

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

October 4, 2022

To the Board of Directors
Cedar Mesa Ranches Homeowners Association, Inc
P.O. Box 62
Mancos, CO, 81328

We have performed the procedures described below of Cedar Mesa Ranches Homeowners Association, Inc. as of and for the years ended December 31, 2014 – 2019. Cedar Mesa Ranches Homeowners Association, Inc. is responsible for Cedar Mesa Ranches Homeowners Association, Inc. the information provided.

Cedar Mesa Ranches Homeowners Association, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting in oversight and reporting of the operations of Cedar Mesa Ranches Homeowners Association, Inc for the years ended December 31, 2014 - 2019. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings for each of the years ended December 31, 2014 – 2019 follow the report.

We were engaged by Cedar Mesa Ranches Homeowners Association, Inc. to perform this engagement to apply agreed-upon procedures and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively on the financial statements of Cedar Mesa Ranches Homeowners Association, Inc. as of and for the years ended December 31, 2014 – 2019. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Cedar Mesa Ranches Homeowners Association, Inc and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Cedar Mesa Ranches Homeowners Association, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

FredrickZink & Associates, PC

FredrickZink & Associates, PC

The procedures and the associated findings are as follows for each of the years ended December 31, 2014 – 2019.

1. We recorded all activity from the bank statements in QuickBooks and prepared monthly bank reconciliations without exception.
 - a. The 11/12/2017 bank statement for the account ending in #3202 was unavailable.
 - b. Beginning August 2016, all bank statements provided had redacted account numbers.
 - c. On August 13, 2015, the Community Bank account ending in #0041 was closed with a Cashier's Check totaling \$7,632.77 and was deposited into Mancos Valley Bank on August 25, 2015, to open a new account ending in #7091.
 - d. On August 27, 2015, the account was closed at Community bank with a cashiers check totaling \$40,096.41 and was used to open a new account with Dolores State Bank on September 3, 2015.
 - e. Transferring of funds were done electronically was the Dolores State Bank account was setup.
2. We reviewed all support provided for disbursements during 2014 – 2019 and noted the following exceptions:
 - a. There were no supporting invoices for all disbursements made during 2014.
 - b. There were no supporting invoices for disbursements totaling \$1,375.90 in 2015, \$776.58 in 2016, \$1,767.00 in 2017, \$725.09 in 2018 and \$1,358.45 in 2019.
 - c. Receipts were identified as needing reimbursed, but no reimbursements were paid:
 - i. Bruce Short paid \$90.31 to City Market in April 2017 for the BBQ.
 - ii. Bruce Short paid \$10.74 to Cortez Copy and Print in July 2016 for 10" x 10" Red on White Fire Ban.
 - iii. Brian Barlett paid \$1,287.55 to Rent-All Rentals in July 2017 for the Cedar Mesa Buen Project.
 - d. Check written to Paul Ruatti was overpaid by \$15.07.
 - e. Dana Fetterman wrote herself a check for \$10.00 (Check #1027) on October 31, 2017 and signed the check. There was no support for this disbursement.
 - f. Invoice from Four Corners Material was paid to Old Castle SW Gr
 - i. 11/29/2019 bill payment of \$822.41.
 - ii. 12/2/2019 bill payment of \$1,358.45
3. We prepared a summary of checks written to vendors for each of the years 2014 – 2019 (See Exhibit A). We noted the following:
 - a. Three transactions were automatically drafted from the bank account with no support or knowledge of who is the vendor. Total of the three transactions is \$75 for which \$6 was in 2015, \$36 in 2016 and \$33 in 2017.
 - b. Significant payments (greater than \$10,000) were made to the following vendors during the years ended December 31, 2014 – 2019.
 - i. Baxtrom's Development, LLC was paid \$65,671.32 during 2014 and 2015.
 - ii. Dale Murphy Excavation was paid \$168,991.25 during 2015 through 2019.
 - iii. Four Corner's Materials was paid \$56,794.33 during 2017 through 2019.
 - iv. Innovative Western Solutions was paid \$29,941.30 during 2018 and 2019.
 - v. RW Trucking was paid \$21,037.50 during 2017 through 2019.
 - c. We identified amounts paid to the following related parties (board members and/or their spouses) during the years ended December 31, 2014 – 2019:
 - i. Dana Fetterman was paid \$510.77 over the course of the years from 2015 – 2019.
 - ii. Elles Kemp was paid \$18.89 in 2014.
 - iii. Greg Kemp was paid \$653.89 over the course of the years 2014 – 2017.
 - iv. Robert Fetterman was paid \$1,847.95 over the course of the years 2016 – 2019.
 - v. Christopher Hinds was paid \$3,822.46 over the course of the years 2017 – 2019.

