

Memo  
Weatherstone at Highlands Ranch Association, Inc  
Financial statements for the seven months ending July 31, 2014

**Balance sheet notes:**

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

**Income statement notes:**

Revenues are favorable to budget by \$380.23 due to savings in Legal Fee Revenue of \$728.85.

Administration expenses are unfavorable to budget by \$5,600.85 due to Legal Fees (\$6,428.85), Administrative (\$1,053.09), and Bank Charges (\$621.63). We have savings in Audit/Tax Prep (\$1,555.00), and Community Activities (\$687.12).

Pool Expenses are unfavorable to budget by \$7,216.35 due to variances in Pool Security (\$3,687.50), Pool Area Maintenance (\$1,878.55), and Pool Supplies/Light (\$585.53).

Grounds expenses are now favorable to budget by \$1,765.52 due to savings in Ground Improvements (\$5,231.25) and Sprinkler Repair (\$631.13). We have unfavorable variances in savings in Grounds Maintenance (\$2,102.29) and Lighting Maintenance (\$1,162.50).

Utilities expenses are favorable to budget by \$1,738.28 due to savings in Ground Irrigation (\$1,146.22) and Trash Removal (\$773.50). Electric is unfavorable to budget by \$181.44.

Net Operating Revenue after transfers to reserves is \$20,508.33 versus a budgeted Income of \$29,441.50, resulting in an unfavorable variance of \$8,933.17 due to the above mentioned items.

**Reserves:**

Reserve Fund Net Income is \$12,327.88 versus the budgeted Income of \$12,367.50, resulting in an unfavorable variance of \$39.62 due to Interest Income.

Kind Regards,

Highlands Ranch Community Association  
Subassociation Services

Weatherstone at Highlands Ranch  
Summary of All Units  
For the Seven Months Ending July 31, 2014

Account	Description	Operating	Reserve	Total
<b>ASSETS</b>				
<b>Operating Assets</b>				
1010	Operating - Wells Fargo	\$58,725.23	\$0.00	\$58,725.23
	Total Operating Assets	58,725.23	0.00	58,725.23
<b>Reserve Assets</b>				
1050	Reserve - Dain Rauscher	0.00	117,579.53	117,579.53
1055	Reserve - Dain Rauscher Change in	0.00	724.55	724.55
1190	Accrued Interest Income	0.00	94.54	94.54
	Total Reserve Assets	0.00	118,398.62	118,398.62
<b>Other Assets</b>				
1100	A/R Homeowners Dues	4,289.51	0.00	4,289.51
1625	Due From Reserves	327.00	0.00	327.00
1200	Prepaid Insurance	656.82	0.00	656.82
	Total Other Assets	5,273.33	0.00	5,273.33
	Total Assets	63,998.56	118,398.62	182,397.18
<b>LIABILITIES &amp; EQUITY</b>				
<b>Current Liabilities</b>				
2100	Prepaid Assess Homeowners dues	6,969.42	0.00	6,969.42
2000	Accounts Payable	3,765.16	0.00	3,765.16
2300	Unclaimed Expense	141.00	0.00	141.00
2600	Due to Operating From Reserve	0.00	327.00	327.00
	Total Liabilities	10,875.58	327.00	11,202.58
<b>Equity</b>				
3200	Retained Earnings	17,914.65	105,743.74	123,658.39
3500	Working Capital Fund Equity	14,700.00	0.00	14,700.00
3150	Current YTD Income (Loss)	20,508.33	12,327.88	32,836.21
	Total Fund Equity	53,122.98	118,071.62	171,194.60
	Total Liabilities & Equity	63,998.56	118,398.62	182,397.18

Weatherstone at Highlands Ranch  
Income Statement  
For the Seven Months Ending July 31, 2014

