



SPAETH AND COMPANY, INC.
ACCOUNTING AND TAX SERVICES

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November 7, 2018

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

Re: Financial Statements
For the Twelve Months Ended September 30, 2018

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, 2018

	Sep 30, 18
ASSETS	
Current Assets	
Checking/Savings	
101 · Cash In Bank - Checking	
101.2 · Cash in US Bank - Checking 7...	305.19
101.3 · Cash in Alpine - Checking - 530	27,208.10
101.4 · Cash in Alpine - Bill Pay 9597	1,934.26
Total 101 · Cash In Bank - Checking	29,447.55
103 · Cash In Bank - Reserves	
103.8 · Cash in US Bank - MM Sav 581	92,576.69
103.9 · Cash in Alpine - Reserve - 621	210,933.39
Total 103 · Cash In Bank - Reserves	303,510.08
Total Checking/Savings	332,957.63
Accounts Receivable	
110 · Accounts Receivable	(17,783.61)
Total Accounts Receivable	(17,783.61)
Other Current Assets	
125 · A/R - Owner Reimbursables	
125.1 · Legal - Bill To Owner	1,870.50
125.2 · Accounting - Bill To Owner	55.00
125.4 · Safety Inspection	575.29
125.5 · Towing	810.00
125 · A/R - Owner Reimbursables - O...	2,938.01
Total 125 · A/R - Owner Reimbursables	6,248.80
127 · Due From (To) LiftView	822.69
130 · Prepaid Insurance	9,639.50
131 · Prepaid Fire Alarm Monitoring	520.00
133 · Prepaid Expenses	2,322.32
149 · Undeposited Funds	11,711.85
Total Other Current Assets	31,265.16
Total Current Assets	346,439.18
Fixed Assets	
151 · Property and Equipment	4,012.39
155 · Accumulated Depreciation	(4,012.39)
Total Fixed Assets	0.00
TOTAL ASSETS	346,439.18
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable	34,701.60
Total Accounts Payable	34,701.60
Total Current Liabilities	34,701.60
Total Liabilities	34,701.60
Equity	
301 · Operating Equity Fund	(178,946.44)
302 · Improvement Fund Balance	423,264.24
303 · Improvement Fund Increases	63,623.04
Net Income	3,796.74
Total Equity	311,737.58
TOTAL LIABILITIES & EQUITY	346,439.18

SUNRIDGE AT AVON II
Balance Sheet - Comparative
As of September 30, 2018

	Sep 30, 18	Sep 30, 17	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
101 · Cash In Bank - Checking	29,447.55	32,519.79	(3,072.24)
103 · Cash In Bank - Reserves	303,510.08	239,762.60	63,747.48
Total Checking/Savings	332,957.63	272,282.39	60,675.24
Accounts Receivable			
110 · Accounts Receivable	(17,783.61)	(2,843.51)	(14,940.10)
Total Accounts Receivable	(17,783.61)	(2,843.51)	(14,940.10)
Other Current Assets			
125 · A/R - Owner Reimbursa...	6,248.80	2,716.13	3,532.67
127 · Due From (To) LiftView	822.69	0.00	822.69
130 · Prepaid Insurance	9,639.50	3,748.99	5,890.51
131 · Prepaid Fire Alarm Monit...	520.00	520.00	0.00
133 · Prepaid Expenses	2,322.32	2,212.48	109.84
149 · Undeposited Funds	11,711.85	0.00	11,711.85
Total Other Current Assets	31,265.16	9,197.60	22,067.56
Total Current Assets	346,439.18	278,636.48	67,802.70
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	346,439.18	278,636.48	67,802.70
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
200 · Accounts Payable	34,701.60	34,318.68	382.92
Total Accounts Payable	34,701.60	34,318.68	382.92
Total Current Liabilities	34,701.60	34,318.68	382.92
Total Liabilities	34,701.60	34,318.68	382.92
Equity			
301 · Operating Equity Fund	(178,946.44)	(157,534.07)	(21,412.37)
302 · Improvement Fund Balance	423,264.24	359,539.40	63,724.84
303 · Improvement Fund Increas...	63,623.04	63,623.04	0.00
Net Income	3,796.74	(21,310.57)	25,107.31
Total Equity	311,737.58	244,317.80	67,419.78
TOTAL LIABILITIES & EQUITY	346,439.18	278,636.48	67,802.70

