

Memo
Weatherstone at Highlands Ranch Association, Inc
Financial statements for the three months ending March 31, 2010

Balance sheet notes:

A detailed list of the AR Homeowners Dues can be found on page 5.

Income statement notes:

Revenues are unfavorable to budget by \$262.50 due to no Legal or Lien Fee Revenue.

Administration expenses are favorable to budget by \$2,229.13 due to the savings in Operating Contingency (\$912), Audit/Tax Prep (\$800.00), Insurance (\$653.04), and Legal Fees (\$400.00). We have unfavorable variances in Taxes (\$450.00) and Administrative (\$116.64).

The Pool expenses section is favorable to budget by \$51.18.

The Grounds expenses are unfavorable to budget by \$584.33 due to Grounds Maintenance (\$501.13), Grounds outside of contract (\$424.00), Sprinkler Repairs (\$239.25), and Holiday Lighting (\$150.45). We do see off-setting savings in Snow Removal (\$668.00) and Lighting Maintenance (\$125.00).

The Utilities expenses are unfavorable to budget by \$173.19 due to Electric (\$215.19).

Net Operating Revenue after transfers to reserves are \$12,072.29 versus a budgeted Income of \$10,812.00 resulting in a favorable variance of \$1,260.29 due to the above mentioned items.

Reserves:

Reserve Fund Net Income is unfavorable to budget by \$519.89 due to Interest Income.

If you should have any questions or comments, please call me at (303) 471-8841 or e-mail at bsheppelman@hrcaonline.org

Kind Regards,

Highlands Ranch Community Association
Subassociation Services

Weatherstone at Highlands Ranch
Summary of All Units
For the Three Months Ending March 31, 2010

Account	Description	Operating	Reserve	Total
ASSETS				
Operating Assets				
1010	Operating - Wells Fargo	\$78,642.95	\$0.00	\$78,642.95
	Total Operating Assets	78,642.95	0.00	78,642.95
Reserve Assets				
1050	Reserve - Dain Rauscher	0.00	107,446.88	107,446.88
1190	Accrued Interest Income	0.00	36.14	36.14
	Total Reserve Assets	0.00	107,483.02	107,483.02
Other Assets				
1100	A/R Homeowners Dues	922.08	0.00	922.08
1600	Due From Operating	0.00	6,702.43	6,702.43
1200	Prepaid Insurance	1,738.92	0.00	1,738.92
	Total Other Assets	2,661.00	6,702.43	9,363.43
	Total Assets	<u>81,303.95</u>	<u>114,185.45</u>	<u>195,489.40</u>
LIABILITIES & EQUITY				
Current Liabilities				
2100	Prepaid Assess Homeowners dues	16,462.50	0.00	16,462.50
2000	Accounts Payable	2,376.73	0.00	2,376.73
2650	Due to Reserve From Operating	6,702.43	0.00	6,702.43
	Total Liabilities	25,541.66	0.00	25,541.66
Equity				
3000	Future Capital Improvements	27,563.00	0.00	27,563.00
3200	Retained Earnings	1,427.00	109,562.09	110,989.09
3500	Working Capital Fund Equity	14,700.00	0.00	14,700.00
3150	Current YTD Income (Loss)	12,072.29	4,623.36	16,695.65
	Total Fund Equity	<u>55,762.29</u>	<u>114,185.45</u>	<u>169,947.74</u>
	Total Liabilities & Equity	<u>81,303.95</u>	<u>114,185.45</u>	<u>195,489.40</u>

Weatherstone at Highlands Ranch
Income Statement
For the Three Months Ending March 31, 2010

Account	Description	Current Month		Favorable/ (Unfavorable)	Actual	Year-To-Date		Favorable/ (Unfavorable)	Yearly Budget	Budget Remaining
		Actual	Budget			Budget	(Unfavorable)			
OPERATING INCOME:										
4000	Assessment Revenue	0.00	0.00	0.00	41,454.00	41,454.00	0.00	0.00	165,816.00	(124,362.00)
4400	Misc Income	0.00	0.00	0.00	0.00	12.50	(12.50)	50.00	50.00	(50.00)
4050	Late Fee Revenue	0.00	0.00	0.00	250.00	250.00	0.00	1,000.00	1,000.00	(750.00)
4100	Legal Fee Revenue	0.00	200.00	(200.00)	0.00	200.00	(200.00)	800.00	800.00	(800.00)
4110	Lien Fee Assessment	0.00	50.00	(50.00)	0.00	50.00	(50.00)	200.00	200.00	(200.00)
	Total Operating Income	0.00	250.00	(250.00)	41,704.00	41,966.50	(262.50)	1,678,666.00	1,678,666.00	(126,162.00)

