

**Highline Meadows Condo Association****BALANCE SHEET****For Period Ending 06/30/2008****ASSETS**

|                                   |                    |
|-----------------------------------|--------------------|
| Operating Cash                    |                    |
| CAB - Operating                   | 40,928.78          |
| <b>TOTAL Operating Cash</b>       | <b>40,928.78</b>   |
| Reserve Account                   |                    |
| CAB - MMA                         | 19,799.10          |
| <b>TOTAL Reserve Account</b>      | <b>19,799.10</b>   |
| Accounts Receivable               |                    |
| Accounts Receivable               | 119,125.89         |
| Special Assessment - AR           | 46,633.13          |
| <b>TOTAL Accounts Receivable</b>  | <b>165,759.02</b>  |
| Other Current Assets              |                    |
| Allowance For Doubtful Accounts   | (19,897.95)        |
| Prepaid Taxes                     | 1,140.00           |
| <b>TOTAL Other Current Assets</b> | <b>(18,757.95)</b> |
| Fixed Assets                      |                    |
| Lift Station Costs                | 109,073.30         |
| Acc Dep - Lift Station            | (20,298.00)        |
| Equipment, Furniture & Fixtures   | 23,855.31          |
| <b>TOTAL Fixed Assets</b>         | <b>112,630.61</b>  |
| <b>TOTAL ASSETS</b>               | <b>320,359.56</b>  |

**LIABILITIES**

|                                      |                  |
|--------------------------------------|------------------|
| Other Current Liability              |                  |
| AP - D/L & Tracking                  | (180.00)         |
| Security Deposits                    | 400.00           |
| Prepaid Dues                         | 20,432.04        |
| Pool Key Deposits                    | 2,450.00         |
| <b>TOTAL Other Current Liability</b> | <b>23,102.04</b> |
| Long Term Liability                  |                  |
| CAB - Truck Loan                     | 8,841.77         |
| CAB - ATV Loan                       | 5,222.27         |
| <b>TOTAL Long Term Liability</b>     | <b>14,064.04</b> |
| <b>TOTAL LIABILITIES</b>             | <b>37,166.08</b> |

**EQUITY**

|                         |                   |
|-------------------------|-------------------|
| Equity                  |                   |
| Fund Balance            | 106,126.25        |
| Fund Balance - Reserves | 90,678.89         |
| Retained Earnings       | (56,389.08)       |
| <b>TOTAL Equity</b>     | <b>140,416.06</b> |
| Current Year Net Income | 142,777.42        |
| <b>TOTAL EQUITY</b>     | <b>283,193.48</b> |

|                                       |                   |
|---------------------------------------|-------------------|
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>320,359.56</b> |
|---------------------------------------|-------------------|

