

Falls Creek Ranch Association, Inc.
6350 Falls Creek Main
Durango, CO 81301

We have compiled the Balance Sheet of Falls Creek Ranch Association, Inc. as of April 30, 2014, and the related interim Income Statements for the month and year to date periods then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Supplementary budget information for the interim periods and year ended July 31, 2014 are also presented for supplementary analysis purposes only.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements, monthly budgeted information or the schedule and, accordingly, do not express an opinion or any other form of assurance on them. However, we are aware of departures from generally accepted accounting principles that are described in the following paragraphs.

The Association has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included with the statements of operations, they might influence the user's conclusions about the Association's results of operations. Accordingly, these statements of operations are not designed for those who are not informed about such matters.

The accompanying budget information for the Association for the year ending July 31, 2014 has not been compiled or examined by us, and accordingly, we do not express an opinion or any other form of assurance on it. The Association has elected to omit the summaries of significant assumptions and accounting policies required under established guidelines for presentation of prospective financial statements. If the omitted summaries were included in the budgeted information, they might influence the user's conclusions about the Association's budgeted information. Accordingly this budgeted information is not designed for those who are not informed about such matters.

We are not independent with respect to Falls Creek Ranch Association, Inc.

Elliott, Meadows & Associates, LLC



R. Thomas Meadows, CPA

May 2, 2014

FALLS CREEK RANCH ASSOC., INC.

Balance Sheet

As of April 30, 2014

	Apr 30, 14
ASSETS	
Current Assets	
Checking/Savings	
1350 · BSJ Op Acct	144,078.46
Total Checking/Savings	144,078.46
Accounts Receivable	
1200 · Accounts Receivable	93.80
Total Accounts Receivable	93.80
Total Current Assets	144,172.26
Fixed Assets	
1500 · Buildings & Bldg Improvements	
1520 · Corral	17,650.00
1503 · Sheds & Outbuildings	58,096.28
1501 · Ranch House	97,887.43
Total 1500 · Buildings & Bldg Improvements	173,633.71
1535 · 2008 Road Paving	152,280.04
1538 · W-Beam Guard Rail (2009)	5,437.50
1550 · Vehicles & Equipment	
1582 · GMC 2500 Pickup	12,620.55
1570 · ZetorTractor	21,059.90
1560 · Cat Road Grader	61,950.00
1551 · Int'l. Truck/Plow	72,872.50
1555 · Monroe Road Sander	4,310.55
1565 · '91 P/U Truck	12,210.00
1580 · 87 Case Backhoe	36,000.00
Total 1550 · Vehicles & Equipment	221,023.50
1600 · Lake, Utilities & Improvements	
1601 · Water Systems Generator	3,976.35
1625 · Water System	33,156.07
1630 · 2012/2013 PWTP System	171,821.37
1600 · Lake, Utilities & Improvements - Other	2,570.44
Total 1600 · Lake, Utilities & Improvements	211,524.23
1650 · Mail Boxes	3,486.49
1700 · Accumulated Depreciation	(79,890.00)
Total Fixed Assets	687,495.47
TOTAL ASSETS	831,667.73
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
2015 · Disinfection Note Loans	30,000.00
Total Long Term Liabilities	30,000.00
Total Liabilities	30,000.00
Equity	
3050 · Unrestricted Fund Balance	658,746.24
Net Income	142,921.49
Total Equity	801,667.73
TOTAL LIABILITIES & EQUITY	831,667.73