- d. We compared the vendor listing to the Secretary of State website to ensure the vendors paid do exist. We identified the following:
 - i. The business was not listed on the Colorado Secretary of State website:
 1. Baxtrom's Development, LLC was paid \$65,671.32 during 2014 and 2015.
 2. Stone Sand and Gravel, LLC was paid \$1,464.37 during 2018 and 2019 but was identified on the internet as a business.
 3. Main Street Checks was paid \$46.70 during 2015 and 2016. There were no supporting invoices for those payments.
 - ii. Way Out Engineering, LLC was paid \$7,000 in 2019. The Secretary of State listing for this business noted that Christopher Hinds is the Registered Agent. See 3.c.v. above.
 - iii. Vendor names changed as noted on the Secretary of State website:
 1. Oldcastle SW Group changed their name to Four Corners Materials
 2. Last Chance Trucking's name changed to Roy Dean Cressler but the business filing with the State has been expired well before the dates for which the amounts were paid to the vendor.
4. We provided an income statement (See Exhibit B) and a general ledger for each of the years ended December 31, 2014 – 2019.
5. We compared previously prepared internal financial statements to the financial statements in QuickBooks, calculating a variance between each year (See Exhibit C). We identified many of the differences was a result of timing differences as to when certain transactions were recorded in the internal financial statements compared to when they were recorded in QuickBooks. These differences were primarily near year end. Overall unidentified variances for each of the years, except 2019, were less than \$350. The 2019 unidentified difference was \$2,831.06 but is most likely due to some of the expenses being recorded in 2020.

Cedar Mesa Ranches Homeowners Association, Inc.
Exhibit A

Name	2014	2015	2016	2017	2018	2019	Total
103-Kling						\$ 25.00	\$ 25.00
19-Magwitz						25.00	25.00
20-Gallagher						25.00	25.00
33-Gordon					25.00		25.00
39-Williams		275.00					275.00
71-Ruatti					15.00		15.00
97-Acevedo					545.00		545.00
Alert Signs		148.60	48.56			49.63	246.79
Andrea Wheeler			45.00				45.00
Animas Investigations					85.00		85.00
Association Voice	1,160.00	946.67					2,106.67
Basin Co-op			300.49		892.90	441.30	1,634.69
Baxtrom's Development, LLC	61,171.32	4,500.00					65,671.32
Bill Hart				60.00			60.00
Bob Sanders						120.00	120.00
Boot Scoot Trucking					2,598.75		2,598.75
Bruce Short		618.60			266.00		884.60
CAI	114.00						114.00
Catherine Wyant				482.88	38.11		520.99
Chapman Newbold & Geyer PC		7,023.00	4,689.50	7,087.00	5,896.00	6,249.50	30,945.00
Chelsea Jones Designs		1,147.00	1,000.00	550.00	550.00	550.00	3,797.00
Christopher Hinds				383.31	932.24	2,506.91	3,822.46
Chuck Wiesel	41.50						41.50
Cory Manning			3,100.00				3,100.00
Dale Murphy Excavation		54,236.75	41,559.50	30,214.00	20,737.40	22,243.60	168,991.25
Dana Fetterman		434.52		10.00	34.25	32.00	510.77
David Johannismeyer					274.99		274.99
Diane Cherbak	2,503.86	52.62	333.45	20.00	344.78		3,254.71
Duke , Suzanne E.	2,325.00						2,325.00
Elements Media		21.58					21.58
Elles Kemp	18.89						18.89
Erin J. Johnson	1,000.00						1,000.00
Forster , Richard	940.00						940.00
Four Corners Materials				20,613.79	17,006.32	19,174.22	56,794.33
Harland Clark	15.05						15.05
Hindman Sanchez		3,762.00					3,762.00
Home Depot		75.51					75.51
IFA Country Store		262.34					262.34
Innovative Western Solutions					9,796.56	20,144.74	29,941.30
Internal Revenue Services	7.37	1.52					8.89
Kemp, Greg	430.11	123.88		99.90			653.89
Last Chance Trucking					1,430.00		1,430.00
Leavitt Insurance Agency	1,391.73		1,804.76	1,786.91	1,450.00	1,450.00	7,883.40
Liberty Mutual Insurance	1,419.00	1,384.00	1,618.00	1,644.00	1,952.00	2,458.00	10,475.00
Lisa Liljedahl	238.39	173.53	200.00				611.92

