

Homeowners Association at Highlands Ranch Golf Club, Inc.

Financial Overview for the ten months ending October 31, 2009

Balance Sheet:

We are monitoring the Accounts Receivable assessments. A detailed list of the AR can be found on page 5.

OPERATING FUND:

Revenues:

Revenues are favorable to budget by \$1,190 due to Bad Debt Recover/Loss.

Revenues with offsetting expenses are unfavorable to budget by \$1,364 due to the Legal Collection Expense variance of \$6,678. However, Legal Fee Income is favorable to budget by \$5,953.

Expenses:

Administration Expenses are favorable to budget by \$10,956 due to savings in all but two line items. The largest savings are in Legal – General (\$6,813), Social Event Expense (\$2,592), Postage/Copies (\$1,081), and Administrative Expense (\$990). The two unfavorable variances are in Insurance Expense (\$2,858) and ARC Submittal Expense (\$280).

Grounds Expenses are favorable to budget by \$19,652 due to savings in Sprinkler Repairs (\$7,894), Tree Spraying (\$5,114), Landscape Improvements (\$4,772), Landscape Contract (\$3,190), Snow Removal (\$2,115), and Flower Contract (\$983). We do have unfavorable variances in Lighting Repairs (\$3,130), Grounds/common Area Maintenance (\$1,154), and Vandalism Repairs (\$398).

Utilities Expenses are favorable to budget by \$36,647 due to savings in Water Expense of \$35,705.

Total Operating Net Income/ (Loss) after transfers is \$110,803 versus the budgeted income of \$43,721 resulting in a favorable variance of \$67,082 due to the items mentioned above.

RESERVE FUND:

Reserve Revenue is favorable to budget by \$1,329 due to increased Interest Income.

Reserve Expenses have a favorable variance of \$23,393 due to no expenses in the budgeted line items of Wood Fence Repairs (\$15,000), and Tree – Replacement (\$5,000). We also see savings in Sprinkler Repairs of 17,525. We do have unfavorable variances in Mail Kiosks Repairs (\$6,487), Monument Sign variance (\$5,189), and Landscape Lighting Expense (\$1,573).

Total Reserve Net Income/ (Loss) is \$18,412 versus the budgeted loss of \$6,311 resulting in a favorable variance of \$24,722 due to the items mentioned above.

If you have any questions or concerns please don't hesitate to contact Brian Sheppelman.

Kind Regards,

HRCA, Subassociation Services