SUNRIDGE AT AVON II

Profit & Loss

September 2018

	Sep 18	Oct '17 - Sep 18	% of Income
Ordinary Income/Expense			
Income			
401 · Operating Assessments	45,199.78	542,397.36	95.9%
402 · Reserve Assessments	5,301.92	63,623.04	11.2%
403 · Finance Chgs. & Late Fees	(3,517.68)	(978.34)	(7.5)%
405 · Interest Income	11.69	132.44	0.0%
406 · Holy Cross Equity Refunds	0.00	452.22	0.0%
407 · Other Owner Income			
407.1 · Parking Pass Fees	122.00	2,109.00	0.3%
407.2 · Fine Income	25.00	300.00	0.1%
Total 407 · Other Owner Income	147.00	2,409.00	0.3%
Total Income	47,142.71	608,035.72	100.0%
Gross Profit	47,142.71	608,035.72	100.0%
Expense			
600 · Safety Inspection	0.00	371.57	0.0%
601 · Management Fees	5,166.66	61,999.92	11.0%
604 · Electric	448.31	5,682.82	1.0%
605 · Insurance Expense	3,748.92	44,987.00	8.0%
607 · Legal Fees	401.50	2,210.00	0.9%
608 · Accounting	1,443.00	17,909.56	3.1%
609 · Office & Administrative			
609.1 · Postage	57.18	543.63	0.1%
609.2 · Telephone	260.50	1,197.51	0.6%
609.4 · Website/Internet	44.43	423.42	0.1%
609 · Office & Administrative - Other	78.62	2,262.99	0.2%
Total 609 · Office & Administrative	440.73	4,427.55	0.9%
620 · Repair & Maint.-General			
620.1 · Pet Cleanup	745.74	1,465.69	1.6%
620.2 · Building Repair	0.00	1,863.10	0.0%
620 · Repair & Maint.-General - Other	481.70	1,942.26	1.0%
Total 620 · Repair & Maint.-General	1,227.44	5,271.05	2.6%
621 · Alarm Service - Phone	499.28	5,944.87	1.1%
622 · Alarm Service - Contract	360.00	6,320.00	0.8%
623 · Snow Removal			
623.1 · Snow Plowing	0.00	11,200.00	0.0%
623.2 · Snow Shoveling	0.00	6,639.98	0.0%
Total 623 · Snow Removal	0.00	17,839.98	0.0%
624 · Trash Removal	4,074.09	49,683.72	8.6%
625 · Water & Sewer	16,360.14	196,613.40	34.7%
626 · Income Tax Expense	0.00	1,383.00	0.0%
629 · Chimney Sweep & Dryer Vent	0.00	9,073.00	0.0%
630 · Parking Lot & Sidewalks			
610 · Towing & Booting	(345.00)	530.00	(0.7)%
630.2 · Ice Melt	0.00	242.78	0.0%
630 · Parking Lot & Sidewalks - Other	220.00	466.00	0.5%
Total 630 · Parking Lot & Sidewalks	(125.00)	1,238.78	(0.3)%
631 · Transfer/Allocation to Reserve	5,301.92	63,623.04	11.2%
632 · Lawn Sprinkler Repairs	680.00	4,562.00	1.4%
633 · Mowing & Trim Contract	3,000.00	15,750.00	6.4%
634 · Landscaping - Other	760.00	12,342.57	1.6%
635 · Flowers & Plants	0.00	307.00	0.0%
636 · Light Repair & Replace	1,121.00	1,121.00	2.4%
637 · Plumbing & Auguring	1,338.16	10,098.91	2.8%
637a · Reconstruction-Plumbing Issues	220.00	3,843.21	0.5%
640 · Pest Control	744.57	7,389.84	1.6%
652 · Janitorial	2,250.00	28,537.00	4.8%
654 · Gutter Repair & Replace	1,217.64	1,737.64	2.6%
Total Expense	50,678.36	580,268.43	107.5%
Net Ordinary Income	(3,535.65)	27,767.29	(7.5)%

