

**SAN JUAN RANCH APPROVED 2007 BUDGET**

	2006 Budget	Actual thru 9/30/06	Estimated Actual thru 12/31/06	Estimated 2006 Actual	2007 Budget	% Budget Variance	Comments
<b>OPERATING FUND</b>							
<b>Beginning Balance a/o 12/31/ 2004</b>	<b>15,255</b>	<b>15,131</b>	<b>7,886</b>	<b>15,131</b>	<b>2,643</b>	<b>-83%</b>	
<b>INCOME</b>							
Assessments	41,340	41,340	-	41,340	68,195	65%	
DRB Application Fees	1,000	1,940	-	1,940	1,000	0%	
DRB Application Deposits	200	-	-	-	200	0%	
Finance and Collection Charges	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	
<b>TOTAL INCOME</b>	<b>42,540</b>	<b>43,280</b>	<b>-</b>	<b>43,280</b>	<b>69,395</b>	<b>63%</b>	
<b>EXPENSES</b>							
Management	(12,320)	(9,563)	(3,080)	(12,643)	(8,800)	-29%	\$320 less annually; greater proportion shifted to roads
Supplemental Services	-	-	-	-	(400)	n/a	
Bank Service Charges	-	(14)	(5)	(19)	(20)	-	
Fees, Supplies, Postage	(150)	(51)	(83)	(134)	(150)	0%	
Conference Calls	(300)	(219)	(75)	(294)	(300)	0%	
DRB Administration	(1,000)	(1,640)	-	(1,640)	(1,000)	0%	
DRB Application Costs	(200)	-	-	-	-	-100%	Paid by applicant
DRB Application Fee Refunds	-	(700)	-	(700)	-	n/a	
Tax Preparation and Accounting	(450)	(450)	-	(450)	(450)	0%	
Taxes	(250)	(683)	-	(683)	(700)	180%	
Legal - Water Rights	(5,000)	(5,624)	-	(5,624)	(5,000)	0%	
Legal - General	(4,000)	(668)	-	(668)	(4,000)	0%	
D&O Insurance	(625)	(625)	-	(625)	(2,000)	n/a	
Liability Insurance	-	-	-	-	(1,600)	n/a	\$5 million umbrella
Holiday Party	(1,500)	-	-	-	-	-100%	
Fence Repair	(27,000)	(27,000)	-	(27,000)	(44,318)	64%	2007 includes \$5,244 for 2006 work
Signs	(2,000)	-	(2,000)	(2,000)	-	-100%	
Weed Control	(3,000)	(3,288)	-	(3,288)	(3,300)	10%	
SMPA Loop	-	-	-	-	-	n/a	
<b>Total Operating Expenses</b>	<b>(57,795)</b>	<b>(50,525)</b>	<b>(5,243)</b>	<b>(55,768)</b>	<b>(72,038)</b>	<b>25%</b>	
<b>OPERATING OVERAGE/SHORTFALL</b>	<b>(15,255)</b>	<b>(7,245)</b>	<b>(5,243)</b>	<b>(12,488)</b>	<b>(2,643)</b>	<b>-83%</b>	
<b>Ending Balance</b>	<b>-</b>	<b>7,886</b>	<b>2,643</b>	<b>2,643</b>	<b>(0)</b>	<b>n/a</b>	
<b>ROAD OPERATIONS FUND</b>							
<b>Beginning Balance</b>	<b>28,086</b>	<b>28,086</b>	<b>5,392</b>	<b>28,086</b>	<b>0</b>	<b>-100%</b>	
<b>INCOME</b>							
Road Operations Assessments	37,489	37,489	-	37,489	91,830	145%	
Road Loan Special Assessments	103,000	103,000	-	103,000	89,179	-13%	Covers Weststar loan and interest + non-contingency loan
Transfer from Operating Fund	-	-	-	-	-	n/a	
Nonrefundable Road Impact Fees	2,500	-	-	-	-	-100%	
High Point Reimbursement Assessment	-	-	-	-	-	n/a	
<b>Total Income</b>	<b>142,989</b>	<b>140,489</b>	<b>-</b>	<b>140,489</b>	<b>181,009</b>	<b>27%</b>	
<b>EXPENSES</b>							
Bank Service Charges - Road Op Account	-	(79)	(5)	(84)	(85)	n/a	
Snow Removal Nov 15 - April 15	(50,000)	(48,348)	-	(48,348)	(60,000)	20%	\$50k minimum
Spring Maintenance	(15,000)	(15,735)	-	(15,735)	(20,000)	33%	
Snow Fencing	(2,500)	-	-	-	(2,500)	0%	
Gates	-	(22)	-	(22)	-	n/a	
Management	(4,000)	(3,220)	(1,000)	(4,220)	(6,420)	61%	Greater porportion shifted to roads
Interest Expense WestStar Loan	(7,075)	(5,779)	(1,312)	(7,091)	(1,754)	-75%	Interest 10/7/09-1/7/07 @ \$14.26/day + 1/8/07-2/7-07
Transfer to Road Reserve Fund	(2,500)	-	-	-	-	-100%	
Electric Service Charges	-	-	-	(200)	(825)	n/a	New
Electrical Outlet Installation	-	-	(11,500)	(11,500)	(2,000)	n/a	New - if not completed in 2006, will be done in 2007
<b>Total Expenses</b>	<b>(81,075)</b>	<b>(73,183)</b>	<b>(13,817)</b>	<b>(87,200)</b>	<b>(93,584)</b>	<b>15%</b>	
<b>OVERAGE/SHORTFALL</b>	<b>61,914</b>	<b>67,306</b>	<b>(13,817)</b>	<b>53,489</b>	<b>87,425</b>	<b>41%</b>	
<b>Subtotal</b>	<b>90,000</b>	<b>95,392</b>	<b>(8,425)</b>	<b>81,575</b>	<b>87,425</b>	<b>-3%</b>	
<b>WestStar Principal Payments</b>	<b>(90,000)</b>	<b>(90,000)</b>	<b>-</b>	<b>(90,000)</b>	<b>(79,000)</b>	<b>-12%</b>	Due February 7, 2007
<b>Ending Balance</b>	<b>(0)</b>	<b>5,392</b>	<b>(8,425)</b>	<b>(8,425)</b>	<b>8,425</b>	<b>n/a</b>	
<b>Loan From Non-Capital Contingency Fund</b>	<b>-</b>	<b>-</b>	<b>8,425</b>	<b>8,425</b>	<b>(8,425)</b>	<b>n/a</b>	
<b>Ending Balance</b>	<b>(0)</b>	<b>5,392</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-125%</b>	
<b>STARTING RETAINED EARNINGS</b>							
<b>TOTAL OPERATING OVERAGE/SHORTFALL</b>	<b>(125,669)</b>			<b>(107,833)</b>	<b>(66,832)</b>	<b>-47%</b>	
<b>ENDING RETAINED EARNINGS</b>	<b>(46,659)</b>			<b>41,001</b>	<b>84,782</b>	<b>82%</b>	
<b>ENDING RETAINED EARNINGS</b>	<b>(79,010)</b>			<b>(66,832)</b>	<b>17,950</b>	<b>-123%</b>	Equals total of both contingency and road reserve funds

