

# The Ranch at Prescott Homeowners Association

## Financial Statement Period Ending: July 31, 2014



**HOAMCO**<sup>®</sup>  
PROFESSIONAL COMMUNITY MANAGEMENT  
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**SERVING COMMUNITY ASSOCIATIONS SINCE 1991**

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Prescott, AZ 86301  
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Fiscal Year End: December 31  
Accounting Method: Accrual

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**The Ranch at Prescott HOA**  
 Balance Sheet  
 As of 07/31/14

| Account Description              | Operating         | Reserves         | Other      | Totals            |
|----------------------------------|-------------------|------------------|------------|-------------------|
| ASSETS                           |                   |                  |            |                   |
| AAFS Operating -6885             | 59,309.53         |                  |            | 59,309.53         |
| AAFS Operating MM -9228          | 54,361.70         |                  |            | 54,361.70         |
| AAFS Constr Dep -9236            | 23,500.00         |                  |            | 23,500.00         |
| AAFS Tennis Group MM -9244       | 149.75            |                  |            | 149.75            |
| AAFS Reserve MM -8089            |                   | 39,983.14        |            | 39,983.14         |
| Metro Bank OP MM                 | 242,437.97        |                  |            | 242,437.97        |
| <b>Total Cash</b>                | <b>379,758.95</b> | <b>39,983.14</b> | <b>.00</b> | <b>419,742.09</b> |
| A/R Assessments                  | 3,225.01          |                  |            | 3,225.01          |
| A/R Compliance Fee               | 627.50            |                  |            | 627.50            |
| A/R Late Fees                    | 706.72            |                  |            | 706.72            |
| A/R NSF/Collection Notice Fees   | 810.00            |                  |            | 810.00            |
| A/R Other                        | 1,005.00          |                  |            | 1,005.00          |
| Allowance for Bad Debt           | (1,088.37)        |                  |            | (1,088.37)        |
| <b>Total Accounts Receivable</b> | <b>5,285.86</b>   | <b>.00</b>       | <b>.00</b> | <b>5,285.86</b>   |
| Prepaid Insurance                | 2,533.48          |                  |            | 2,533.48          |
| Street Light Posts               | 402.41            |                  |            | 402.41            |
| <b>Total Other Assets</b>        | <b>2,935.89</b>   | <b>.00</b>       | <b>.00</b> | <b>2,935.89</b>   |
| <b>TOTAL ASSETS</b>              | <b>387,980.70</b> | <b>39,983.14</b> | <b>.00</b> | <b>427,963.84</b> |
| =====                            | =====             | =====            | =====      | =====             |

LIABILITIES & EQUITY

CURRENT LIABILITIES:

|                               |                  |            |            |                  |
|-------------------------------|------------------|------------|------------|------------------|
| Prepaid Owner Assessments     | 455.25           |            |            | 455.25           |
| Accounts Payable              | 970.00           |            |            | 970.00           |
| NSF/Collection Notice Payable | 840.00           |            |            | 840.00           |
| Arc Review Fees Payable       | 150.00           |            |            | 150.00           |
| Construction Deposits Payable | 23,500.00        |            |            | 23,500.00        |
| <b>Total Liabilities</b>      | <b>25,915.25</b> | <b>.00</b> | <b>.00</b> | <b>25,915.25</b> |

EQUITY:

|                |            |           |  |            |
|----------------|------------|-----------|--|------------|
| Operating Fund | 321,096.05 |           |  | 321,096.05 |
| Reserve Fund   |            | 55,914.38 |  | 55,914.38  |

**The Ranch at Prescott HOA**  
Balance Sheet  
As of 07/31/14

| Account Description            | Operating         | Reserves         | Other      | Totals            |
|--------------------------------|-------------------|------------------|------------|-------------------|
| Current Year Net Income/(Loss) | 40,969.40         | (15,931.24)      | .00        | 25,038.16         |
| Total Equity                   | <u>362,065.45</u> | <u>39,983.14</u> | <u>.00</u> | <u>402,048.59</u> |
| TOTAL LIABILITIES & EQUITY     | <u>387,980.70</u> | <u>39,983.14</u> | <u>.00</u> | <u>427,963.84</u> |
|                                | =====             | =====            | =====      | =====             |

