



SPAETH AND COMPANY, INC.
ACCOUNTING AND TAX SERVICES

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October 27, 2016

Sunridge at Avon II
P.O. Box 2621
Avon, CO 81620

Re: Financial Statements
For the Twelve Months Ended September 30, 2016

Dear Board of Directors:

I am enclosing your balance sheet, profit & loss, comparatives, monthly check report and general ledger detail for the period indicated above. The enclosed financial statements were prepared from your books and records without audit.

Please contact me if you have any questions about the enclosed statements.

Sincerely yours,

Christine A. Spaeth, EA
Enrolled Agent

Enclosures

SUNRIDGE AT AVON II

Balance Sheet

As of September 30, 2016

	Sep 30, 16
ASSETS	
Current Assets	
Checking/Savings	
101 · Cash In Bank - Checking	
101.2 · Cash in US Bank - Checking ...	305.19
101.3 · Cash in Alpine - Checking - 5...	45,115.89
101.4 · Cash in Alpine - Bill Pay 9597	238.38
Total 101 · Cash In Bank - Checking	45,659.46
103 · Cash In Bank - Reserves	
103.8 · Cash in US Bank - MM Sav ...	92,480.91
103.9 · Cash in Alpine - Reserve - 621	90,597.53
Total 103 · Cash In Bank - Reserves	183,078.44
Total Checking/Savings	228,737.90
Accounts Receivable	
110 · Accounts Receivable	(582.36)
Total Accounts Receivable	(582.36)
Other Current Assets	
125 · A/R - Owner Reimbursables	
125.2 · Accounting - Bill To Owner	90.67
Total 125 · A/R - Owner Reimbursables	90.67
130 · Prepaid Insurance	3,651.74
131 · Prepaid Fire Alarm Monitoring	280.00
133 · Prepaid Expenses	109.19
Total Other Current Assets	4,131.60
Total Current Assets	232,287.14
Fixed Assets	
151 · Property and Equipment	4,012.39
155 · Accumulated Depreciation	(4,012.39)
Total Fixed Assets	0.00
TOTAL ASSETS	232,287.14
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable	30,281.81
Total Accounts Payable	30,281.81
Total Current Liabilities	30,281.81
Total Liabilities	30,281.81
Equity	
301 · Operating Equity Fund	(145,770.31)
302 · Improvement Fund Balance	298,263.37
303 · Improvement Fund Increases	73,623.03
304 · Improvement Fund Expenditures	(12,347.00)
Net Income	(11,763.76)
Total Equity	202,005.33
TOTAL LIABILITIES & EQUITY	232,287.14

SUNRIDGE AT AVON II
Balance Sheet - Comparative
As of September 30, 2016

	Sep 30, 16	Sep 30, 15	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
101 · Cash In Bank - Checking	45,659.46	43,595.36	2,064.10
102 · Cash In Bank - Savings	0.00	4,840.87	(4,840.87)
103 · Cash In Bank - Reserves	183,078.44	132,962.97	50,115.47
Total Checking/Savings	228,737.90	181,399.20	47,338.70
Accounts Receivable			
110 · Accounts Receivable	(582.36)	(6,170.41)	5,588.05
Total Accounts Receivable	(582.36)	(6,170.41)	5,588.05
Other Current Assets			
125 · A/R - Owner Reimbursables	90.67	6,709.94	(6,619.27)
127 · Due From (To) LiftView	0.00	(42.12)	42.12
130 · Prepaid Insurance	3,651.74	3,505.24	146.50
131 · Prepaid Fire Alarm Monitoring	280.00	280.00	0.00
132 · Prepaid Income Tax	0.00	487.47	(487.47)
133 · Prepaid Expenses	109.19	61.64	47.55
Total Other Current Assets	4,131.60	11,002.17	(6,870.57)
Total Current Assets	232,287.14	186,230.96	46,056.18
Fixed Assets			
151 · Property and Equipment	4,012.39	4,012.39	0.00
155 · Accumulated Depreciation	(4,012.39)	(4,012.39)	0.00
Total Fixed Assets	0.00	0.00	0.00
TOTAL ASSETS	232,287.14	186,230.96	46,056.18
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
200 · Accounts Payable	30,281.81	33,737.90	(3,456.09)
Total Accounts Payable	30,281.81	33,737.90	(3,456.09)
Total Current Liabilities	30,281.81	33,737.90	(3,456.09)
Total Liabilities	30,281.81	33,737.90	(3,456.09)
Equity			
301 · Operating Equity Fund	(145,770.31)	(142,712.19)	(3,058.12)
302 · Improvement Fund Balance	298,263.37	278,428.59	19,834.78
303 · Improvement Fund Increases	73,623.03	58,623.00	15,000.03
304 · Improvement Fund Expenditures	(12,347.00)	(38,788.22)	26,441.22
Net Income	(11,763.76)	(3,058.12)	(8,705.64)
Total Equity	202,005.33	152,493.06	49,512.27
TOTAL LIABILITIES & EQUITY	232,287.14	186,230.96	46,056.18

