

SAN JUAN RANCH APPROVED 2012 BUDGET

| | A | B | C | D | E | F | G | H |
|----|--|-----------------|---------------------|------------------------------------|-----------------------------|----------------|-------------------|--|
| | | 2011 Budget | Actual thru 8/31/11 | Estimated Actual 9/1/10 - 12/31/10 | Total Estimated Actual 2011 | 2012 Budget | % Budget Variance | Comments |
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| 3 | OPERATING FUND | | | | | | | |
| 4 | Beginning Balance (Assets-Liabilities) | 18,377 | - | - | 20,015 | 7,766 | | |
| 5 | Repay Loan to Reserves | - | - | - | - | - | | |
| 6 | INCOME | | | | | | | |
| 7 | Assessments | 12,333 | 12,333 | - | 12,333 | 24,964 | 102% | Increase due to less carry over income in 2012 |
| 8 | DRB Application Fee Income | - | - | - | - | - | 0% | |
| 9 | DRB Application Deposits | - | - | - | - | - | 0% | |
| 10 | Finance Charges to Owners | - | - | - | - | - | n/a | |
| 11 | Interest (Contingency Fund CD) | 190 | 86 | 45 | 131 | 131 | n/a | |
| 12 | Gate Opener Income | - | 144 | - | 144 | - | | |
| 13 | TOTAL INCOME | 12,523 | 12,564 | 45 | 12,608 | 25,095 | 100% | |
| 14 | EXPENSES | | | | | | | |
| 15 | Management | 7,600 | 5,067 | 2,533 | 7,600 | 7,600 | 0% | |
| 16 | Supplemental Services | 500 | 1,008 | - | 1,008 | 500 | 0% | |
| 17 | Bank Service Charges | 40 | - | - | - | 40 | 0% | |
| 18 | Fees, Supplies, Postage | 25 | 48 | - | 48 | 25 | 0% | |
| 19 | Conference Calls | 60 | 37 | 23 | 60 | 60 | 0% | |
| 20 | DRB Application Fee Expense | - | - | - | - | - | 0% | |
| 21 | DRB Costs (Paid from Application Deposit) | - | - | - | - | - | 0% | |
| 22 | Tax Preparation and Accounting | 625 | 615 | - | 615 | 620 | -1% | |
| 23 | Legal - Water Rights | 1,000 | 57 | 250 | 307 | 4,000 | 0% | Expect water rights filings expense in 2012 |
| 24 | Legal - General | 1,000 | 547 | 453 | 1,000 | 1,000 | 0% | |
| 25 | D&O Insurance | 1,040 | 1,040 | - | 1,040 | 1,040 | 0% | |
| 26 | Liability Insurance | 1,320 | 1,301 | - | 1,301 | 1,320 | 0% | |
| 27 | Fence Repair | 9,000 | 2,975 | - | 2,975 | 6,000 | -33% | |
| 28 | Signs | - | - | - | - | - | 0% | |
| 29 | Weed Control | 8,500 | 8,774 | - | 8,774 | 9,000 | 6% | |
| 30 | Contingency/Contingency Funding | 190 | 66 | 66 | 131 | 131 | -31% | |
| 31 | Common Area Pond Repair | - | - | - | - | - | 0% | |
| 32 | Purchase Gate Openers | - | - | - | - | 1,525 | | |
| 33 | Reimbursed Expenses | - | - | - | - | - | 0% | |
| 34 | Total Operating Expenses | 30,900 | 21,533 | 3,325 | 24,857 | 32,861 | 6% | |
| 35 | OPERATING OVERAGE/SHORTFALL | (18,377) | (8,969) | (3,280) | (12,249) | (7,766) | | |
| 36 | STARTING RETAINED EARNINGS | 18,377 | | | 20,015 | 7,766 | | |
| 37 | ENDING RETAINED EARNINGS | - | | | 7,766 | - | | |
| 38 | TOTAL OF BANK ACCOUNT | - | | | 7,766 | - | | |
| 39 | Ending Balance | - | | | 7,766 | (0) | | |
| 40 | | | | | | | | |
| 41 | | | | | | | | |
| 42 | OPERATING CONTINGENCY FUND | | | | | | | |
| 43 | Beginning Balance | 12,295 | 12,601 | 11,365 | 12,601 | 11,431 | | |
| 44 | INCOME | | | | | | | |
| 45 | Transfer to Fund from Operations | - | - | - | - | - | | |
| 46 | Interest | 184 | 66 | 66 | 131 | 131 | | |
| 47 | Total Income | 184 | 66 | 66 | 131 | 131 | | |
| 48 | EXPENSES | | | | | | | |
| 49 | 2011 Zabel & Specialty Finance Assessments | - | 1,302 | - | 1,302 | - | | |
| 50 | Total Expenses | - | 1,302 | - | 1,302 | - | | |
| 51 | OVERAGE/SHORTFALL | 184 | (1,236) | 66 | (1,171) | 131 | | |
| 52 | Ending Balance | 12,479 | 11,365 | 11,431 | 11,431 | 11,562 | | |

