snow Removal | 0.00 | 0.00 | 0.00 | 11,006.00 | 14,000.00 | 2,994.00 | 30,000.00 |
| 6200 | Contracted Lawn care / Grounds | 3,690.00 | 3,695.00 | 5.00 | 28,910.00 | 29,560.00 | 650.00 | 44,340.00 |
| 6250 | Irrigation Repairs & Maint | 732.00 | 1,000.00 | 268.00 | 3,638.70 | 5,500.00 | 1,861.30 | 7,000.00 |
| 6300 | Fertilization / Weed Control | 0.00 | 0.00 | 0.00 | 216.00 | 750.00 | 534.00 | 1,500.00 |
| 6350 | Tree Maintenance | 430.00 | 0.00 | (430.00) | 2,155.00 | 1,200.00 | (955.00) | 1,500.00 |
| 6400 | Exterior Lights | 776.66 | 709.17 | (67.49) | 5,292.00 | 5,673.36 | 381.36 | 8,510.00 |
| 6500 | Vandalism Repairs | 90.00 | 0.00 | (90.00) | 265.75 | 0.00 | (265.75) | 0.00 |
| | Subtotal Maintenance Expense | 8,626.17 | 7,450.84 | (1,175.33) | 66,716.92 | 75,491.72 | 8,774.80 | 120,580.00 |
| <i>ADMINISTRATIVE</i> | | | | | | | | |
| 7000 | Management Fee | 1,966.39 | 1,969.17 | 2.78 | 15,881.12 | 15,753.36 | (127.76) | 23,630.00 |
| 7050 | Legal | 0.00 | 208.33 | 208.33 | 1,217.85 | 1,666.64 | 448.79 | 2,500.00 |
| 7100 | Audit | 0.00 | 0.00 | 0.00 | 1,995.00 | 2,050.00 | 55.00 | 2,050.00 |
| 7200 | Insurance | 3,778.00 | 3,363.50 | (414.50) | 27,080.96 | 26,394.96 | (686.00) | 39,850.00 |
| 7250 | Postage | 12.39 | 66.67 | 54.28 | 262.51 | 533.36 | 270.85 | 800.00 |
| 7300 | Copies | 30.60 | 75.00 | 44.40 | 408.70 | 600.00 | 191.30 | 900.00 |
| 7310 | Newsletter Expense | 0.00 | 0.00 | 0.00 | 175.00 | 333.32 | 158.32 | 500.00 |
| 7600 | Bank Charges | 0.00 | 17.50 | 17.50 | (24.54) | 140.00 | 164.54 | 210.00 |
| 7700 | Reserve Study | 0.00 | 0.00 | 0.00 | 1,342.67 | 1,000.00 | (342.67) | 1,000.00 |
| 6600 | Office Supplies | 138.00 | 58.33 | (79.67) | 995.98 | 466.64 | (529.34) | 700.00 |
| 7900 | Internet Site Expense | 75.00 | 70.83 | (4.17) | 556.25 | 566.64 | 10.39 | 850.00 |
| 7650 | Transfer to Reserves | 10,184.16 | 10,184.17 | 0.01 | 81,473.36 | 81,473.36 | 0.00 | 122,210.00 |
| | Subtotal Administrative | 16,184.54 | 16,013.50 | (171.04) | 131,364.86 | 130,978.28 | (386.58) | 195,200.00 |
| | Total Expenses | 36,975.67 | 37,527.72 | 552.05 | 269,399.04 | 288,116.44 | 18,717.40 | 435,780.00 |
| | Net Operating Income (Loss) | (60.67) | (546.06) | 485.39 | 28,663.81 | 7,736.84 | 20,926.97 | 8,000.00 |

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Settler's Village Subassociation, Inc.
Income Statement
For the Eight Months Ending August 31, 2009

| Account | Description | Current Month | | | Year-To-Date | | | Yearly Budget |
|-----------------------------------|----------------------------------|---------------|------------|-----------------------------|--------------|-------------|-----------------------------|---------------|
| | | Actual | Budget | Favorable/ (Unfavorable) | Actual | Budget | Favorable/ (Unfavorable) | |
| Replacement Fund | | | | | | | | |
| <i>REPLACEMENT FUND INCOME:</i> | | | | | | | | |
| 8050 | Reserve Income | 10,184.16 | 10,184.17 | (0.01) | 81,473.36 | 81,473.36 | 0.00 | 122,210.00 |
| 8900 | Reserve Interest Income | 2,609.85 | 1,652.95 | 956.90 | 11,420.75 | 13,223.60 | (1,802.85) | 19,835.40 |
| | Total Replacement Income | 12,794.01 | 11,837.12 | 956.89 | 92,894.11 | 94,696.96 | (1,802.85) | 142,045.40 |
| <i>REPLACEMENT FUND EXPENSES:</i> | | | | | | | | |
| 7150 | Income Taxes | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6,940.00 |
| 9010 | Stone Veneer | 0.00 | 3,374.59 | 3,374.59 | 0.00 | 3,374.59 | 3,374.59 | 3,374.59 |
| 9100 | Asphalt | 0.00 | 0.00 | 0.00 | 16,451.00 | 13,232.90 | (3,218.10) | 13,232.90 |
| 9200 | Painting | 0.00 | 0.00 | 0.00 | 83,780.00 | 78,734.16 | (5,045.84) | 78,734.16 |
| 9300 | Irrigation | 0.00 | 0.00 | 0.00 | 1,485.00 | 2,249.73 | 764.73 | 2,249.73 |
| 9350 | Retaining Walls | 0.00 | 0.00 | 0.00 | 205.00 | 18,498.37 | 18,293.37 | 18,498.37 |
| 9400 | Concrete Repairs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10,903.31 |
| 9450 | Landscaping | 5,265.77 | 6,624.32 | 1,358.55 | 11,431.74 | 11,624.32 | 192.58 | 11,624.32 |
| 9600 | Outdoor Landscape Lights | 0.00 | 10,000.00 | 10,000.00 | 1,732.73 | 12,000.00 | 10,267.27 | 28,921.98 |
| 9700 | Interior Water Infrastructure | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,500.00 |
| | Total Replacement Expenses | 5,265.77 | 19,998.91 | 14,733.14 | 115,085.47 | 139,714.07 | 24,628.60 | 176,979.36 |
| | Net Reserve Income (Loss) | 7,528.24 | (8,161.79) | 15,690.03 | (22,191.36) | (45,017.11) | 22,825.75 | (34,933.96) |
| | Total Settler's Village Net Inco | 7,467.57 | (8,707.85) | 16,175.42 | 6,472.45 | (37,280.27) | 43,752.72 | (26,933.96) |