SUNRIDGE AT AVON II

Profit & Loss

September 2016

	Sep 16	Oct '15 - Sep 16	% of Income
Ordinary Income/Expense			
Income			
401 · Operating Assessments	43,949.78	527,448.81	86.0%
402 · Reserve Assessments	6,551.92	73,623.03	12.8%
403 · Finance Chgs. & Late Fees	320.87	3,059.67	0.6%
405 · Interest Income	10.47	121.93	0.0%
406 · Holy Cross Equity Refunds	0.00	551.13	0.0%
407 · Other Owner Income			
407.1 · Parking Pass Fees	200.00	2,300.00	0.4%
407.2 · Fine Income	100.00	700.00	0.2%
Total 407 · Other Owner Income	300.00	3,000.00	0.6%
Total Income	51,133.04	607,804.57	100.0%
Gross Profit	51,133.04	607,804.57	100.0%
Expense			
600 · Safety Inspection	0.00	(1,275.24)	0.0%
601 · Management Fees	5,000.00	58,749.99	9.8%
604 · Electric	430.59	5,437.45	0.8%
605 · Insurance Expense	3,508.83	42,106.00	6.9%
607 · Legal Fees	570.00	2,473.50	1.1%
608 · Accounting	1,326.67	17,074.25	2.6%
609 · Office & Administrative			
609.1 · Postage	11.24	486.85	0.0%
609.2 · Telephone	482.82	1,807.32	0.9%
609.4 · Website/Internet	24.31	244.12	0.0%
609 · Office & Administrative - Other	147.97	3,680.23	0.3%
Total 609 · Office & Administrative	666.34	6,218.52	1.3%
620 · Repair & Maint.-General			
620.1 · Pet Cleanup	0.00	2,402.50	0.0%
620.2 · Building Repair	243.42	3,102.32	0.5%
620 · Repair & Maint.-General - Ot...	114.80	9,668.27	0.2%
Total 620 · Repair & Maint.-General	358.22	15,173.09	0.7%
621 · Alarm Service - Phone	452.20	5,070.04	0.9%
622 · Alarm Service - Contract	360.00	6,320.00	0.7%
623 · Snow Removal			
623.1 · Snow Plowing	0.00	14,000.00	0.0%
623.2 · Snow Shoveling	0.00	4,442.92	0.0%
623 · Snow Removal - Other	0.00	3,259.49	0.0%
Total 623 · Snow Removal	0.00	21,702.41	0.0%
624 · Trash Removal	3,515.00	35,570.00	6.9%
625 · Water & Sewer	17,669.70	208,379.71	34.6%
628 · Security	0.00	1,099.99	0.0%
629 · Chimney Sweep & Dryer Vent	40.00	1,060.50	0.1%
630 · Parking Lot & Sidewalks			
610 · Towing & Booting	0.00	575.00	0.0%
630.1 · Asphalt & Concrete Repair	0.00	80.00	0.0%
630.2 · Ice Melt	0.00	204.85	0.0%
630 · Parking Lot & Sidewalks - Ot...	0.00	749.68	0.0%
Total 630 · Parking Lot & Sidewalks	0.00	1,609.53	0.0%
631 · Transfer/Allocation to Reserve	6,551.92	73,623.03	12.8%
632 · Lawn Sprinkler Repairs	0.00	5,217.50	0.0%
633 · Mowing & Trim Contract	3,500.00	16,100.00	6.8%
634 · Landscaping - Other	80.00	16,441.53	0.2%
635 · Flowers & Plants	0.00	60.00	0.0%
636 · Light Repair & Replace	0.00	513.00	0.0%
637 · Plumbing & Auguring	1,075.00	21,993.89	2.1%
637a · Reconstruction-Plumbing Issu...	2,185.50	14,750.06	4.3%

