

To: Members Riverside Place Owners' Association
From: Hugh and Michelle Harvey
Date: July 24, 2017
Subject: 2018 Treasurers Report

Attached please find the fiscal 2018 Treasurer's report and a budget versus actual schedule for fiscal 2016 for the Riverside Place Owners' Association (the "Association"). The Association has a fiscal year beginning November 1st and ending on October 31st.

A comment regarding fiscal 2016: as we agreed in our 2016 meeting we replaced the entryway sign in September 2016, at a cost of \$3,344, which had not been originally budgeted.

For the year ending October 31, 2017, we estimate that the Association will end the year with revenues exceeding expenses by \$4,888. This compares to the budget approved for fiscal 2017 estimating expenses exceeding revenues by \$820. Significant variances from budget include:

1. Actual snow removal expenses were \$1,440 less than budgeted.
2. Each year we budget \$1,000 for legal expenses, however, we are pleased to report we do not anticipate needing such amount in fiscal 2017.
3. For fiscal 2017 we had budgeted for \$3,500 in tree spraying expenses which we did not incur.

The Treasurer report shows that as of June 30, 2017 the Association has a cash balance/reserves of \$35,992 and we estimate a cash balance at the end of fiscal 2017 of \$35,236 after paying insurance, collection of a receivable for shared snow plowing expenses and other anticipated end of year expenses.

For our budget discussion, we have included a draft budget for fiscal 2018 based on the following assumptions:

1. We are assuming Association dues will remain at \$500 per unit or \$11,500 for the 23 units.
2. We have not budgeted for road expenses in fiscal 2018. The road was resealed in 2014 and we have been advised that it will only need to be resealed every five years.
3. We have decided to not budget for legal fees for 2018.
4. We are not anticipating tree spraying expenses for fiscal 2018.
5. We have all other items at historical budget levels.

If the budget is approved as drafted, we estimate we will have a cash balance/reserves at October 31, 2018 of \$38,688.

Riverside Place Owners' Association Current Projection versus Original Budget

| | Year ending October 31, 2017 | | |
|--------------------------|------------------------------|-----------------------|-------------------------------|
| | Budget | Current Projection | Variance Fav (unfavorable) |
| Revenues | | | |
| Association Dues | \$ 11,500 | \$ 11,500 | \$ - |
| Interest | 5 | 4 | (1) |
| Miscellaneous | - | - | - |
| Total Revenues | <u>11,505</u> | <u>11,504</u> | <u>(1)</u> |
| Expenses | | | |
| snow removal | 6,000 | 4,560 | 1,440 |
| insurance -Dir & Off | - | - | - |
| insurance - liability | 1,625 | 1,841 | (216) |
| legal | 1,000 | - | 1,000 |
| road maintenace* | - | - | - |
| annual mtgn | - | - | - |
| fed & state taxes | - | - | - |
| tree spraying | 3,500 | - | 3,500 |
| web related | 100 | 115 | (15) |
| Colorado Periodic Report | - | 10 | (10) |
| Miscellaneous | 100 | 90 | 10 |
| Total Expenses | <u>12,325</u> | <u>6,616</u> | <u>5,709</u> |
| Net | <u>\$ (820)</u> | <u>\$ 4,888</u> | <u>\$ 5,708</u> |

Riverside Place Owners' Association Treasurer's Report

**Proposed
Fiscal year
2018
Nov 1, 2017 -
Oct 31, 2018**

Revenues

| | | |
|-----------------------|-----------|------------------|
| Association Dues | \$ | 11,500.00 |
| Interest | | 2.50 |
| Miscellaneous | | |
| Total Revenues | \$ | 11,502.50 |

Expenses

| | | |
|--------------------------|-----------|-----------------|
| snow removal | \$ | 6,000.00 |
| insurance -Dir & Off | | - |
| insurance - liability | | 1,841.00 |
| legal | | 0.00 |
| road maintenance | | |
| annual meeting | | |
| fed & state taxes | | - |
| replace entryway sign | | |
| tree spraying | | - |
| web related | | 100.00 |
| Colorado Periodic Report | | 10.00 |
| Miscellaneous | | 100.00 |
| Total Expenses | \$ | 8,051.00 |

Net **\$ 3,451.50**

Current Reserves as of 6/30/17

| | |
|------------------------------------|-------------|
| Wells Fargo Checking | \$35,991.88 |
| Accounts receivable balance | \$1,222.00 |
| Projected Reserves on Oct 31, 2017 | \$35,236.38 |
| Projected Reserves on Oct 31, 2018 | \$38,687.88 |