

The Ranch at Prescott HOA

Balance Sheet

As of 10/31/09

| Account Description | Operating | Reserves | Other | Totals |
|----------------------------------|-------------------|------------------|------------|-------------------|
| ASSETS | | | | |
| CAB - Operating | 4,141.83 | | | 4,141.83 |
| CAB - Reserve Money Market | | 28,770.74 | | 28,770.74 |
| CAB - Operating MM | 79,167.90 | | | 79,167.90 |
| CAB - Tennis Group MM | 148.11 | | | 148.11 |
| CAB - Construction Deposit MM | 16,010.50 | | | 16,010.50 |
| BNC CD-316 (6/2/10) 2.59% | 25,000.00 | | | 25,000.00 |
| BNC CD-317 (6/2/10) 2.59% | 50,000.00 | | | 50,000.00 |
| Heritage OP CD (2/28/10) 1.98% | 26,242.42 | | | 26,242.42 |
| CAB Oper CD (7/12/10) 1.98% | 25,858.79 | | | 25,858.79 |
| Total Cash | 226,569.55 | 28,770.74 | .00 | 255,340.29 |
| A/R Assessments | 3,118.46 | | | 3,118.46 |
| A/R Compliance Fee | 150.00 | | | 150.00 |
| A/R Late Fees | 405.62 | | | 405.62 |
| A/R SF/Collection Notice Fees | 1,006.00 | | | 1,006.00 |
| A/R Other | 3,223.12 | | | 3,223.12 |
| Allowance for Bad Debt | (1,500.00) | | | (1,500.00) |
| Total Accounts Receivable | 6,403.20 | .00 | .00 | 6,403.20 |
| Prepaid Insurance | 2,078.50 | | | 2,078.50 |
| Street Light Posts | 1,805.21 | | | 1,805.21 |
| Total Other Assets | 3,883.71 | .00 | .00 | 3,883.71 |
| TOTAL ASSETS | 236,856.46 | 28,770.74 | .00 | 265,627.20 |

LIABILITIES & EQUITY

CURRENT LIABILITIES:

| | | | | |
|-------------------------------|------------------|------------|------------|------------------|
| Prepaid Owner Assessments | 937.49 | | | 937.49 |
| NSF/Collection Notice Payable | 1,051.00 | | | 1,051.00 |
| Transfer/Disclosure Fee | 300.00 | | | 300.00 |
| Arc Review Fees Payable | 25.00 | | | 25.00 |
| Construction Deposits Payable | 16,000.00 | | | 16,000.00 |
| Total Liabilities | 18,313.49 | .00 | .00 | 18,313.49 |

The Ranch at Prescott HOA
Balance Sheet
As of 10/31/09

| Account Description | Operating | Reserves | Other | Totals |
|---------------------------------------|-------------------|------------------|------------|-------------------|
| EQUITY: | | | | |
| Operating Fund | 196,416.57 | | | 196,416.57 |
| Reserve Fund | | 29,699.78 | | 29,699.78 |
| Current Year Net Income/(Loss) | 22,126.40 | (929.04) | .00 | 21,197.36 |
| Total Equity | <u>218,542.97</u> | <u>28,770.74</u> | <u>.00</u> | <u>247,313.71</u> |
| TOTAL LIABILITIES & EQUITY | <u>236,856.46</u> | <u>28,770.74</u> | <u>.00</u> | <u>265,627.20</u> |