SUNRIDGE AT AVON II

Profit & Loss

September 2016

	Sep 16	Oct '15 - Sep 16	% of Income
640 · Pest Control	507.56	6,135.24	1.0%
643 · Painting Expense	0.00	103.34	0.0%
652 · Janitorial	2,310.00	28,358.00	4.5%
653 · Trash Enclosures	0.00	120.00	0.0%
Total Expense	50,107.53	610,185.33	98.0%
Net Ordinary Income	1,025.51	(2,380.76)	2.0%
Other Income/Expense			
Other Expense			
642 · Special Projects			
607.1 · Legal Fees for New Decs	0.00	4,703.00	0.0%
642.1 · Unplanned Grounds Clean-up	0.00	4,680.00	0.0%
Total 642 · Special Projects	0.00	9,383.00	0.0%
Total Other Expense	0.00	9,383.00	0.0%
Net Other Income	0.00	(9,383.00)	0.0%
Net Income	1,025.51	(11,763.76)	2.0%

SUNRIDGE AT AVON II
Comparison To Budget - Year To Date
October 2015 through September 2016

	<u>Oct '15 - Sep 16</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
401 · Operating Assessments	527,448.81	527,448.81	0.00
402 · Reserve Assessments	73,623.03	73,623.03	0.00
403 · Finance Chgs. & Late Fees	3,059.67	0.00	3,059.67
405 · Interest Income	121.93	0.00	121.93
406 · Holy Cross Equity Refunds	551.13	0.00	551.13
407 · Other Owner Income	3,000.00	0.00	3,000.00
Total Income	<u>607,804.57</u>	<u>601,071.84</u>	<u>6,732.73</u>
Gross Profit	607,804.57	601,071.84	6,732.73
Expense			
600 · Safety Inspection	(1,275.24)	0.00	(1,275.24)
601 · Management Fees	58,749.99	57,000.00	1,749.99
604 · Electric	5,437.45	5,100.00	337.45
605 · Insurance Expense	42,106.00	40,000.00	2,106.00
607 · Legal Fees	2,473.50	4,000.00	(1,526.50)
608 · Accounting	17,074.25	16,800.00	274.25
609 · Office & Administrative	6,218.52	3,500.00	2,718.52
620 · Repair & Maint.-General	15,173.09	15,798.81	(625.72)
621 · Alarm Service - Phone	5,070.04	3,000.00	2,070.04
622 · Alarm Service - Contract	6,320.00	6,500.00	(180.00)
623 · Snow Removal	21,702.41	31,000.00	(9,297.59)
624 · Trash Removal	35,570.00	36,000.00	(430.00)
625 · Water & Sewer	208,379.71	210,000.00	(1,620.29)
628 · Security	1,099.99	750.00	349.99
629 · Chimney Sweep & Dryer Vent	1,060.50	1,000.00	60.50
630 · Parking Lot & Sidewalks	1,609.53	1,000.00	609.53
631 · Transfer/Allocation to Reserve	73,623.03	73,623.03	0.00
632 · Lawn Sprinkler Repairs	5,217.50	1,000.00	4,217.50
633 · Mowing & Trim Contract	16,100.00	17,000.00	(900.00)
634 · Landscaping - Other	16,441.53	4,500.00	11,941.53
635 · Flowers & Plants	60.00	0.00	60.00
636 · Light Repair & Replace	513.00	500.00	13.00
637 · Plumbing & Auguring	21,993.89	20,000.00	1,993.89
637a · Reconstruction-Plumbing Issues	14,750.06	10,000.00	4,750.06
640 · Pest Control	6,135.24	15,000.00	(8,864.76)
643 · Painting Expense	103.34	0.00	103.34
652 · Janitorial	28,358.00	28,000.00	358.00
653 · Trash Enclosures	120.00	0.00	120.00
Total Expense	<u>610,185.33</u>	<u>601,071.84</u>	<u>9,113.49</u>
Net Ordinary Income	(2,380.76)	0.00	(2,380.76)
Other Income/Expense			
Other Expense			
642 · Special Projects	9,383.00	0.00	9,383.00
Total Other Expense	<u>9,383.00</u>	<u>0.00</u>	<u>9,383.00</u>
Net Other Income	(9,383.00)	0.00	(9,383.00)
Net Income	<u>(11,763.76)</u>	<u>0.00</u>	<u>(11,763.76)</u>