SUNRIDGE AT AVON II
Profit & Loss
September 2018

	<u>Sep 18</u>	<u>Oct '17 - Sep 18</u>	<u>% of Income</u>
Other Income/Expense			
Other Expense			
638 · Roof Expense	0.00	150.00	0.0%
642 · Special Projects			
607.1 · Legal Fees for New Decs	0.00	274.00	0.0%
642 · Special Projects - Other	<u>3,823.55</u>	<u>23,546.55</u>	<u>8.1%</u>
Total 642 · Special Projects	<u>3,823.55</u>	<u>23,820.55</u>	<u>8.1%</u>
Total Other Expense	<u>3,823.55</u>	<u>23,970.55</u>	<u>8.1%</u>
Net Other Income	<u>(3,823.55)</u>	<u>(23,970.55)</u>	<u>(8.1)%</u>
Net Income	<u><u>(7,359.20)</u></u>	<u><u>3,796.74</u></u>	<u><u>(15.6)%</u></u>

SUNRIDGE AT AVON II
Comparison To Budget - Year To Date
October 2017 through September 2018

	<u>Oct '17 - Sep 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
401 · Operating Assessments	542,397.36	542,397.36	0.00
402 · Reserve Assessments	63,623.04	63,623.04	0.00
403 · Finance Chgs. & Late Fees	(978.34)	0.00	(978.34)
405 · Interest Income	132.44	0.00	132.44
406 · Holy Cross Equity Refunds	452.22	0.00	452.22
407 · Other Owner Income	2,409.00	0.00	2,409.00
Total Income	<u>608,035.72</u>	<u>606,020.40</u>	<u>2,015.32</u>
Gross Profit	608,035.72	606,020.40	2,015.32
Expense			
600 · Safety Inspection	371.57	0.00	371.57
601 · Management Fees	61,999.92	62,000.00	(0.08)
604 · Electric	5,682.82	6,000.00	(317.18)
605 · Insurance Expense	44,987.00	42,000.00	2,987.00
607 · Legal Fees	2,210.00	2,000.00	210.00
608 · Accounting	17,909.56	16,800.00	1,109.56
609 · Office & Administrative	4,427.55	3,500.00	927.55
620 · Repair & Maint.-General	5,271.05	20,000.00	(14,728.95)
621 · Alarm Service - Phone	5,944.87	5,000.00	944.87
622 · Alarm Service - Contract	6,320.00	6,500.00	(180.00)
623 · Snow Removal	17,839.98	25,000.00	(7,160.02)
624 · Trash Removal	49,683.72	40,000.00	9,683.72
625 · Water & Sewer	196,613.40	210,000.00	(13,386.60)
626 · Income Tax Expense	1,383.00	1,000.00	383.00
628 · Security	0.00	1,500.00	(1,500.00)
629 · Chimney Sweep & Dryer Vent	9,073.00	4,000.00	5,073.00
630 · Parking Lot & Sidewalks	1,238.78	1,000.00	238.78
631 · Transfer/Allocation to Reserve	63,623.04	63,623.04	0.00
632 · Lawn Sprinkler Repairs	4,562.00	5,000.00	(438.00)
633 · Mowing & Trim Contract	15,750.00	18,700.00	(2,950.00)
634 · Landscaping - Other	12,342.57	4,500.00	7,842.57
635 · Flowers & Plants	307.00	0.00	307.00
636 · Light Repair & Replace	1,121.00	500.00	621.00
637 · Plumbing & Auguring	10,098.91	20,000.00	(9,901.09)
637a · Reconstruction-Plumbing Issues	3,843.21	10,000.00	(6,156.79)
640 · Pest Control	7,389.84	7,000.00	389.84
652 · Janitorial	28,537.00	28,000.00	537.00
654 · Gutter Repair & Replace	1,737.64	0.00	1,737.64
Total Expense	<u>580,268.43</u>	<u>603,623.04</u>	<u>(23,354.61)</u>
Net Ordinary Income	27,767.29	2,397.36	25,369.93
Other Income/Expense			
Other Expense			
638 · Roof Expense	150.00	0.00	150.00
642 · Special Projects	23,820.55	2,397.36	21,423.19
Total Other Expense	<u>23,970.55</u>	<u>2,397.36</u>	<u>21,573.19</u>
Net Other Income	<u>(23,970.55)</u>	<u>(2,397.36)</u>	<u>(21,573.19)</u>
Net Income	<u>3,796.74</u>	<u>0.00</u>	<u>3,796.74</u>

