

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, 2015, 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, 2015 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, 2015 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 4, 2015

FALLS CREEK RANCH ASSOC., INC.

Balance Sheet

As of April 30, 2015

	Apr 30, 15
ASSETS	
Current Assets	
Checking/Savings	
1349 · C - Bank of San Juans	
1350 · BSJ Op Acct	180,049.99
Total 1349 · C - Bank of San Juans	180,049.99
1355 · Bank of SJ - Grant Reserve	5,930.33
1360 · Bank of SJ - Capital Reserve	77,239.47
Total Checking/Savings	263,219.79
Accounts Receivable	
1200 · Accounts Receivable	(1,639.57)
Total Accounts Receivable	(1,639.57)
Total Current Assets	261,580.22
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
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	171,587.42
1600 · Lake, Utilities & Improvements - Ot...	2,570.44
Total 1600 · Lake, Utilities & Improvements	211,290.28
1650 · Mail Boxes	3,486.49
1700 · Accumulated Depreciation	(79,890.00)
Total Fixed Assets	534,981.48
TOTAL ASSETS	796,561.70
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
2030 · Spillway Diversion Note Loans	115,000.00
Total Long Term Liabilities	115,000.00
Total Liabilities	115,000.00
Equity	
3051 · Restricted Fund Bal - Capital	165,000.00
3052 · Restricted Fund Bal - Fire Miti	25,930.00
3050 · Unrestricted Fund Balance	388,141.99
Net Income	102,489.71
Total Equity	681,561.70
TOTAL LIABILITIES & EQUITY	796,561.70

See Accompanying Accountant's Compilation Report

FALLS CREEK RANCH ASSOC., INC.
Income Statement Budget Performance
April 2015

	<u>Apr 15</u>	<u>Aug '14 - Apr 15</u>	<u>Annual Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4225 · Base Water Charge	3,828.20	23,010.84	30,300.00	75.94%
4250 · Water Usage Charge	0.00	18,557.14	28,000.00	66.28%
4000 · Assessments				
4010 · Improved Lots	0.00	253,750.00	256,620.00	98.88%
4020 · Unimproved Lots	0.00	27,200.00	24,480.00	111.11%
Total 4000 · Assessments	0.00	280,950.00	281,100.00	99.95%
4100 · Road Easements				
4300 · Misc. Income	0.00	100.00	100.00	100.00%
4335 · Designated Grants Received	15,000.00	99,690.00		
4300 · Misc. Income - Other	9.16	3,745.16		
Total 4300 · Misc. Income	15,009.16	103,435.16		
4320 · Interest Income	0.93	22.87		
4400 · Late Fees	21.56	157.47		
4800 · High Meadow Fees	0.00	1,627.00	1,627.00	100.00%
4805 · Watson Property Fees	0.00	419.00	419.00	100.00%
Total Income	18,859.85	428,279.48	341,546.00	125.39%
Expense				
5000 · Utilities				
5020 · Well Rehabilitation	0.00	7,797.77		
Total 5000 · Utilities	0.00	7,797.77		
6100 · Caretaker & Help				
6110 · Wages	3,662.92	32,966.28	43,955.00	75.00%
6120 · Payroll Taxes	300.16	2,831.57	3,780.00	74.91%
6130 · Health Insurance	500.00	4,500.00	6,900.00	65.22%
6140 · Workman's Compensation	0.00	1,928.00	4,150.00	46.46%
6150 · Travel Allowance	0.00	323.56	250.00	129.42%

FALLS CREEK RANCH ASSOC., INC.
Income Statement Budget Performance
April 2015

	Apr 15	Aug '14 - Apr 15	Annual Budget	% of Budget
6160 · Retirement expense	256.40	2,307.60	3,077.00	75.00%
6561 · Payroll Expenses	72.21	741.69	1,055.00	70.30%
Total 6100 · Caretaker & Help	4,791.69	45,598.70	63,167.00	72.19%
6200 · Ranch House				
6230 · Maintenance	34.55	118.76	500.00	23.75%
Total 6200 · Ranch House	34.55	118.76	500.00	23.75%
6300 · Equipment Shed				
6320 · Electricity	52.59	799.92	1,100.00	72.72%
6330 · Telephone	0.00	656.82	1,000.00	65.68%
6340 · Maintenance	0.00	168.81	200.00	84.41%
6360 · Small Tools & Equipment	240.01	893.82	600.00	148.97%
6370 · Supplies - expendable	106.49	418.64	600.00	69.77%
Total 6300 · Equipment Shed	399.09	2,938.01	3,500.00	83.94%
6500 · Beautification Committee				
6510 · Plants and equipment	0.00	33.14	250.00	13.26%
Total 6500 · Beautification Committee	0.00	33.14	250.00	13.26%
6600 · Lake Committee				
6690 · Misc. Lake Expense	0.00	4,219.94	100.00	4219.94%
Total 6600 · Lake Committee	0.00	4,219.94	100.00	4219.94%
6700 · Roads Committee				
6710 · FCR - Gravel	0.00	0.00	12,000.00	0.00%
6730 · FCR - Mag Chlor	(777.00)	(763.51)	11,000.00	-6.94%
6750 · Culverts	0.00	0.00	2,000.00	0.00%
6760 · Equipment Rentals	0.00	0.00	9,000.00	0.00%
6770 · Signs	0.00	677.64	500.00	135.53%
6790 · Road Sand	0.00	0.00	500.00	0.00%
Total 6700 · Roads Committee	(777.00)	(85.87)	35,000.00	-0.25%
6800 · Firewise Program				
6810 · Mitigation Projects	0.00	103,645.00	200.00	80.16%
6820 · Administrative Costs	68.29	160.31	200.00	80.16%