SUNRIDGE AT AVON II
Comparison To Last Year - Year To Date
October 2015 through September 2016

	Oct '15 - Sep 16	Oct '14 - Sep 15	\$ Change
Ordinary Income/Expense			
Income			
401 · Operating Assessments	527,448.81	527,603.16	(154.35)
402 · Reserve Assessments	73,623.03	58,623.00	15,000.03
403 · Finance Chgs. & Late Fees	3,059.67	(890.47)	3,950.14
405 · Interest Income	121.93	166.78	(44.85)
406 · Holy Cross Equity Refunds	551.13	567.23	(16.10)
407 · Other Owner Income	3,000.00	1,350.00	1,650.00
Total Income	<u>607,804.57</u>	<u>587,419.70</u>	<u>20,384.87</u>
Gross Profit	607,804.57	587,419.70	20,384.87
Expense			
600 · Safety Inspection	(1,275.24)	2,528.05	(3,803.29)
601 · Management Fees	58,749.99	54,999.96	3,750.03
604 · Electric	5,437.45	5,246.33	191.12
605 · Insurance Expense	42,106.00	42,218.09	(112.09)
607 · Legal Fees	2,473.50	2,634.20	(160.70)
608 · Accounting	17,074.25	16,963.72	110.53
609 · Office & Administrative	6,218.52	5,657.88	560.64
620 · Repair & Maint.-General	15,173.09	14,918.32	254.77
621 · Alarm Service - Phone	5,070.04	4,789.35	280.69
622 · Alarm Service - Contract	6,320.00	6,320.00	0.00
623 · Snow Removal	21,702.41	20,112.34	1,590.07
624 · Trash Removal	35,570.00	36,093.75	(523.75)
625 · Water & Sewer	208,379.71	196,608.79	11,770.92
628 · Security	1,099.99	1,315.13	(215.14)
629 · Chimney Sweep & Dryer Vent	1,060.50	3,132.19	(2,071.69)
630 · Parking Lot & Sidewalks	1,609.53	2,331.46	(721.93)
631 · Transfer/Allocation to Reserve	73,623.03	58,623.00	15,000.03
632 · Lawn Sprinkler Repairs	5,217.50	6,912.75	(1,695.25)
633 · Mowing & Trim Contract	16,100.00	16,050.00	50.00
634 · Landscaping - Other	16,441.53	13,764.92	2,676.61
635 · Flowers & Plants	60.00	2,946.93	(2,886.93)
636 · Light Repair & Replace	513.00	509.06	3.94
637 · Plumbing & Auguring	21,993.89	13,747.71	8,246.18
637a · Reconstruction-Plumbing Issues	14,750.06	9,019.73	5,730.33
640 · Pest Control	6,135.24	10,725.00	(4,589.76)
643 · Painting Expense	103.34	3,595.13	(3,491.79)
652 · Janitorial	28,358.00	29,619.00	(1,261.00)
653 · Trash Enclosures	120.00	732.50	(612.50)
654 · Gutter Repair & Replace	0.00	339.10	(339.10)
Total Expense	<u>610,185.33</u>	<u>582,454.39</u>	<u>27,730.94</u>
Net Ordinary Income	(2,380.76)	4,965.31	(7,346.07)
Other Income/Expense			
Other Expense			
638 · Roof Expense	0.00	3,908.26	(3,908.26)
642 · Special Projects	9,383.00	0.00	9,383.00
649 · Bad Debt Expense	0.00	1,075.17	(1,075.17)
655 · Tree Maintenance - Extra	0.00	3,040.00	(3,040.00)
Total Other Expense	<u>9,383.00</u>	<u>8,023.43</u>	<u>1,359.57</u>
Net Other Income	(9,383.00)	(8,023.43)	(1,359.57)
Net Income	<u>(11,763.76)</u>	<u>(3,058.12)</u>	<u>(8,705.64)</u>