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Account	Description	Current Month		Favorable/ (Unfavorable)	Year-To-Date		Favorable/ (Unfavorable)	Yearly		
		Actual	Budget		Actual	Budget		Budget	Remaining	
<b>Revenue</b>										
4000	Assessment Revenue	45,276.00	45,276.00	0.00	135,828.00	135,828.00	0.00	181,104.00	(45,276.00)	
4400	Misc Income	0.00	0.00	0.00	75.00	50.00	25.00	50.00	25.00	
4050	Late Fee Revenue	(25.00)	0.00	(25.00)	151.38	500.00	(348.62)	1,000.00	(848.62)	
4150	Interest Fee Income	0.00	0.00	0.00	0.00	25.00	(25.00)	50.00	(50.00)	
4100 +	Legal Fee Revenue	0.00	0.00	0.00	1,228.85	500.00	728.85	1,000.00	228.85	
	Total Operating Income	45,251.00	45,276.00	(25.00)	137,283.23	136,903.00	380.23	183,204.00	(45,920.77)	
<b>Expenses</b>										
<b>Administration</b>										
5020	Audit/Tax Prep	0.00	1,500.00	1,500.00	275.00	1,830.00	1,555.00	1,830.00	1,555.00	
5370	Insurance	328.41	328.00	(0.41)	2,298.87	2,296.00	(2.87)	3,940.00	1,641.13	
5380 +	Taxes	0.00	0.00	0.00	0.00	0.00	0.00	180.00	180.00	
5390-0	Bank Charges	56.89	4.00	(52.89)	651.63	30.00	(621.63)	50.00	(601.63)	
5450	Legal Fees	810.00	125.00	(685.00)	7,303.85	875.00	(6,428.85)	1,500.00	(5,803.85)	
5490	Management Fee	1,746.45	1,650.00	(96.45)	11,625.15	11,560.00	(65.15)	19,810.00	8,184.85	
5500	Reserve Fund Transfer	1,724.50	1,724.50	0.00	12,072.50	12,072.50	0.00	20,695.00	8,622.50	
5700	Administrative	107.04	129.00	21.96	1,958.09	905.00	(1,053.09)	1,550.00	(408.09)	
5410	Community Activities	0.00	500.00	500.00	1,512.88	2,200.00	687.12	4,000.00	2,487.12	
5720	Web Site Maintenance	0.00	35.00	35.00	59.40	255.00	195.60	430.00	370.60	
5710	Postage	9.12	60.00	50.88	366.98	500.00	133.02	800.00	433.02	
	Total Administration	4,782.41	6,055.50	1,273.09	38,124.35	32,523.50	(5,600.85)	54,785.00	16,660.65	
<b>Pool</b>										
6900	Pool Cleaning	1,320.00	1,271.00	(49.00)	5,280.00	5,084.00	(196.00)	7,630.00	2,350.00	
6910	Pool Area Maintenance	0.00	83.00	83.00	2,212.55	334.00	(1,878.55)	500.00	(1,712.55)	
6940	Pool Supplies/Lights	0.00	0.00	0.00	585.53	0.00	(585.53)	0.00	(585.53)	
6960	Clubhouse Cleaning	540.00	421.00	(119.00)	1,492.00	1,688.00	196.00	2,530.00	1,038.00	
6970	Clubhouse/Pool Supplies	0.00	18.00	18.00	211.22	74.00	(137.22)	110.00	(101.22)	
6980	Pool Trash	318.00	0.00	(318.00)	318.00	0.00	(318.00)	0.00	(318.00)	
6930	Pool Security	3,915.00	820.00	(3,095.00)	11,007.50	7,320.00	(3,687.50)	8,300.00	(2,707.50)	
6985	Pool Gas	1,216.47	790.00	(426.47)	3,041.66	2,510.00	(531.66)	4,950.00	1,908.34	
6990	Pool Electric	742.12	565.00	(177.12)	1,695.64	1,795.00	99.36	3,540.00	1,844.36	
6995	Pool Area Irrigation	731.15	496.00	(235.15)	2,269.25	2,092.00	(177.25)	3,880.00	1,610.75	
	Total Pool	8,782.74	4,464.00	(4,318.74)	28,113.35	20,897.00	(7,216.35)	31,440.00	3,326.65	

Weatherstone at Highlands Ranch  
Income Statement  
For the Seven Months Ending July 31, 2014

Account	Description	Current Month		Year-To-Date		Favorable/ (Unfavorable)	Yearly Budget	Budget Remaining
		Actual	Budget	Actual	Budget			
	<b>Grounds</b>							
7300	Grounds Maintenance	2,112.69	2,167.50	12,939.79	10,837.50	(2,102.29)	17,340.00	4,400.21
7350	Grounds outside of contract	0.00	208.75	1,383.07	1,043.75	(339.32)	1,670.00	286.93
7400	Grounds Improvements	0.00	1,046.25	0.00	5,231.25	5,231.25	8,370.00	8,370.00
7550	Fence Maintenance	0.00	0.00	105.00	0.00	(105.00)	0.00	(105.00)
7600	Lighting Maintenance	0.00	0.00	1,482.50	320.00	(1,162.50)	620.00	(862.50)
7700	Sprinkler Repair	29.45	748.00	1,614.87	2,246.00	631.13	4,490.00	2,875.13
7800	Holiday Lighting	0.00	0.00	0.00	0.00	0.00	5,240.00	5,240.00
7820	Snow Removal	0.00	0.00	4,587.75	4,200.00	(387.75)	6,700.00	2,112.25
	Total Grounds	2,142.14	4,170.50	22,112.98	23,878.50	1,765.52	44,430.00	22,317.02
	<b>Utilities</b>							
8780	Electric	187.21	168.00	1,361.44	1,180.00	(181.44)	2,020.00	658.56
8900	Trash Removal	3,594.00	3,617.50	24,549.00	25,322.50	773.50	43,410.00	18,861.00
8950	Grounds Irrigation	1,141.95	1,250.00	2,513.78	3,660.00	1,146.22	7,000.00	4,486.22
	Total Utilities	4,923.16	5,035.50	28,424.22	30,162.50	1,738.28	52,430.00	24,005.78
	Total Expenses	20,630.45	19,725.50	116,774.90	107,461.50	(9,313.40)	183,085.00	66,310.10
	Net Operating Income (Loss)	24,620.55	25,550.50	20,508.33	29,441.50	(8,933.17)	119.00	20,389.33
	<b>Reserves</b>							
	<b>Reserve Income</b>							
9000	Reserve Fund Income	1,724.50	1,724.50	12,072.50	12,072.50	0.00	20,695.00	(8,622.50)
9100	Reserve Fund Interest	38.25	41.00	255.38	295.00	(39.62)	500.00	(244.62)
	Total Reserve Income	1,762.75	1,765.50	12,327.88	12,367.50	(39.62)	21,195.00	(8,867.12)
	<b>Reserve Expense</b>							
9430	Pool Cover	0.00	0.00	0.00	0.00	0.00	3,415.00	3,415.00
9435	Reserve - Pool	0.00	0.00	0.00	0.00	0.00	15,298.00	15,298.00
	Total Reserve Expense	0.00	0.00	0.00	0.00	0.00	18,713.00	18,713.00
	Net Reserve Income (Loss)	1,762.75	1,765.50	12,327.88	12,367.50	(39.62)	2,482.00	9,845.88
	Net Surplus (Deficit)	26,383.30	27,316.00	32,836.21	41,809.00	(8,972.79)	2,601.00	30,235.21