**The Ranch at Prescott HOA**  
Income/Expense Statement - Operating Fund  
Period: 07/01/14 to 07/31/14

| Account                | Description                         | Current Period  |                 |                   | Year-To-Date      |                   |                   | Yearly Budget     |
|------------------------|-------------------------------------|-----------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                        |                                     | Actual          | Budget          | Variance          | Actual            | Budget            | Variance          |                   |
| INCOME:                |                                     |                 |                 |                   |                   |                   |                   |                   |
| 41000-000              | Homeowner Assessments               | .00             | .00             | .00               | 114,750.00        | 114,750.00        | .00               | 114,750.00        |
| 41300-000              | Developer Assessments               | .00             | .00             | .00               | 875.00            | .00               | 875.00            | .00               |
| 42300-000              | Weed Abatement Income               | .00             | .00             | .00               | 14,625.00         | 16,000.00         | (1,375.00)        | 16,000.00         |
| 43000-000              | Late Fees                           | .00             | .00             | .00               | 725.00            | .00               | 725.00            | .00               |
| 43100-000              | Assessment Interest                 | (12.11)         | .00             | (12.11)           | 73.73             | .00               | 73.73             | .00               |
| 44000-000              | Rental Admin Fee                    | .00             | .00             | .00               | 100.00            | .00               | 100.00            | .00               |
| 46000-000              | Interest Income                     | 89.37           | 180.00          | (90.63)           | 730.26            | 1,260.00          | (529.74)          | 2,160.00          |
| 48000-000              | Compliance Fee                      | .00             | .00             | .00               | 400.00            | .00               | 400.00            | .00               |
| 48500-000              | Intent to Lien                      | 35.00           | .00             | 35.00             | 385.00            | .00               | 385.00            | .00               |
| 48600-000              | Lien Fee                            | 135.00          | .00             | 135.00            | 405.00            | .00               | 405.00            | .00               |
|                        | <b>TOTAL INCOME</b>                 | <b>247.26</b>   | <b>180.00</b>   | <b>67.26</b>      | <b>133,068.99</b> | <b>132,010.00</b> | <b>1,058.99</b>   | <b>132,910.00</b> |
| EXPENSES:              |                                     |                 |                 |                   |                   |                   |                   |                   |
| Administrative Expense |                                     |                 |                 |                   |                   |                   |                   |                   |
| 51000-000              | Accounting/Tax Prep Fees            | .00             | .00             | .00               | 600.00            | 750.00            | 150.00            | 750.00            |
| 52000-000              | Bad Debt                            | .00             | 500.00          | 500.00            | 365.87            | 1,000.00          | 634.13            | 1,000.00          |
| 54000-000              | Insurance                           | 2,533.47        | .00             | (2,533.47)        | 4,987.95          | 4,850.00          | (137.95)          | 4,850.00          |
| 55000-000              | Legal Fees                          | 367.50          | 500.00          | 132.50            | 1,225.00          | 3,500.00          | 2,275.00          | 6,000.00          |
| 55300-000              | Lien Fees                           | 45.00           | 50.00           | 5.00              | 685.00            | 350.00            | (335.00)          | 600.00            |
| 55500-000              | Long Distance/Fax                   | 6.00            | 10.00           | 4.00              | 26.00             | 70.00             | 44.00             | 120.00            |
| 56000-000              | Management Fees                     | 4,214.00        | 4,214.00        | .00               | 29,498.00         | 29,498.00         | .00               | 50,568.00         |
| 56500-000              | Meetings                            | .00             | .00             | .00               | 300.00            | .00               | (300.00)          | 1,200.00          |
| 57000-000              | Newsletter                          | 710.95          | 500.00          | (210.95)          | 710.95            | 1,500.00          | 789.05            | 2,000.00          |
| 58000-000              | Office Supplies                     | 86.25           | 40.00           | (46.25)           | 419.17            | 280.00            | (139.17)          | 480.00            |
| 58100-000              | Postage                             | 475.54          | 500.00          | 24.46             | 2,291.61          | 1,600.00          | (691.61)          | 3,550.00          |
| 58200-000              | Printing                            | 8.25            | 400.00          | 391.75            | 2,541.55          | 2,800.00          | 258.45            | 4,800.00          |
| 58500-000              | Professional Services               | 425.00          | 50.00           | (375.00)          | 8,289.25          | 350.00            | (7,939.25)        | 600.00            |
| 58600-000              | Website administration              | 14.95           | 100.00          | 85.05             | 67.90             | 700.00            | 632.10            | 1,200.00          |
|                        | <b>Total Administrative Expense</b> | <b>8,886.91</b> | <b>6,864.00</b> | <b>(2,022.91)</b> | <b>52,008.25</b>  | <b>47,248.00</b>  | <b>(4,760.25)</b> | <b>77,718.00</b>  |
| Common Area Expense    |                                     |                 |                 |                   |                   |                   |                   |                   |
| 61000-000              | Landscape Maintenance               | 925.00          | 1,050.00        | 125.00            | 3,700.00          | 4,200.00          | 500.00            | 6,300.00          |
| 61200-000              | Landscape - Other                   | 45.00           | 1,100.00        | 1,055.00          | 45.00             | 2,150.00          | 2,105.00          | 3,200.00          |
| 61300-000              | Weed abatement                      | .00             | 5,000.00        | 5,000.00          | 4,875.00          | 15,000.00         | 10,125.00         | 15,000.00         |
| 64000-000              | Repairs & Maintenance               | .00             | 100.00          | 100.00            | 18,398.34         | 300.00            | (18,098.34)       | 400.00            |
| 64600-000              | Repairs/Maint - Drainage            | .00             | 100.00          | 100.00            | .00               | 300.00            | 300.00            | 400.00            |
|                        | <b>Total Common Area Expense</b>    | <b>970.00</b>   | <b>7,350.00</b> | <b>6,380.00</b>   | <b>27,018.34</b>  | <b>21,950.00</b>  | <b>(5,068.34)</b> | <b>25,300.00</b>  |