**Highline Meadows Condo Association**  
**REVENUE EXPENSE STATEMENT**  
**For Period Ending 06/30/2008**

| Jun Act                        | Jun Bud   | Jun Var   |                                 | YTD Act             | YTD Bud           | YTD Var            | Tot Budget        |
|--------------------------------|-----------|-----------|---------------------------------|---------------------|-------------------|--------------------|-------------------|
| <b>INCOME</b>                  |           |           |                                 |                     |                   |                    |                   |
| <b>Assessment Income</b>       |           |           |                                 |                     |                   |                    |                   |
| 28,545.60                      | 28,563.80 | -18.20    | Condo Assessment                | 331,454.80          | 331,546.00        | -91.20             | 331,546.00        |
| 13,418.40                      | 13,418.10 | 0.30      | Condo Main/Util/HVAC            | 158,462.40          | 158,463.00        | -0.60              | 158,463.00        |
| 18,233.00                      | 18,233.00 | 0.00      | Townhome Assessments            | 212,454.00          | 212,454.00        | 0.00               | 212,454.00        |
| 973.42                         | 500.00    | 473.42    | Late Fee/Covenant Violation     | 13,175.64           | 6,000.00          | 7,175.64           | 6,000.00          |
| 50.00                          | 0.00      | 50.00     | Transfer Fee Income             | 950.00              | 0.00              | 950.00             | 0.00              |
| 0.00                           | 0.00      | 0.00      | Vending Income                  | 152.51              | 100.00            | 52.51              | 100.00            |
| 0.00                           | 50.00     | -50.00    | Clubhouse/Cabana Rent/Fees      | 350.00              | 250.00            | 100.00             | 250.00            |
| 15.02                          | 0.00      | 15.02     | Interest Income Operating       | 144.17              | 0.00              | 144.17             | 0.00              |
| 0.00                           | 0.00      | 0.00      | Insurance Claim Income -Fire    | 2,496.10            | 0.00              | 2,496.10           | 0.00              |
| 3,946.02                       | 415.00    | 3,531.02  | Legal Fee Income                | 34,884.33           | 5,000.00          | 29,884.33          | 5,000.00          |
| 0.00                           | 0.00      | 0.00      | Miscellaneous Income            | 2,053.00            | 0.00              | 2,053.00           | 0.00              |
| 1,250.00                       | 1,235.00  | 15.00     | Rental Unit Income              | 14,700.00           | 14,700.00         | 0.00               | 14,700.00         |
| 570.00                         | 800.00    | -230.00   | Garage Rental Income            | 6,125.00            | 9,200.00          | -3,075.00          | 9,200.00          |
| 1,230.00                       | 1,275.00  | -45.00    | Laundry Income                  | 16,399.15           | 15,300.00         | 1,099.15           | 15,300.00         |
| 0.00                           | 1,068.00  | -1,068.00 | BR Lift Station Income          | 6,438.26            | 5,068.00          | 1,370.26           | 5,068.00          |
| 68,231.46                      | 65,557.90 | 2,673.56  | <b>TOTAL Assessment Income</b>  | <b>600,239.36</b>   | <b>758,081.00</b> | <b>42,158.36</b>   | <b>758,081.00</b> |
| <b>Special Assessment</b>      |           |           |                                 |                     |                   |                    |                   |
| 0.00                           | 0.00      | 0.00      | Special Assessment              | 250,085.00          | 0.00              | 250,085.00         | 0.00              |
| 0.00                           | 0.00      | 0.00      | <b>TOTAL Special Assessment</b> | <b>250,085.00</b>   | <b>0.00</b>       | <b>250,085.00</b>  | <b>0.00</b>       |
| 68,231.46                      | 65,557.90 | 2,673.56  | <b>TOTAL INCOME</b>             | <b>1,050,324.36</b> | <b>758,081.00</b> | <b>292,243.36</b>  | <b>758,081.00</b> |
| <b>EXPENSES</b>                |           |           |                                 |                     |                   |                    |                   |