Time: 10:09 AM

The Ranch at Prescott HOA
Income/Expense Statement - Operating Fund

Period: 10/01/09 to 10/31/09

** Current Year Vs. Prior Year **

| Account | Description | Current Actual | Same Period Prior | Last Year Variance | Year-To-Date Actual | Year-To-Date Prior | Last Year Variance | Yearly Budget |
|-------------------------------|-------------------------------------|-------------------|----------------------|-----------------------|------------------------|-----------------------|-----------------------|-------------------|
| INCOME: | | | | | | | | |
| 41000-000 | Homeowner Assessments | .00 | .00 | .00 | 114,625.00 | 114,625.00 | .00 | 115,375.00 |
| 42100-000 | Collection Agency Fee | .00 | .00 | .00 | 100.00 | .00 | 100.00 | .00 |
| 42300-000 | Weed Abatement Income | .00 | .00 | .00 | 15,300.00 | 17,175.00 | (1,875.00) | .00 |
| 43000-000 | Late Fees | .00 | .00 | .00 | 887.00 | 723.11 | 163.89 | .00 |
| 43100-000 | Assessment Interest | .00 | .00 | .00 | .00 | (5.28) | 5.28 | .00 |
| 44000-000 | Rental Admin Fee | .00 | .00 | .00 | 100.00 | 300.00 | (200.00) | .00 |
| 46000-000 | Interest Income | 302.78 | 246.50 | 56.28 | 2,562.38 | 3,209.77 | (647.39) | .00 |
| 48000-000 | Compliance Fee | 25.00 | .00 | 25.00 | 150.00 | 225.00 | (75.00) | .00 |
| 48600-000 | Lien Fee | (405.00) | .00 | (405.00) | (135.00) | .00 | (135.00) | .00 |
| 49000-000 | Other Income | .00 | .00 | .00 | 1.79 | .00 | 1.79 | .00 |
| | TOTAL INCOME | (77.22) | 246.50 | (323.72) | 133,591.17 | 136,252.60 | (2,661.43) | 115,375.00 |
| EXPENSES: | | | | | | | | |
| Administrative Expense | | | | | | | | |
| 51000-000 | Accounting/Tax Prep Fees | .00 | .00 | .00 | 4,150.00 | 775.00 | (3,375.00) | 6,500.00 |
| 51000-000 | Bad Debt | 203.16 | .00 | (203.16) | 253.95 | 1,111.31 | 857.36 | 3,462.00 |
| 54000-000 | Insurance | .00 | .00 | .00 | 4,393.75 | 6,241.00 | 1,847.25 | 4,850.00 |
| 54500-000 | Intent to Lien Fees | .00 | .00 | .00 | 35.00 | 140.00 | 105.00 | .00 |
| 55000-000 | Legal Fees | 292.50 | (92.18) | (384.68) | 438.75 | 4,557.49 | 4,118.74 | 9,000.00 |
| 55200-000 | Licenses/Permits | .00 | .00 | .00 | 63.00 | .00 | (63.00) | .00 |
| 55300-000 | Lien Fees | .00 | .00 | .00 | 438.00 | 205.00 | (233.00) | .00 |
| 55400-000 | Collection Agency Costs | .00 | .00 | .00 | 100.00 | .00 | (100.00) | .00 |
| 55500-000 | Long Distance/Fax | 8.00 | 3.00 | (5.00) | 43.00 | 47.00 | 4.00 | 595.00 |
| 56000-000 | Management Fees | 3,975.00 | 3,859.00 | (116.00) | 39,750.00 | 38,590.00 | (1,160.00) | 47,700.00 |
| 56500-000 | Meetings | .00 | .00 | .00 | 2,087.88 | 1,625.42 | (462.46) | 3,625.00 |
| 57000-000 | Newsletter | 744.39 | 452.37 | (292.02) | 2,786.73 | 2,022.15 | (764.58) | 3,400.00 |
| 58000-000 | Office Supplies | 4.80 | 1.05 | (3.75) | 498.29 | 298.85 | (199.44) | 900.00 |
| 58100-000 | Postage | 143.33 | 22.28 | (121.05) | 1,896.54 | 2,360.36 | 463.82 | 4,500.00 |
| 58200-000 | Printing | 357.45 | 53.10 | (304.35) | 5,232.96 | 3,370.59 | (1,862.37) | 7,750.00 |
| 58500-000 | Professional Services | 100.00 | 300.00 | 200.00 | 6,108.40 | 6,297.50 | 189.10 | 1,500.00 |
| 58600-000 | Website administration | 40.00 | .00 | (40.00) | 262.95 | .00 | (262.95) | 1,200.00 |
| 59000-000 | Website - DO NOT USE | .00 | 50.00 | 50.00 | .00 | 252.95 | 252.95 | .00 |
| | Total Administrative Expense | 5,868.63 | 4,648.62 | (1,220.01) | 68,539.20 | 67,894.62 | (644.58) | 94,982.00 |
| Common Area Expense | | | | | | | | |
| 61000-000 | Landscape Maintenance | 925.00 | 650.00 | (275.00) | 6,475.00 | 5,385.00 | (1,090.00) | 6,000.00 |
| 61000-000 | Landscape Supplies/Labor | .00 | 225.00 | 225.00 | 250.00 | 225.00 | (25.00) | .00 |
| 61000-000 | Landscape - Other | 820.00 | .00 | (820.00) | 1,810.00 | 75.00 | (1,735.00) | 3,183.00 |
| 61300-000 | Weed abatement | .00 | 4,200.00 | 4,200.00 | 13,575.00 | 14,220.00 | 645.00 | 15,200.00 |
| 64000-000 | Repairs & Maintenance | .00 | .00 | .00 | 675.00 | 596.58 | (78.42) | 3,200.00 |

