

**Agate Creek Homeowners Association
PO Box 771789
Steamboat Springs, Colorado 80477**

Enclosed is the proposed budget for September 1, 2009 through August 31, 2010 for your perusal before the annual meeting on September 21. Also enclosed are the financials for fiscal 2009.

We have been advised that the cattle operation should be a balance sheet item. Therefore the year-to-date figure on the Income Statement becomes zero and the income from assessments for the participants and expenses to date are in the Capital section of the Balance Sheet.

AGATE CREEK HOA BUDGET 2009-2010

	Budget 1-Sep-09 31-Aug-10	Actual 1-Sep-08 31-Aug-09
ASSOCIATION INCOME		
COMMON ASSESSMENTS - DUES	\$ 24,000	\$ 24,000
ARCHITECTURAL FEE	\$ -	\$ -
BUILDING FEES	\$ -	\$ -
INTEREST INCOME	\$ 500	\$ 750
TOTAL ASSOCIATION INCOME	\$ 24,500	\$ 24,750
WATER INCOME		
QUARTERLY WATER CHARGE	\$ 2,800	\$ 2,800
TOTAL WATER INCOME	\$ 2,800	\$ 2,800
EXPENSES - G&A		
ADMINISTRATIVE	\$ 1,500	\$ 1,497
LICENSES & FEES	\$ 100	\$ 100
LIABILITY INSURANCE	\$ 725	\$ 625
D & O INSURANCE	\$ 1,275	\$ 1,221
ACCOUNTING/TAXES	\$ 300	\$ 300
LEGAL	\$ 2,500	\$ 208
OFFICE SUPPLIES/POSTAGE	\$ 300	\$ 340
MISCELLANEOUS G&A EXPENSES	\$ 100	
WEB SITE	\$ 300	\$ 300
BANK SERVICE CHARGES	\$ -	\$ 30
TOTAL G&A EXPENSE	\$ 7,100	\$ 4,621
EXPENSES - OPERATIONS		
ARCHITECTURAL FEES	\$ -	\$ -
SIGN ACQUISITION AND MAINTENANCE	\$ 300	\$ 480
LANDSCAPING	\$ 1,000	\$ 1,029
ROAD CONSTRUCTION	\$ -	\$ -
ROAD MAINTENANCE	\$ 16,000	\$ 564
SNOWPLOWING	\$ 8,000	\$ 7,035
MOSQUITO AND WEED CONTROL	\$ 65	\$ -
TOTAL EXPENSES - OPERATING	\$ 25,365	\$ 9,108
FIXED WATER EXPENSES		
STAGECOACH WATER PURCHASE	\$ 870	\$ 870
TOTAL FIXED WATER EXPENSES	\$ 870	\$ 870
VARIABLE WATER EXPENSES		
WATER OPERATOR	\$ 2,400	\$ 3,360
WATER SUPPLIES	\$ 1,500	\$ 1,248
WATER ELECTRIC	\$ 2,500	\$ 2,311
WATER CONSULTING/LEGAL	\$ 4,000	\$ 1,686
TOTAL VARIABLE WATER EXPENSES	\$ 10,400	\$ 8,605
ASSOCIATION INCOME	\$ 27,300	\$ 27,550
ASSOCIATION EXPENSES	\$ 43,735	\$ 23,204
ASSOCIATION PROFIT (LOSS)	\$ (16,435)	\$ 4,346

AGATE CREEK HOMEOWNERS ASSOCIATION
Balance Sheet

August 31, 2009

Assets			
	Checking Account	3,888.78	
	Certificate of Deposit	55,177.43	
	Accounts Receivable	1,500.00	
	Total Assets		60,566.21
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Liabilities			
	Accounts Payable	0.00	
	Total Liabilities		0.00
Capital			
	Undesignated Funds	66,095.41	
	Special Assess-Fencing	55,960.00	
	Fencing Expenses	(61,489.20)	
	Total Capital		60,566.21

	Total Liabilities and Capital		60,566.21
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AGATE CREEK HOMEOWNERS ASSOCIATION
Income Statement
Current, YTD, and Ratios
12 Period(s) Ended August 31, 2009