SUNRIDGE AT AVON II
Comparison To Last Year - Year To Date
October 2017 through September 2018

	Oct '17 - Sep 18	Oct '16 - Sep 17	\$ Change
Ordinary Income/Expense			
Income			
401 · Operating Assessments	542,397.36	542,397.36	0.00
402 · Reserve Assessments	63,623.04	63,623.04	0.00
403 · Finance Chgs. & Late Fees	(978.34)	291.46	(1,269.80)
405 · Interest Income	132.44	110.33	22.11
406 · Holy Cross Equity Refunds	452.22	567.56	(115.34)
407 · Other Owner Income	2,409.00	1,432.00	977.00
Total Income	608,035.72	608,421.75	(386.03)
Gross Profit	608,035.72	608,421.75	(386.03)
Expense			
600 · Safety Inspection	371.57	203.68	167.89
601 · Management Fees	61,999.92	63,499.94	(1,500.02)
604 · Electric	5,682.82	5,584.01	98.81
605 · Insurance Expense	44,987.00	43,820.00	1,167.00
607 · Legal Fees	2,210.00	2,625.88	(415.88)
608 · Accounting	17,909.56	17,174.20	735.36
609 · Office & Administrative	4,427.55	3,934.73	492.82
620 · Repair & Maint.-General	5,271.05	7,034.47	(1,763.42)
621 · Alarm Service - Phone	5,944.87	5,459.65	485.22
622 · Alarm Service - Contract	6,320.00	6,320.00	0.00
623 · Snow Removal	17,839.98	22,065.00	(4,225.02)
624 · Trash Removal	49,683.72	44,853.47	4,830.25
625 · Water & Sewer	196,613.40	208,741.78	(12,128.38)
626 · Income Tax Expense	1,383.00	0.00	1,383.00
628 · Security	0.00	325.00	(325.00)
629 · Chimney Sweep & Dryer Vent	9,073.00	635.00	8,438.00
630 · Parking Lot & Sidewalks	1,238.78	6,586.40	(5,347.62)
631 · Transfer/Allocation to Reserve	63,623.04	63,623.04	0.00
632 · Lawn Sprinkler Repairs	4,562.00	7,148.78	(2,586.78)
633 · Mowing & Trim Contract	15,750.00	14,700.00	1,050.00
634 · Landscaping - Other	12,342.57	17,277.00	(4,934.43)
635 · Flowers & Plants	307.00	1,324.00	(1,017.00)
636 · Light Repair & Replace	1,121.00	140.00	981.00
637 · Plumbing & Auguring	10,098.91	11,503.50	(1,404.59)
637a · Reconstruction-Plumbing Issues	3,843.21	15,597.80	(11,754.59)
640 · Pest Control	7,389.84	4,608.72	2,781.12
643 · Painting Expense	0.00	105.00	(105.00)
652 · Janitorial	28,537.00	28,496.00	41.00
654 · Gutter Repair & Replace	1,737.64	140.00	1,597.64
Total Expense	580,268.43	603,527.05	(23,258.62)
Net Ordinary Income	27,767.29	4,894.70	22,872.59
Other Income/Expense			
Other Income			
702 · Other Taxable Income	0.00	19,800.00	(19,800.00)
Total Other Income	0.00	19,800.00	(19,800.00)
Other Expense			
638 · Roof Expense	150.00	147.00	3.00
642 · Special Projects	23,820.55	39,694.00	(15,873.45)
801 · Expenses Against Taxable Income	0.00	6,164.27	(6,164.27)
Total Other Expense	23,970.55	46,005.27	(22,034.72)
Net Other Income	(23,970.55)	(26,205.27)	2,234.72
Net Income	3,796.74	(21,310.57)	25,107.31