| <b>Administrative Expenses</b> |           |           |                                 |                     |                   |                    |                   |
| 5,500.00                       | 4,250.00  | -1,250.00 | Management Fee                  | 56,450.00           | 51,000.00         | -5,450.00          | 51,000.00         |
| 160.00                         | 50.00     | -110.00   | Administrative                  | 705.00              | 500.00            | -205.00            | 500.00            |
| 496.68                         | 1,000.00  | 503.32    | Copies, Printing                | 4,219.26            | 6,000.00          | 1,780.72           | 6,000.00          |
| 155.53                         | 250.00    | 94.47     | Postage & Delivery              | 2,241.69            | 4,000.00          | 1,758.31           | 4,000.00          |
| 78.16                          | 205.00    | 126.84    | Office Supplies                 | 2,167.10            | 2,500.00          | 332.90             | 2,500.00          |
| -140.00                        | 37.50     | 177.50    | Bank Fees                       | 85.00               | 450.00            | 365.00             | 450.00            |
| 0.00                           | 50.00     | 50.00     | Meeting Expenses                | 123.24              | 650.00            | 526.76             | 650.00            |
| -1,272.85                      | 0.00      | 1,272.85  | Legal Fees                      | 0.00                | 0.00              | 0.00               | 0.00              |
| 3,964.22                       | 417.50    | -3,546.72 | Legal Fees - Collections        | 34,978.48           | 5,000.00          | -29,978.48         | 5,000.00          |
| 336.00                         | 584.00    | 248.00    | Legal Fees - Governing Docs     | 1,410.00            | 7,000.00          | 5,590.00           | 7,000.00          |
| 1,432.85                       | 150.00    | -1,282.85 | Legal Fees - Ordinary           | 8,658.85            | 1,800.00          | -6,858.85          | 1,800.00          |
| 0.00                           | 0.00      | 0.00      | Annual Meeting Expenses         | 147.00              | 0.00              | -147.00            | 0.00              |
| 2,500.00                       | 0.00      | -2,500.00 | Audit & Tax Return Prep         | 2,875.00            | 1,800.00          | -1,075.00          | 1,800.00          |
| 59.64                          | 451.91    | 392.27    | Truck Loan Interest             | 907.21              | 5,423.00          | 4,515.79           | 5,423.00          |
| 35.50                          | 292.83    | 257.33    | ATV Loan Interest               | 481.61              | 3,514.00          | 3,032.39           | 3,514.00          |
| 0.00                           | 0.00      | 0.00      | Newsletter                      | 219.23              | 900.00            | 680.77             | 900.00            |
| -16,556.70                     | 1,334.00  | 17,890.70 | Bad Debt                        | 0.00                | 16,000.00         | 16,000.00          | 16,000.00         |
| 3,291.66                       | 3,291.66  | 0.00      | Reserve Transfer                | 19,750.04           | 39,500.00         | 19,749.96          | 39,500.00         |
| 0.00                           | 0.00      | 0.00      | Income Tax Payment              | 0.00                | 200.00            | 200.00             | 200.00            |
| 527.00                         | 0.00      | -527.00   | Insurance                       | 173,832.83          | 65,240.00         | -108,592.83        | 65,240.00         |
| 210.26                         | 0.00      | -210.26   | Insurance Claim Expense -       | 46,313.00           | 0.00              | -46,313.00         | 0.00              |
| 0.00                           | 0.00      | 0.00      | Miscellaneous Administrative    | 10.00               | 0.00              | -10.00             | 0.00              |
| 777.95                         | 12,364.40 | 11,586.45 | <b>TOTAL Administrative</b>     | <b>355,574.56</b>   | <b>211,477.00</b> | <b>-144,087.56</b> | <b>211,477.00</b> |
| <b>Building Maint</b>          |           |           |                                 |                     |                   |                    |                   |