	Current	%	Year-to-Date	%
Income				
Common Assessments	0.00	0	24,000.00	94.5
Initial Assessments	0.00	0	0.00	0
Road Paving Assessment	0.00	0	0.00	0
Architectural Fee	0.00	0	0.00	0
Building Fees	0.00	0	0.00	0
Interest Income	749.76	100.0	1,396.13	5.5
Late Payment Fees	0.00	0	0.00	0
Misc. Association Incom	0.00	0	0.00	0
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Total Income	749.76	100.0	25,396.13	100.0
Expenses-G&A				
Administrative	0.00	0	1,497.40	5.9
Bank Service Charge	0.00	0	30.00	0.1
Meeting Expense	0.00	0	0.00	0
Licenses & Fees	0.00	0	100.00	0.4
Liability Insurance	0.00	0	1,846.00	7.3
D&O Insurance	0.00	0	0.00	0
Accounting/Taxes	0.00	0	300.00	1.2
Legal	0.00	0	207.50	0.8
Office Supplies/Postage	0.00	0	339.95	1.3
Income Tax Expense	0.00	0	0.00	0
Web Site	0.00	0	300.00	1.2
Miscellaneous Expense	0.00	0	0.00	0
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Total Expenses-G&A	0.00	0	4,620.85	18.2
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Gross Profit (Loss)	749.76	100.0	20,775.28	81.8
Expenses-Operating				
Architectural Fees	0.00	0	0.00	0
Sign Acquisition & Maint	25.74	3.4	480.37	1.9
Landscaping	74.00	9.9	1,029.00	4.1
Fence Repair	0.00	0	0.00	0
Road Construction	0.00	0	0.00	0
Road Maintenance	0.00	0	564.00	2.2
Snow Plowing	0.00	0	7,035.34	27.7
Mosquito and Weed Contr	0.00	0	0.00	0
Road Sweeping	0.00	0	0.00	0
Electrical Supplies	0.00	0	0.00	0
Cattle Fencing	11,009.45	****	0.00	0
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Total Expenses-Operatin	11,109.19	****	9,108.71	35.9
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Operating Income (Loss)	(10,359.43)	****	11,666.57	45.9
Income - Water				
Miscellaneous Water Inc	0.00	0	2,800.00	11.0
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Total Income - Water	0.00	0	2,800.00	11.0
Water Expenses				
Stagecoach Water Purcha	0.00	0	870.00	3.4

AGATE CREEK HOMEOWNERS ASSOCIATION
Income Statement
Current, YTD, and Ratios
12 Period(s) Ended August 31, 2009

	Current	%	Year-to-Date	%
Water Operator	920.00	122.7	3,360.00	13.2
Water Supplies	232.04	30.9	1,247.66	4.9
Water Electric	253.28	33.8	2,310.78	9.1
Water Consulting/Legal	46.98	6.3	1,685.96	6.6
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Total Water Expenses	1,452.30	193.7	9,474.40	37.3
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Net Income (Loss)	(11,811.73)	****	4,992.17	19.7
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AGATE CREEK HOMEOWNERS ASSOCIATION

Income Statement

YTD Actual versus YTD Budget and Variance - Favorable (Unfavorable)
12 Period(s) Ended August 31, 2009

	Actual	Budget	Variance
Income			
Common Assessment	24,000.00	19,200.00	4,800.00
Initial Assessmen	0.00	0.00	0.00
Road Paving Asses	0.00	0.00	0.00
Architectural Fee	0.00	600.00	(600.00)
Building Fees	0.00	4,000.00	(4,000.00)
Interest Income	1,396.13	1,500.00	(103.87)
Late Payment Fees	0.00	0.00	0.00
Misc. Association	0.00	0.00	0.00
Total Income	25,396.13	25,300.00	96.13
Expenses-G&A			
Administrative	1,497.40	1,200.00	(297.40)
Bank Service Char	30.00	0.00	(30.00)
Meeting Expense	0.00	0.00	0.00
Licenses & Fees	100.00	25.00	(75.00)
Liability Insuran	1,846.00	625.00	(1,221.00)
D&O Insurance	0.00	0.00	0.00
Accounting/Taxes	300.00	300.00	0.00
Legal	207.50	3,000.00	2,792.50
Office Supplies/P	339.95	300.00	(39.95)
Income Tax Expens	0.00	0.00	0.00
Web Site	300.00	0.00	(300.00)
Miscellaneous Exp	0.00	100.00	100.00
Total Expenses-G&	4,620.85	5,550.00	929.15
Gross Profit (Loss)	20,775.28	19,750.00	1,025.28
Expenses-Operating			
Architectural Fee	0.00	600.00	600.00
Sign Acquisition &	480.37	300.00	(180.37)
Landscaping	1,029.00	600.00	(429.00)
Fence Repair	0.00	0.00	0.00
Road Construction	0.00	0.00	0.00
Road Maintenance	564.00	3,000.00	2,436.00
Snow Plowing	7,035.34	8,000.00	964.66
Mosquito and Weed	0.00	65.00	65.00
Road Sweeping	0.00	0.00	0.00
Electrical Suppli	0.00	0.00	0.00
Cattle Fencing	0.00	0.00	0.00
Total Expenses-Op	9,108.71	12,565.00	3,456.29
Operating Income (Los	11,666.57	7,185.00	4,481.57
Income - Water			
Miscellaneous Wat	2,800.00	2,800.00	0.00
Total Income - Wa	2,800.00	2,800.00	0.00
Water Expenses			
Stagecoach Water	870.00	870.00	0.00

AGATE CREEK HOMEOWNERS ASSOCIATION

Income Statement

YTD Actual versus YTD Budget and Variance - Favorable (Unfavorable)
12 Period(s) Ended August 31, 2009

	Actual	Budget	Variance
Water Operator	3,360.00	2,400.00	(960.00)
Water Supplies	1,247.66	800.00	(447.66)
Water Electric	2,310.78	1,900.00	(410.78)
Water Consulting/	1,685.96	4,000.00	2,314.04
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Total Water Expen	9,474.40	9,970.00	495.60
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Net Income (Loss)	4,992.17	15.00	4,977.17
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