See Accompanying Accountant's Compilation Report

FALLS CREEK RANCH ASSOC., INC.
 Income Statement Budget Performance
 April 2014

	Apr 14	Aug '13 - Apr 14	Annual Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Assessments				
4010 · Improved Lots	0.00	270,000.00	270,000.00	100.00%
4020 · Unimproved Lots	0.00	29,000.00	29,000.00	100.00%
Total 4000 · Assessments	0.00	299,000.00	299,000.00	100.00%
4100 · Road Easements	0.00	100.00	100.00	100.00%
4300 · Misc. Income				
4335 · Designated Grants Received	0.00	29,475.00		
4300 · Misc. Income - Other	0.00	1,868.43		
Total 4300 · Misc. Income	0.00	31,343.43		
4320 · Interest Income	1.41	12.96		
4400 · Late Fees	0.00	52.82		
4800 · High Meadow Fees	0.00	1,656.00	1,640.00	100.98%
4805 · Watson Property Fees	0.00	426.00	422.00	100.95%
Total Income	1.41	332,591.21	301,162.00	110.44%
Expense				
6100 · Caretaker & Help				
6110 · Wages	3,608.83	32,479.47	43,306.00	75.00%
6120 · Payroll Taxes	296.34	2,795.38	3,707.00	75.41%
6130 · Health Insurance	519.55	4,810.95	6,900.00	69.72%
6140 · Workman's Compensation	0.00	2,411.00	6,323.00	38.13%
6150 · Travel Allowance	0.00	0.00	250.00	0.00%
6160 · Retirement expense	252.62	2,273.58	3,032.00	74.99%
6561 · Payroll Expenses	71.21	732.39	1,020.00	71.80%
Total 6100 · Caretaker & Help	4,748.55	45,502.77	64,538.00	70.51%
6200 · Ranch House				
6230 · Maintenance	22.10	349.11	800.00	43.64%
6200 · Ranch House - Other	0.00	10.94		

FALLS CREEK RANCH ASSOC., INC.
Income Statement Budget Performance
April 2014

	Apr 14	Aug '13 - Apr 14	Annual Budget	% of Budget
Total 6200 · Ranch House	22.10	360.05	800.00	45.01%
6300 · Equipment Shed				
6320 · Electricity	192.22	801.60	1,200.00	66.80%
6330 · Telephone	246.65	816.03	1,500.00	54.40%
6340 · Maintenance	0.00	66.00	300.00	22.00%
6360 · Small Tools & Equipment	0.00	515.99	700.00	73.71%
6370 · Supplies - expendable	124.09	728.14	600.00	121.36%
6380 · Sand Shed	0.00	19.38		
Total 6300 · Equipment Shed	562.96	2,947.14	4,300.00	68.54%
6500 · Beautification Committee				
6510 · Plants and equipment	0.00	72.24	300.00	24.08%
Total 6500 · Beautification Committee	0.00	72.24	300.00	24.08%
6600 · Lake Committee				
6630 · Boat Storage Materials	0.00	300.00		
6690 · Misc. Lake Expense	0.00	38.92	300.00	12.97%
Total 6600 · Lake Committee	0.00	338.92	300.00	112.97%
6700 · Roads Committee				
6710 · FCR- Gravel	4,925.77	4,741.26	15,000.00	31.61%
6730 · FCR- Mag Chlor	11,115.98	11,115.98	9,000.00	123.51%
6750 · Culverts	0.00	0.00	2,000.00	0.00%
6760 · Equipment Rentals	4,087.50	4,087.50	7,000.00	58.39%
6770 · Signs	0.00	0.00	500.00	0.00%
6790 · Road Sand	0.00	0.00	2,000.00	0.00%
Total 6700 · Roads Committee	20,129.25	19,944.74	35,500.00	56.18%
6800 · Firewise Program				
6820 · Administrative Costs	0.00	25.79	200.00	12.90%
6810 · Mitigation Projects	0.00	0.00		
Total 6800 · Firewise Program	0.00	25.79	200.00	12.90%