| 0.00                           | 0.00      | 0.00      | Building Maintenance &          | 328.58              | 0.00              | -328.58            | 0.00              |
| 1,220.00                       | 1,500.00  | 280.00    | Roof Maintenance                | 29,052.25           | 9,000.00          | -20,052.25         | 9,000.00          |
| 0.00                           | 100.00    | 100.00    | Rental Unit Expenses            | 51.51               | 1,200.00          | 1,148.49           | 1,200.00          |
| -422.85                        | 0.00      | 422.85    | Deck & Patio                    | 0.00                | 0.00              | 0.00               | 0.00              |
| 0.00                           | 290.00    | 290.00    | Garage                          | 285.99              | 3,500.00          | 3,214.01           | 3,500.00          |
| 797.15                         | 1,890.00  | 1,092.85  | <b>TOTAL Building Maint</b>     | <b>29,718.33</b>    | <b>13,700.00</b>  | <b>-16,018.33</b>  | <b>13,700.00</b>  |
| <b>Condo Maintenance</b>       |           |           |                                 |                     |                   |                    |                   |
| 5,627.12                       | 7,065.00  | 1,437.88  | Xcel - Condo                    | 65,413.70           | 85,000.00         | 19,586.30          | 85,000.00         |
| 0.00                           | 585.00    | 585.00    | HVAC/Boilers                    | 5,738.53            | 7,000.00          | 1,261.47           | 7,000.00          |
| 904.00                         | 0.00      | -904.00   | Condo Carpet Cleaning           | 3,579.53            | 0.00              | -3,579.53          | 0.00              |
| 1,740.00                       | 1,700.00  | -40.00    | Cleaning & Janitorial           | 19,832.11           | 20,400.00         | 567.89             | 20,400.00         |
| 330.00                         | 2,500.00  | 2,170.00  | Plumbing                        | 15,268.21           | 30,000.00         | 14,731.79          | 30,000.00         |
| 0.00                           | 20.00     | 20.00     | Exterminator                    | 65.00               | 250.00            | 185.00             | 250.00            |
| 0.00                           | 415.00    | 415.00    | Carpet/Flooring Maint           | 945.68              | 5,000.00          | 4,054.32           | 5,000.00          |
| 88.17                          | 543.00    | 454.83    | Drywall                         | 6,707.88            | 6,512.00          | -195.88            | 6,512.00          |
| 422.85                         | 0.00      | -422.85   | Balcony Maintenance             | 59.28               | 0.00              | -59.28             | 0.00              |
| 0.00                           | 125.00    | 125.00    | Electrical                      | 738.90              | 1,500.00          | 761.10             | 1,500.00          |
| 0.00                           | 92.00     | 92.00     | Fire/Security/Emerg Exit        | 1,536.58            | 1,100.00          | -436.58            | 1,100.00          |
| 469.11                         | 42.50     | -426.61   | Lighting/Fixtures & Bulbs       | 2,177.35            | 500.00            | -1,677.35          | 500.00            |
| 0.00                           | 42.50     | 42.50     | Locks & Keys                    | 633.20              | 500.00            | -133.20            | 500.00            |
| 2,158.80                       | 500.00    | -1,658.80 | Painting & Paint Supplies       | 4,025.38            | 6,000.00          | 1,974.62           | 6,000.00          |
| 0.00                           | 42.00     | 42.00     | Screens/Glass & Doors           | 2,385.44            | 500.00            | -1,885.44          | 500.00            |
| 0.00                           | 0.00      | 0.00      | Laundry Room Expenses           | 46.59               | 0.00              | -46.59             | 0.00              |
| 0.00                           | 250.00    | 250.00    | Miscellaneous Maintenance       | 7,547.04            | 3,000.00          | -4,547.04          | 3,000.00          |
| 11,740.05                      | 13,942.00 | 2,201.95  | <b>TOTAL Condo Maintenance</b>  | <b>136,700.40</b>   | <b>167,262.00</b> | <b>30,561.60</b>   | <b>167,262.00</b> |