Expenses

5010	Administration	0.00	304.00	304.00	0.00	912.00	912.00	912.00	3,652.00	3,652.00
5020	Operating Contingency	900.00	1,700.00	800.00	900.00	1,700.00	800.00	800.00	1,700.00	800.00
5370	Audit/Tax Prep	289.82	507.50	217.68	869.46	1,522.50	653.04	653.04	6,090.00	5,220.54
5380 +	Insurance	450.00	0.00	(450.00)	450.00	0.00	(450.00)	0.00	1,110.00	660.00
5390	Taxes	0.00	10.00	10.00	0.00	30.00	30.00	120.00	120.00	120.00
5450	Bank Charges	0.00	400.00	400.00	0.00	400.00	400.00	1,600.00	1,600.00	1,600.00
5490	Legal Fees	1,477.19	1,477.50	0.31	4,466.57	4,432.50	(34.07)	17,730.00	17,730.00	13,263.43
5500	Management Fee	1,448.00	1,448.00	0.00	4,352.00	4,352.00	0.00	17,384.00	17,384.00	13,032.00
5700	Reserve Fund Transfer	36.70	144.00	107.30	548.64	432.00	(116.64)	1,730.00	1,730.00	1,181.36
5410	Administrative	0.00	0.00	0.00	0.00	0.00	0.00	4,350.00	4,350.00	4,350.00
5720	Community Activities	0.00	0.00	0.00	120.00	125.00	5.00	500.00	500.00	380.00
5710	Web Site Maintenance	0.00	84.00	82.68	214.20	244.00	29.80	1,000.00	1,000.00	785.80
	Postage	1.32	84.00	82.68	214.20	244.00	29.80	1,000.00	1,000.00	785.80
	Total Administration	4,603.03	6,075.00	1,471.97	11,920.87	14,150.00	2,229.13	56,966.00	56,966.00	45,045.13
6900	Pool	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,700.00	6,700.00
6910	Pool Cleaning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	1,000.00
6960	Pool Area Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,940.00	1,940.00
6970	Clubhouse Cleaning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	770.00	770.00
6970	Clubhouse/Pool Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,000.00	7,000.00
6930	Pool Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,000.00	7,000.00
6985	Pool Gas	22.76	25.00	2.24	68.25	75.00	6.75	7,000.00	7,000.00	6,931.75
6990	Pool Electric	19.53	30.00	10.47	62.01	90.00	27.99	3,440.00	3,440.00	3,377.99
6995	Pool Area Irrigation	129.52	135.00	5.48	388.56	405.00	16.44	4,730.00	4,730.00	4,341.44
	Total Pool	171.81	190.00	18.19	518.82	570.00	51.18	32,580.00	32,580.00	32,061.18

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Weatherstone at Highlands Ranch
Income Statement
For the Three Months Ending March 31, 2010

Account	Description	Current Month		Year-to-Date		Yearly Budget	Budget Remaining
		Actual	Budget	Favorable/ (Unfavorable)	Actual		
7300	Grounds						
7300	Grounds Maintenance	1,981.13	1,480.00	(501.13)	1,981.13	11,840.00	9,858.87
7350	Grounds outside of contract	214.80	375.00	160.20	799.00	3,000.00	2,201.00
7500	Annual Flower Planting	0.00	0.00	0.00	0.00	1,650.00	1,650.00
7550	Fence Maintenance	50.00	62.50	12.50	125.00	500.00	375.00
7600	Lighting Maintenance	0.00	125.00	125.00	0.00	1,000.00	1,000.00
7700	Sprinkler Repair	979.25	740.00	(239.25)	979.25	5,120.00	4,140.75
7800	Holiday Lighting	0.00	0.00	0.00	1,150.45	3,800.00	2,649.55
7820	Snow Removal	694.50	1,000.00	305.50	1,532.00	4,000.00	2,468.00
	Total Grounds	3,919.68	3,782.50	(137.18)	6,566.83	30,910.00	24,343.17
	Utilities						
8780	Electric	150.90	187.50	36.60	777.69	2,250.00	1,472.31
8900	Trash Removal	3,245.00	3,256.50	11.50	9,735.00	39,080.00	29,345.00
8950	Grounds Irrigation	37.50	40.00	2.50	112.50	6,080.00	5,967.50
	Total Utilities	3,433.40	3,484.00	50.60	10,625.19	47,410.00	36,784.81
	Total Expenses	12,127.92	13,531.50	1,403.58	29,631.71	167,866.00	138,234.29
	Net Operating Income (Loss)	(12,127.92)	(13,281.50)	1,153.58	12,072.29	0.00	12,072.29
	Reserve Income						
9000	Reserve Fund Income	1,448.00	1,448.00	0.00	4,352.00	17,384.00	(13,032.00)
9100	Reserve Fund Interest	140.72	263.75	(123.03)	271.36	3,164.71	(2,893.35)
	Total Reserve Income	1,588.72	1,711.75	(123.03)	4,623.36	20,548.71	(15,925.35)
	Reserve Expense						
9215	Pool Maintenance/Repair	0.00	0.00	0.00	0.00	1,316.09	1,316.09
9230	Metal Fence	0.00	0.00	0.00	0.00	3,000.00	3,000.00
9240	Wood Trellis	0.00	0.00	0.00	0.00	3,000.00	3,000.00
9235	Wood Privacy Fence	0.00	0.00	0.00	0.00	11,000.00	11,000.00
	Total Reserve Expense	0.00	0.00	0.00	0.00	18,316.09	18,316.09
	Net Reserve Income (Loss)	1,588.72	1,711.75	(123.03)	4,623.36	2,232.62	2,390.74
	Net Surplus (Deficit)	(10,539.20)	(11,569.75)	1,030.55	16,695.65	2,232.62	14,463.03