FALLS CREEK RANCH ASSOC., INC.
Income Statement Budget Performance
April 2014

	Apr 14	Aug '13 - Apr 14	Annual Budget	% of Budget
6900 · Utilities Committee				
6910 · Electricity - pumps	375.97	1,674.10	2,640.00	63.41%
6915 · Scada phone	58.97	262.77	960.00	27.37%
6920 · Water Tests	245.00	1,109.57	7,600.00	14.60%
6925 · Chemicals	6.39	61.31	1,000.00	6.13%
6940 · System Repairs	357.50	6,305.32	5,000.00	126.11%
6950 · System Improvements	0.00	6,216.78	12,000.00	51.81%
6970 · Memberships & Fees	0.00	2,334.73	3,150.00	74.12%
6980 · Training	30.00	80.00	600.00	13.33%
6990 · Utilities Misc.	0.00	0.00	1,300.00	0.00%
Total 6900 · Utilities Committee	1,073.83	18,044.58	34,250.00	52.68%
7000 · Common Property				
6520 · Cleanup Day	0.00	0.00	300.00	0.00%
7010 · Beetle Control - Sevin	0.00	0.00	500.00	0.00%
7030 · Weed & Pest Control	0.00	5,885.47	7,000.00	84.08%
7040 · Forest Management	0.00	838.37	3,000.00	27.95%
7070 · Signs	0.00	215.53	200.00	107.77%
Total 7000 · Common Property	0.00	6,939.37	11,000.00	63.09%
7100 · Equipment Operations				
7110 · Fuels, Lubricants & Filters	1,626.53	6,208.90	7,500.00	82.79%
7120 · Licenses and Permits	0.00	359.14	500.00	71.83%
7130 · Grader Repairs & Maintenance	0.00	9,334.95	4,000.00	233.37%
7140 · Dump Truck Repairs & Maintenance	0.00	3,827.81	1,000.00	382.78%
7160 · Backhoe Repairs & Maintenance	0.00	620.12	1,000.00	62.01%
7170 · Pickup Repairs & Maintenance	0.00	54.13	1,000.00	5.41%
7175 · Tractor Repairs & Maintenance	0.00	306.83	500.00	61.37%
Total 7100 · Equipment Operations	1,626.53	20,711.88	15,500.00	133.63%
7200 · Services				
7210 · General & D.O Liability Insuran	2,508.15	11,177.55	13,860.00	80.65%

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Income Statement Budget Performance
April 2014

	Apr 14	Aug '13 - Apr 14	Annual Budget	% of Budget
7220 · Accounting	250.00	2,173.00	4,000.00	54.33%
7225 · Finance Charges	0.00	5.08		
7230 · Dumpsters	670.95	6,406.63	9,044.00	70.84%
7240 · Property, Auto, Equip Insurance	0.00	0.00	5,504.00	0.00%
Total 7200 · Services	3,429.10	19,762.26	32,408.00	60.98%
7300 · Activities				
7310 · Annual Meeting	0.00	0.00	1,000.00	0.00%
7330 · New Years Eve Skating	0.00	0.00	300.00	0.00%
Total 7300 · Activities	0.00	0.00	1,300.00	0.00%
7400 · Board Operations				
7410 · Prof./web page/Legal Fees	1,062.50	7,357.24	5,000.00	147.14%
7420 · Administrative	0.00	161.81	1,000.00	16.18%
7430 · Discretionary Payments-Bonus	0.00	(1,450.00)	1,500.00	-96.67%
7445 · AED Fees	0.00	77.00	450.00	17.11%
Total 7400 · Board Operations	1,062.50	6,146.05	7,950.00	77.31%
7700 · Note Interest Expense	0.00	1,038.00	930.00	111.61%
7900 · Dam Committee				
7925 · Spillway Diversion	841.02	22,527.37		
7910 · Testing/Inspections	0.00	3,541.00	13,800.00	25.66%
7915 · Dam Maintenance	36.92	21,767.56		
Total 7900 · Dam Committee	877.94	47,835.93	13,800.00	346.64%
Total Expense	33,532.76	189,669.72	223,076.00	85.02%
Net Ordinary Income	(33,531.35)	142,921.49	78,086.00	183.03%
Net Income	(33,531.35)	142,921.49	78,086.00	183.03%