SUNRIDGE AT AVON II
CHECKS WRITTEN THIS MONTH
September 2016

Date	Num	Name	Memo	Amount
101 - Cash In Bank - Checking				
101.3 - Cash in Alpine - Checking - 530				
9/1/2016	ACH paym...	Avon Property Management, ...	Monthly Management fee - September	-5,000.00
9/1/2016	ACH paym...	D and A Cleaning, LLC	8/15-8/31	-1,430.00
9/1/2016	ACH paym...	Francisco Bastardo	G103 leak 1/2hr	-17.50
9/1/2016	ACH paym...	Merritt Services Ltd.		-4,260.81
9/1/2016	ACH paym...	Spaeth and Company, Inc.	August	-1,444.40
9/1/2016	Auto pay	Mountain Roll Offs, Inc	Monthly Trash Removal	-3,515.00
9/2/2016	Draft 0713	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/2/2016	Draft 0741	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-26.60
9/2/2016	Draft 0730	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/2/2016	Draft 0760	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/11/2016	Draft 0469	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/11/2016	Draft 1897	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/15/2016	ACH Paym...	Avon Property Management, ...	Reimbursements	-606.01
9/15/2016	ACH Paym...	D and A Cleaning, LLC	9/1-9/15	-1,210.00
9/15/2016	ACH Paym...	Francisco Bastardo	6.5hrs@\$35/hr	-227.50
9/23/2016	Auto pay	Eagle River Water	8/1-8/31	-20,608.28
9/24/2016	Draft 7058	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/24/2016	Draft 7063	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
9/24/2016	Draft 7207	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,7207	-53.20
Total 101.3 - Cash in Alpine - Checking - 530				-38,771.70
101.4 - Cash in Alpine - Bill Pay 9597				
9/13/2016	232	Ciana, Christopher & Mari (110...	Escrow refund - parking passes to buyer	-200.00
9/13/2016	233	Eric's Plumbing & Heating Inc.		-605.00
9/13/2016	234	Orkin Pest Control	Bedbug pro-active treatment - 303,304,103,104,203	-750.00
9/13/2016	235	Orkin Pest Control	5 of 7 Voles and ground squirrels April-Oct	-250.00
9/20/2016	236	Colorado Copies, Inc.	8/24 Flyers	-14.38
9/20/2016	237	Eric's Plumbing & Heating Inc.		-410.00
9/20/2016	238	Eric's Plumbing & Heating Inc.		-985.00
9/20/2016	239	Eric's Plumbing & Heating Inc.	R101 - Kitchen stoppage; ran snake	-120.00
9/20/2016	240	Orkin Pest Control	Regular monthly service (9/21)	-257.56
9/20/2016	241	Orkin Pest Control	6 of 7 Voles and ground squirrels April-Oct (9/23)	-250.00
9/20/2016	242	Shearon Electric, LLC	Replaced large wall light	-283.00
9/20/2016	243	West Vail Shell	C102 BTO - Vehicle relocation	-100.00
Total 101.4 - Cash in Alpine - Bill Pay 9597				-4,224.94
Total 101 - Cash In Bank - Checking				-42,996.64
TOTAL				-42,996.64