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**Highline Meadows Condo Association  
REVENUE EXPENSE STATEMENT  
For Period Ending 06/30/2008**

| Jun Act          | Jun Bud         | Jun Var          |                                        | YTD Act           | YTD Bud           | YTD Var           | Tot Budget        |
|------------------|-----------------|------------------|----------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                  |                 |                  | <b>Townhome Maintenance</b>            |                   |                   |                   |                   |
| 0.00             | 125.00          | 125.00           | Plumbing                               | 14,166.44         | 1,500.00          | -12,666.44        | 1,500.00          |
| 0.00             | 42.50           | 42.50            | Drywall Repairs                        | 74.36             | 500.00            | 425.64            | 500.00            |
| 36.00            | 42.50           | 6.50             | Electric Service Credit                | 432.00            | 500.00            | 68.00             | 500.00            |
| 515.98           | 0.00            | -515.98          | Other Townhome Expenses                | 596.51            | 0.00              | -596.51           | 0.00              |
| 551.98           | 210.00          | -341.98          | <b>TOTAL Townhome Maintenance</b>      | 15,269.31         | 2,500.00          | -12,769.31        | 2,500.00          |
|                  |                 |                  | <b>Landscaping &amp; Grounds</b>       |                   |                   |                   |                   |
| 4,357.15         | 9,333.00        | 4,975.85         | Landscape Maint Contract               | 31,361.45         | 56,000.00         | 24,638.55         | 56,000.00         |
| 0.00             | 0.00            | 0.00             | Snow Removal                           | 1,429.39          | 2,000.00          | 570.61            | 2,000.00          |
| 70.00            | 2,500.00        | 2,430.00         | Irrigation Maintenance                 | 14,036.00         | 15,000.00         | 964.00            | 15,000.00         |
| 0.00             | 250.00          | 250.00           | Fence Maintenance/Repairs              | 0.00              | 1,500.00          | 1,500.00          | 1,500.00          |
| 0.00             | 667.00          | 667.00           | Concrete Repairs                       | 17,784.33         | 4,000.00          | -13,784.33        | 4,000.00          |
| 0.00             | 83.00           | 83.00            | Roads & Parking Lot                    | 4,211.54          | 500.00            | -3,711.54         | 500.00            |
| 160.00           | 757.00          | 607.00           | Tree/Shrub Maint                       | 6,964.00          | 4,600.00          | -2,364.00         | 4,600.00          |
| 183.96           | 210.00          | 26.04            | Exterminator/Animal Control            | 2,781.93          | 2,500.00          | -281.93           | 2,500.00          |
| 213.90           | 85.00           | -128.90          | Lighting                               | 930.04            | 1,000.00          | 69.96             | 1,000.00          |
| 291.47           | 0.00            | -291.47          | Landscaping Supplies                   | 291.47            | 0.00              | -291.47           | 0.00              |
| 1,528.45         | 85.00           | -1,443.45        | Common Area Maintenance                | 8,771.10          | 1,000.00          | -7,771.10         | 1,000.00          |
| 0.00             | 415.00          | 415.00           | Lift Station Expenses                  | 25,133.21         | 5,000.00          | -20,133.21        | 5,000.00          |
| 359.56           | 375.00          | 15.44            | Lift Station Electricity               | 4,938.96          | 4,500.00          | -438.96           | 4,500.00          |
| -193.18          | 417.00          | 610.18           | Landscaping & Grounds                  | 0.00              | 2,500.00          | 2,500.00          | 2,500.00          |
| 0.00             | 53.00           | 53.00            | Lift Station Telephone                 | 624.44            | 636.00            | 11.56             | 636.00            |
| 6,971.31         | 15,240.00       | 8,268.69         | <b>TOTAL Landscaping &amp; Grounds</b> | 119,257.86        | 100,736.00        | -18,521.86        | 100,736.00        |
|                  |                 |                  | <b>Pond</b>                            |                   |                   |                   |                   |
| 478.50           | 687.50          | 209.00           | Pond Maintenance                       | 4,150.50          | 5,500.00          | 1,349.50          | 5,500.00          |
| 478.50           | 687.50          | 209.00           | <b>TOTAL Pond</b>                      | 4,150.50          | 5,500.00          | 1,349.50          | 5,500.00          |
|                  |                 |                  | <b>Pool &amp; Cabana</b>               |                   |                   |                   |                   |
| 74.80            | 40.00           | -34.80           | Pool Telephone                         | 894.78            | 500.00            | -394.78           | 500.00            |
| 0.00             | 15.00           | 15.00            | Clubhouse Expenses                     | 948.44            | 200.00            | -748.44           | 200.00            |
| 259.37           | 415.00          | 155.63           | Clubhouse Electricity                  | 3,315.10          | 5,000.00          | 1,684.90          | 5,000.00          |