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|-----|---|----------------|---------------------|------------------------------------|-----------------------------|----------------|-------------------|--------------------------------------|
| | | 2011 Budget | Actual thru 8/31/11 | Estimated Actual 9/1/10 - 12/31/10 | Total Estimated Actual 2011 | 2012 Budget | % Budget Variance | Comments |
| 1 | | | | | | | | |
| 53 | | | | | | | | |
| 54 | | | | | | | | |
| 55 | ROAD OPERATIONS FUNL | | | | | | | |
| 56 | Beginning Balance (Assets-Liabilities) | 1,181 | 267 | - | 267 | (2,206) | | |
| 57 | Road Reserve Noncapital | - | - | - | - | - | | |
| 58 | Subtotal | - | - | - | - | - | | |
| 59 | OPERATING INCOME | | | | | | | |
| 60 | Road Operations Assessments SJR | 63,390 | 63,390 | - | 63,390 | 64,634 | 2% | |
| 61 | Current Year Refund to Owners as assesments | - | (15,751) | - | (15,751) | - | 0% | |
| 62 | Prior Year Refund to Owners as assesments | 17,161 | 17,161 | - | 17,161 | 15,751 | -8% | |
| 63 | Road Operations Assessment DBR | 47,308 | 47,308 | - | 47,308 | 47,210 | 0% | DBR has 37% of the vote & assessment |
| 64 | Current Year DBR Refund | - | (9,250) | - | (9,250) | - | 0% | |
| 65 | Nonrefundable Road Impact Fees | - | - | - | - | 2,500 | 0% | |
| 66 | Finance Charges to Owners | - | - | - | - | - | 0% | |
| 67 | Interest Income | - | 273 | 153 | 426 | - | 0% | |
| 68 | Total Operating Income | 127,859 | 103,130 | 153 | 103,284 | 130,096 | 2% | |
| 69 | RESERVE INCOME | | | | | | | |
| 70 | Reserve Assessments | - | - | - | - | - | 0% | |
| 71 | Reserve Interest Income | - | 152 | 75 | 227 | 227 | n/a | |
| 72 | Total Reserve Income | - | 152 | 75 | 227 | 227 | n/a | |
| 73 | Total Income | 127,859 | 103,282 | 229 | 103,511 | 130,323 | 2% | |
| 74 | OPERATING EXPENSES | | | | | | | |
| 75 | Bank Service Charges - Road Op Account | 40 | - | 40 | 40 | 40 | 0% | |
| 76 | Snow Removal Nov 15 - April 15 | 105,000 | 82,499 | - | 82,499 | 105,000 | 0% | \$70k minimum |
| 77 | Spring Maintenance | 18,500 | 16,000 | - | 16,000 | 15,000 | -19% | \$15k minimum |
| 78 | Snow Fencing | - | - | - | - | - | 0% | |
| 79 | Gates | - | 264 | - | 264 | - | 0% | |
| 80 | Management | 4,400 | 2,933 | 1,467 | 4,400 | 4,400 | 0% | |
| 81 | Electric Service Charges | 1,100 | 564 | 110 | 674 | 950 | -14% | |
| 82 | Bad Debt - Specialty Finance 2011 Assessment | - | 2,817 | - | 2,817 | - | 0% | |
| 83 | Total Operating Expenses | 129,040 | 105,077 | 1,616 | 106,694 | 125,390 | -3% | |
| 84 | RESERVE EXPENSES | | | | | | | |
| 85 | Reserve Funding | - | - | - | - | 2,500 | 0% | |
| 86 | Reserve Interest Funding | - | 113 | 113 | 227 | 227 | n/a | |
| 87 | Total Reserve Expenses | - | 113 | 113 | 227 | 2,727 | n/a | |
| 88 | | | | | | | | |
| 89 | Total Expenses | 129,040 | 105,191 | 1,730 | 106,921 | 128,117 | -1% | |
| 90 | OVERAGE/SHORTFALL | (1,181) | (1,909) | (1,501) | (3,410) | 2,206 | | |
| 91 | STARTING RETAINED EARNING\$ | 1,181 | | | 1,204 | (2,206) | | |
| 92 | ENDING RETAINED EARNING\$ | - | | | (2,206) | (0) | | |
| 93 | TOTAL OF BANK ACCOUNT | - | | | (2,206) | (0) | | |
| 94 | | | | | | | | |
| 95 | | | | | | | | |
| 96 | CAPITAL ROAD RESERVE FUND (changed FROM major repairs and improvements to general road fund that can be used for snow removal and maintenance) | 10,752 | 10,892 | 11,005 | 10,892 | 11,119 | | |
| 97 | Beginning Balance | | | | | | | |
| 98 | INCOME | | | | | | | |
| 99 | Transfer of Retained Earnings to Reserves | - | - | - | - | - | | |
| 100 | Nonrefundable Road Impact Fees | - | - | - | - | 2,500 | | |
| 101 | Interest | - | 113 | 113 | 227 | - | | |
| 102 | Total Income | - | 113 | 113 | 227 | 2,500 | | |
| 103 | EXPENSES | | | | | | | |
| 104 | Reserve Fund Expenditures | - | - | - | - | - | | |
| 105 | Total Expenses | - | - | - | - | - | | |
| 106 | OVERAGE/SHORTFALL | - | 113 | 113 | 227 | 2,500 | | |
| 107 | Ending Balance | 10,752 | 11,005 | 11,119 | 11,119 | 13,619 | | |