The Ranch at Prescott HOA
 Income/Expense Statement - Operating Fund

Period: 10/01/09 to 10/31/09 ** Current Year Vs. Prior Year **

| Account | Description | Current Actual | Same Period Prior | Last Year Variance | Year-To-Date Actual | Year-To-Date Prior | Last Year Variance | Yearly Budget |
|--------------------------------|--------------------------------------|--------------------|-------------------|--------------------|---------------------|--------------------|--------------------|--------------------|
| 64600-000 | Repairs/Maint - Drainage | 448.50 | .00 | (448.50) | 1,937.75 | .00 | (1,937.75) | .00 |
| | Total Common Area Expense | 2,193.50 | 5,075.00 | 2,881.50 | 24,722.75 | 20,501.58 | (4,221.17) | 27,583.00 |
| 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 | 1,069.00 | 1,069.00 | 1,375.00 |
| 72500-000 | State Taxes | .00 | .00 | .00 | .00 | 263.00 | 263.00 | 375.00 |
| 73000-000 | Property Taxes | 19.80 | 18.84 | (.96) | 19.80 | 18.84 | (.96) | 25.00 |
| | Total Tax Expense | 19.80 | 18.84 | (.96) | 29.80 | 1,360.84 | 1,331.04 | 1,785.00 |
| Other Expense | | | | | | | | |
| 82000-000 | Contingency | .00 | .00 | .00 | .00 | .00 | .00 | 8,500.00 |
| 88500-000 | Signs/Flags/Banners | .00 | .00 | .00 | 508.02 | .00 | (508.02) | .00 |
| | Total Other Expense | .00 | .00 | .00 | 508.02 | .00 | (508.02) | 8,500.00 |
| | TOTAL EXPENSES | 8,081.93 | 9,742.46 | 1,660.53 | 93,799.77 | 89,757.04 | (4,042.73) | 132,850.00 |
| | CURRENT NET INCOME/(LOSS) | (8,159.15) | (9,495.96) | 1,336.81 | 39,791.40 | 46,495.56 | (6,704.16) | (17,475.00) |
| TRANSFER BETWEEN FUNDS: | | | | | | | | |
| 98000-000 | Transfer to Reserves | (17,665.00) | .00 | (17,665.00) | (17,665.00) | .00 | (17,665.00) | .00 |
| | INCOME/(LOSS) AFTER TRANSFERS | (25,824.15) | (9,495.96) | (16,328.19) | 22,126.40 | 46,495.56 | (24,369.16) | (17,475.00) |

The Ranch at Prescott HOA
 Income/Expense Statement - Reserve Fund

Period: 10/01/09 to 10/31/09 ** Current Year Vs. Prior Year **

| Account | Description | Current Actual | Same Period Prior | Last Year Variance | Year-To-Date Actual | Year-To-Date Prior | Last Year Variance | Yearly Budget |
|--------------------------------|--------------------------------------|------------------|-------------------|--------------------|---------------------|--------------------|--------------------|-----------------|
| INCOME: | | | | | | | | |
| 46000-002 | Interest Income-Reserve | 6.60 | 36.11 | (29.51) | 225.96 | 282.56 | (56.60) | 2,475.00 |
| | TOTAL INCOME | 6.60 | 36.11 | (29.51) | 225.96 | 282.56 | (56.60) | 2,475.00 |
| EXPENSES: | | | | | | | | |
| 94200-002 | Landscaping - Reserves | .00 | .00 | .00 | 1,155.00 | .00 | (1,155.00) | .00 |
| 94300-002 | Drainage - Reserves | .00 | .00 | .00 | 17,665.00 | .00 | (17,665.00) | .00 |
| | TOTAL EXPENSES | .00 | .00 | .00 | 18,820.00 | .00 | (18,820.00) | .00 |
| | CURRENT NET INCOME/(LOSS) | 6.60 | 36.11 | (29.51) | (18,594.04) | 282.56 | (18,876.60) | 2,475.00 |
| TRANSFER BETWEEN FUNDS: | | | | | | | | |
| 98000-002 | Transfer from Operating | 17,665.00 | .00 | 17,665.00 | 17,665.00 | .00 | 17,665.00 | .00 |
| | INCOME/(LOSS) AFTER TRANSFERS | 17,671.60 | 36.11 | 17,635.49 | (929.04) | 282.56 | (1,211.60) | 2,475.00 |