| 1,864.36         | 1,600.00        | -264.36          | Pool Expenses                          | 7,442.57          | 8,000.00          | 557.43            | 8,000.00          |
| 2,198.53         | 2,070.00        | -128.53          | <b>TOTAL Pool &amp; Cabana</b>         | 12,600.89         | 13,700.00         | 1,099.11          | 13,700.00         |
|                  |                 |                  | <b>Utilities</b>                       |                   |                   |                   |                   |
| 253.84           | 250.00          | -3.84            | Gas & Electricity                      | 4,520.80          | 3,000.00          | -1,520.80         | 3,000.00          |
| 0.00             | 0.00            | 0.00             | Water                                  | 42,726.16         | 45,000.00         | 2,273.84          | 45,000.00         |
| 3,983.55         | 4,084.00        | 100.45           | Sewer                                  | 53,419.54         | 49,000.00         | -4,419.54         | 49,000.00         |
| 2,419.79         | 1,335.00        | -1,084.79        | Trash Removal                          | 17,628.72         | 16,000.00         | -1,628.72         | 16,000.00         |
| 6,657.18         | 5,669.00        | -988.18          | <b>TOTAL Utilities</b>                 | 118,295.22        | 113,000.00        | -5,295.22         | 113,000.00        |
|                  |                 |                  | <b>Maintenance Personnel</b>           |                   |                   |                   |                   |
| 9,359.84         | 9,585.00        | 225.16           | Payroll/Taxes                          | 113,838.72        | 115,000.00        | 1,161.28          | 115,000.00        |
| 0.00             | 0.00            | 0.00             | Worker's Comp Insurance                | 0.00              | 5,200.00          | 5,200.00          | 5,200.00          |
| 171.01           | 125.00          | -46.01           | Cell Phone/Fax                         | 2,078.23          | 1,500.00          | -578.23           | 1,500.00          |
| 40.59            | 85.00           | 44.41            | Van Fuel                               | 1,286.34          | 1,000.00          | -286.34           | 1,000.00          |
| 0.00             | 0.00            | 0.00             | Van Maintenance                        | 6.00              | 0.00              | -6.00             | 0.00              |
| 0.00             | 200.00          | 200.00           | Truck Fuel                             | 979.02            | 2,400.00          | 1,420.98          | 2,400.00          |
| 0.00             | 200.00          | 200.00           | Truck Plow Expense                     | 0.00              | 2,400.00          | 2,400.00          | 2,400.00          |
| 0.00             | 85.00           | 85.00            | Truck Maintenance                      | 417.70            | 1,000.00          | 582.30            | 1,000.00          |
| 0.00             | 35.00           | 35.00            | ATV Fuel                               | 74.89             | 400.00            | 325.11            | 400.00            |
| 0.00             | 35.00           | 35.00            | ATV Maintenance                        | 0.00              | 400.00            | 400.00            | 400.00            |
| 9,571.44         | 10,350.00       | 778.56           | <b>TOTAL Maintenance Personnel</b>     | 118,680.88        | 129,300.00        | 10,619.12         | 129,300.00        |
| 38,744.09        | 62,422.90       | 22,678.81        | <b>TOTAL EXPENSES</b>                  | 910,247.97        | 757,175.00        | -153,072.97       | 757,175.00        |
| <u>28,487.37</u> | <u>3,135.00</u> | <u>25,352.37</u> | <b>NET OPERATING INCOME</b>            | <u>140,876.39</u> | <u>906.00</u>     | <u>139,170.39</u> | <u>906.00</u>     |
|                  |                 |                  | <b>RESERVES</b>                        |                   |                   |                   |                   |
|                  |                 |                  | <b>Reserve Income</b>                  |                   |                   |                   |                   |
| -3,291.66        | 3,291.66        | 6,583.32         | Reserve Contribution                   | -19,750.04        | 39,500.00         | 59,250.04         | 39,500.00         |
| -15.82           | 0.00            | 15.82            | Reserve Interest Income                | -126.49           | 0.00              | 126.49            | 0.00              |
| -3,307.48        | 3,291.66        | 6,599.14         | <b>TOTAL Reserve Income</b>            | -19,876.53        | 39,500.00         | 59,376.53         | 39,500.00         |
|                  |                 |                  | <b>Reserve Expenses</b>                |                   |                   |                   |                   |
| 10,668.00        | 0.00            | -10,668.00       | RES - Hydrant                          | 10,668.00         | 0.00              | -10,668.00        | 0.00              |
| 2,227.50         | 0.00            | -2,227.50        | RES - Fire/Water Remediation           | 6,507.50          | 0.00              | -6,507.50         | 0.00              |
| 12,895.50        | 0.00            | -12,895.50       | <b>TOTAL Reserve Expenses</b>          | 17,175.50         | 0.00              | -17,175.50        | 0.00              |
| 9,588.02         | 3,291.66        | -6,296.36        | <b>TOTAL RESERVES</b>                  | -2,701.03         | 39,500.00         | 42,201.03         | 39,500.00         |
| <u>18,899.35</u> | <u>-158.66</u>  | <u>19,058.01</u> | <b>NET INCOME</b>                      | <u>142,777.42</u> | <u>-38,594.00</u> | <u>181,371.42</u> | <u>-38,594.00</u> |