**The Ranch at Prescott HOA**  
 Income/Expense Statement - Operating Fund  
 Period: 07/01/14 to 07/31/14

| Account                 | Description                         | Actual             | Current Period     |                 | Actual           | Year-To-Date     |                   | Yearly Budget     |
|-------------------------|-------------------------------------|--------------------|--------------------|-----------------|------------------|------------------|-------------------|-------------------|
|                         |                                     |                    | Budget             | Variance        |                  | Budget           | Variance          |                   |
| Utilities Expense       |                                     |                    |                    |                 |                  |                  |                   |                   |
|                         | Total Utilities Expense             | .00                | .00                | .00             | .00              | .00              | .00               | .00               |
| Tax Expense             |                                     |                    |                    |                 |                  |                  |                   |                   |
| 71000-000               | Corporation Commission              | .00                | .00                | .00             | 10.00            | 10.00            | .00               | 10.00             |
| 72000-000               | Federal Taxes                       | .00                | .00                | .00             | .00              | 1,500.00         | 1,500.00          | 2,275.00          |
| 72500-000               | State Taxes                         | .00                | .00                | .00             | 50.00            | .00              | (50.00)           | 1,050.00          |
| 73000-000               | Property Taxes                      | .00                | .00                | .00             | .00              | .00              | .00               | 27.00             |
|                         | Total Tax Expense                   | .00                | .00                | .00             | 60.00            | 1,510.00         | 1,450.00          | 3,362.00          |
| Other Expense           |                                     |                    |                    |                 |                  |                  |                   |                   |
| 82000-000               | Contingency                         | .00                | 350.00             | 350.00          | .00              | 2,450.00         | 2,450.00          | 4,200.00          |
|                         | Total Other Expense                 | .00                | 350.00             | 350.00          | .00              | 2,450.00         | 2,450.00          | 4,200.00          |
|                         | <b>TOTAL EXPENSES</b>               | <b>9,856.91</b>    | <b>14,564.00</b>   | <b>4,707.09</b> | <b>79,086.59</b> | <b>73,158.00</b> | <b>(5,928.59)</b> | <b>110,580.00</b> |
|                         | <b>CURRENT NET INCOME/(LOSS)</b>    | <b>(9,609.65)</b>  | <b>(14,384.00)</b> | <b>4,774.35</b> | <b>53,982.40</b> | <b>58,852.00</b> | <b>(4,869.60)</b> | <b>22,330.00</b>  |
| TRANSFER BETWEEN FUNDS: |                                     |                    |                    |                 |                  |                  |                   |                   |
| 98000-000               | Transfer to Reserves                | (1,859.00)         | (1,859.00)         | .00             | (13,013.00)      | (13,013.00)      | .00               | (22,330.00)       |
|                         | <b>INCOME/(LOSS) AFTER TRANSFER</b> | <b>(11,468.65)</b> | <b>(16,243.00)</b> | <b>4,774.35</b> | <b>40,969.40</b> | <b>45,839.00</b> | <b>(4,869.60)</b> | <b>.00</b>        |
| =====                   |                                     |                    |                    |                 |                  |                  |                   |                   |

**The Ranch at Prescott HOA**  
 Income/Expense Statement - Reserve Fund  
 Period: 07/01/14 to 07/31/14

| Account                 | Description                  | Current Period |          |          | Year-To-Date |           |             | Yearly Budget |
|-------------------------|------------------------------|----------------|----------|----------|--------------|-----------|-------------|---------------|
|                         |                              | Actual         | Budget   | Variance | Actual       | Budget    | Variance    |               |
| INCOME:                 |                              |                |          |          |              |           |             |               |
| 46000-002               | Interest Income-Reserve      | 6.48           | .00      | 6.48     | 55.76        | .00       | 55.76       | .00           |
|                         | TOTAL INCOME                 | 6.48           | .00      | 6.48     | 55.76        | .00       | 55.76       | .00           |
| EXPENSES:               |                              |                |          |          |              |           |             |               |
| 83000-002               | Firewise Expense - Reserve   | .00            | .00      | .00      | 29,000.00    | .00       | (29,000.00) | .00           |
|                         | TOTAL EXPENSES               | .00            | .00      | .00      | 29,000.00    | .00       | (29,000.00) | .00           |
|                         | CURRENT NET INCOME/(LOSS)    | 6.48           | .00      | 6.48     | (28,944.24)  | .00       | (28,944.24) | .00           |
| TRANSFER BETWEEN FUNDS: |                              |                |          |          |              |           |             |               |
| 98000-002               | Transfer from Operating      | 1,859.00       | 1,859.00 | .00      | 13,013.00    | 13,013.00 | .00         | 22,330.00     |
|                         | INCOME/(LOSS) AFTER TRANSFER | 1,865.48       | 1,859.00 | 6.48     | (15,931.24)  | 13,013.00 | (28,944.24) | 22,330.00     |
| =====                   |                              |                |          |          |              |           |             |               |