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<b>NON-CAPITAL CONTINGENCY FUND</b>							
Beginning Balance	12,950	12,950	12,950	12,950	4,525	-65%	
<b>DEPOSITS</b>							
Repayment Loan to Operating		-		-	8,425	n/a	
Interest	-	-	-	-	-		
Total Income	-	-	-	-	8,425	n/a	
<b>WITHDRAWALS</b>							
Loan to Operating	-	-	(8,425)	(8,425)	-	n/a	
Total Expenses	-	-	(8,425)	(8,425)	-	n/a	
<b>OVERAGE/SHORTFALL</b>							
Ending Balance	12,950	12,950	4,525	4,525	12,950	0%	
<b>ROAD RESERVE FUND (LONG-TERM AND SHORT-TERM IMPROVEMENTS)</b>							
Beginning Balance	5,000	5,000	-	5,000	5,000	0%	
<b>INCOME</b>							
Nonreimbursable Road Impact Fees	2,500	-	-	-	-	-100%	
Interest	-	-	-	-	-		
Total Income	2,500	-	-	-	-	-100%	
<b>EXPENSES</b>							
Reserve Fund Expenditures	-	-	-	-	-		
Total Expenses	-	-	-	-	-		
<b>OVERAGE/SHORTFALL</b>							
Ending Balance	7,500	5,000	-	5,000	5,000	-33%	