FALLS CREEK RANCH ASSOC., INC.
 Income Statement Budget Performance
 April 2015

	Apr 15	Aug '14 - Apr 15	Annual Budget	% of Budget
Total 6800 · Firewise Program	68.29	103,805.31	200.00	51902.66%
6900 · Utilities Committee				
6910 · Electricity - pumps	327.69	1,298.14	2,520.00	51.51%
6915 · Scada phone	29.90	238.86	960.00	24.88%
6920 · Water Tests	0.00	5,544.97	7,600.00	72.96%
6925 · Chemicals	5.92	69.28	180.00	38.49%
6940 · System Repairs	3,450.00	6,746.59	6,000.00	112.44%
6950 · System Improvements	19.89	1,118.25	1,000.00	111.83%
6960 · Consultants	0.00	0.00	10,000.00	0.00%
6970 · Memberships & Fees	595.00	3,210.34	2,560.00	125.40%
6980 · Training	0.00	417.25	600.00	69.54%
6990 · Utilities Misc.	0.00	46.19	1,300.00	3.55%
Total 6900 · Utilities Committee	4,428.40	18,689.87	32,720.00	57.12%
7000 · Common Property				
6520 · Cleanup Day	0.00	41.71	300.00	13.90%
7010 · Beetle Control - Sevin	0.00	0.00	500.00	0.00%
7030 · Weed & Pest Control	0.00	129.44	10,000.00	1.29%
7040 · Forest Management	450.00	3,125.53	4,000.00	78.14%
7070 · Signs	31.55	31.55	200.00	15.78%
Total 7000 · Common Property	481.55	3,328.23	15,000.00	22.19%
7095 · Hidden Valley Permits	0.00	0.00	0.00	
7100 · Equipment Operations				
7110 · Fuels, Lubricants & Filters	68.90	3,549.10	7,000.00	50.70%
7120 · Licenses and Permits	0.00	331.84	400.00	82.96%
7130 · Grader Repairs & Maintenance	0.00	3,246.82	5,000.00	64.94%
7140 · Dump Truck Repairs & Maintenance	0.00	0.00	1,000.00	0.00%
7160 · Backhoe Repairs & Maintenance	140.41	535.59	1,000.00	53.56%
7170 · Pickup Repairs & Maintenance	0.00	408.14	500.00	81.63%
7175 · Tractor Repairs & Maintenance	0.00	4,231.85	200.00	2115.93%
Total 7100 · Equipment Operations	209.31	12,303.34	15,100.00	81.48%
7200 · Services				

FALLS CREEK RANCH ASSOC., INC.
Income Statement Budget Performance
April 2015

	Apr 15	Aug '14 - Apr 15	Annual Budget	% of Budget
7210 · General & D.O Liability Insuran	0.00	19,028.00	17,216.00	110.53%
7220 · Accounting	250.00	2,648.20	6,550.00	40.43%
7225 · Finance Charges	1.26	40.26		
7230 · Dumpsters	770.38	6,096.22	9,500.00	64.17%
7240 · Property, Auto, Equip Insurance	0.00	10.04	3,356.00	0.30%
Total 7200 · Services	1,021.64	27,822.72	36,622.00	75.97%
7300 · Activities				
7310 · Annual Meeting	0.00	150.00	1,000.00	15.00%
7330 · New Years Eve Skating	0.00	0.00	0.00	
Total 7300 · Activities	0.00	150.00	1,000.00	15.00%
7400 · Board Operations				
7410 · Prof./web page/Legal Fees	0.00	1,480.77	8,265.00	17.92%
7420 · Administrative	0.00	633.13	500.00	126.63%
7430 · Discretionary Payments-Bonus	0.00	1,485.00	1,500.00	99.00%
7445 · AED Fees	0.00	212.00	380.00	55.79%
Total 7400 · Board Operations	0.00	3,810.90	10,645.00	35.80%
7700 · Note Interest Expense	0.00	578.00	4,754.00	12.16%
7900 · Dam Committee				
7910 · Testing/Inspections	0.00	0.00	0.00	
7915 · Dam Maintenance	250.68	250.68	1,250.00	20.05%
7920 · Misc Dam Expense	0.00	43.25	13,635.00	0.32%
7925 · Spillway Diversion	0.00	94,387.02		
7935 · Equipment Rental	0.00	0.00	2,500.00	0.00%
Total 7900 · Dam Committee	250.68	94,680.95	17,385.00	544.61%
Total Expense	10,908.20	325,789.77	235,943.00	138.08%
Net Ordinary Income	7,951.65	102,489.71	105,603.00	97.05%
Net Income	7,951.65	102,489.71	105,603.00	97.05%