SUNRIDGE AT AVON II
CHECKS WRITTEN THIS MONTH
September 2018

Date	Num	Name	Memo	Amount
101 · Cash In Bank - Checking				
101.3 · Cash in Alpine - Checking - 530				
9/1/2018	Auto Pay	Vail Honeywagon Enterprises,...	September	-4,074.09
9/2/2018	Draft 0713	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/2/2018	Draft 0730	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/2/2018	Draft 0741	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-29.20
9/2/2018	Draft 0760	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/4/2018	ACH Pa...	Avon Property Management, ...		-5,208.30
9/4/2018	ACH Pa...	D and A Cleaning, LLC (1/1/1...	8/16-8/31	-1,210.00
9/4/2018	ACH Pa...	Rios Construction	Bldg. B,F,G,I,J,L-P - Doors Painting	-730.00
9/4/2018	ACH Pa...	Spaeth and Company, Inc.	August	-1,379.70
9/7/2018	ACH Pa...	Merritt Services Ltd.		-3,368.00
9/11/2018	Draft 0469	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/11/2018	Draft 1897	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/18/2018	ACH Pa...	Avon Property Management, ...	Reimbursement for building repair materials - E...	-508.44
9/18/2018	ACH Pa...	D and A Cleaning, LLC (1/1/1...	9/3-9/14	-1,100.00
9/18/2018	ACH Pa...	Merritt Services Ltd.	I201 BTO - Lawn repairs due to damage caused...	-446.95
9/18/2018	ACH Pa...	Rios Construction		-2,440.00
9/22/2018	Auto Pay	Eagle River Water	7/31-8/30	-17,129.39
9/24/2018	Draft 7058	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/24/2018	Draft 7063	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
9/24/2018	Draft 7207	Century Link (Qwest)	970-748-0713,0730,0741,0760,845-7058,7063,...	-58.76
Total 101.3 · Cash in Alpine - Checking - 530				-38,094.15
101.4 · Cash in Alpine - Bill Pay 9597				
9/25/2018	425	A & M Group Inc.	K104 BTO - Water damage 7/29-7/31 (Hold bto ...	-735.00
9/25/2018	426	Backyard Irrigation	I201 BTO - Checked irrigation zones around da...	-75.00
9/25/2018	427	Eric's Plumbing & Heating Inc.		-864.00
9/25/2018	428	Hindman Sanchez P.C.		-2,173.50
9/25/2018	429	Orkin Pest Control	Vole Control	-240.00
9/25/2018	430	Shearon Electric, LLC	Parking lot and hallway lighting materials	-1,121.00
Total 101.4 · Cash in Alpine - Bill Pay 9597				-5,208.50
Total 101 · Cash In Bank - Checking				-43,302.65
TOTAL				<u>-43,302.65</u>