Cedar Mesa Ranches Homeowners Association, Inc.
Exhibit A

Name	2014	2015	2016	2017	2018	2019	Total
Mail Room & Copy Center	144.39	373.59	42.82		240.84	107.04	908.68
Main Street Checks		16.64	30.06				46.70
Mancos Public Library		50.00					50.00
Maxine Keck	112.50						112.50
Mayor , Philip						550.00	550.00
Miller and Law PC Coltaf		3,050.00					3,050.00
Mingesz , Gail A.	33.05						33.05
Montezuma County Clerk	44.00	176.00					220.00
Montezuma County Dist Court		9.00					9.00
Office Depot		251.32	42.61	92.22			386.15
Oldcastle SW Group						2,180.86	2,180.86
Paul Ruatti	2,271.65		395.58	461.69		84.35	3,213.27
Postmaster	102.60	183.03	214.90	40.00	42.00	137.00	719.53
Pueschel , Susan	1,410.00						1,410.00
Robert Fetterman			578.59	489.28	532.85	247.23	1,847.95
RW Trucking				1,197.00	14,914.50	4,926.00	21,037.50
Schild-Leavitt Insurance Agency		1,671.30					1,671.30
Sherry Nigteagle						50.00	50.00
Short , Bruce & Sharlene	1,410.00						1,410.00
SJ Mountains Assoc.		100.00					100.00
Slavens Inc	137.44	16.34					153.78
Stone Sand & Gravel					184.72	1,279.65	1,464.37
SUSPENSE		6.00	36.00	33.00			75.00
Terry Wheeler			264.79		91.96		356.75
The Geeks	352.50	262.50					615.00
Town Of Mancos	25.00	10.00	660.00				695.00
United States Treasury		1.52					1.52
Waste Management						118.00	118.00
Way Out Engineer						7,000.00	7,000.00
William Bridgewater				2,550.00	2,467.61	4,389.00	9,406.61
Total	\$ 78,819.35	\$ 81,364.36	\$ 56,964.61	\$ 67,814.98	\$ 83,344.78	\$ 96,564.03	\$ 464,872.11

Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2014

	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense		
Income		
HOA Dues	75,883.55	75,883.55
Miscellaneous Income	104.90	104.90
Total Income	<u>75,988.45</u>	<u>75,988.45</u>
Gross Profit	75,988.45	75,988.45
Expense		
Annual Contract Renewal		
Weed Control	391.65	391.65
Total Annual Contract Renewal	391.65	391.65
Bank Service Charges	9.90	9.90
Board Expenses		
Miscellaneous Expense	25.00	25.00
Total Board Expenses	25.00	25.00
Insurance Expense		
General Liability Insurance	1,419.00	1,419.00
Insurance Expense - Other	1,391.73	1,391.73
Total Insurance Expense	2,810.73	2,810.73
Office Supplies		
Paper Goods/Envelopes/Supplies	227.85	227.85
Postage and Delivery	499.74	499.74
Office Supplies - Other	15.05	15.05
Total Office Supplies	742.64	742.64
Registrations and Subscriptions		
Business Licenses and Permits	88.39	88.39
Total Registrations and Subscriptions	88.39	88.39
Rent Expense	44.00	44.00
Taxes		
Taxes - Fed (previous years)	7.37	7.37
Total Taxes	7.37	7.37
Total Expense	<u>4,119.68</u>	<u>4,119.68</u>
Net Ordinary Income	71,868.77	71,868.77
Other Income/Expense		
Other Income		
Interest Income	67.81	67.81
Total Other Income	67.81	67.81
Other Expense		
Ask My Accountant	74,709.57	74,709.57
Total Other Expense	74,709.57	74,709.57
Net Other Income	-74,641.76	-74,641.76
Net Income	<u><u>-2,772.99</u></u>	<u><u>-2,772.99</u></u>

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Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2015

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
HOA Dues	73,350.00	0.00	73,350.00
Miscellaneous Income	440.74	22.00	462.74
Total Income	<u>73,790.74</u>	<u>22.00</u>	<u>73,812.74</u>
Gross Profit	73,790.74	22.00	73,812.74
Expense			
Advertising and Promotion	100.00	0.00	100.00
Annual Contract Renewal			
Snow Plowing	4,500.00	0.00	4,500.00
Web Page	612.00	500.00	1,112.00
Weed Control	71.13	0.00	71.13
Total Annual Contract Renewal	<u>5,183.13</u>	<u>500.00</u>	<u>5,683.13</u>
Bank Service Charges	44.00	0.00	44.00
Board Expenses			
Miscellaneous Expense	3,114.00	0.00	3,114.00
Printing and Reproduction	68.67	193.24	261.91
Total Board Expenses	<u>3,182.67</u>	<u>193.24</u>	<u>3,375.91</u>
Building Advisory Committee			
Other Supplies	21.58	0.00	21.58
Printing	9.00	0.00	9.00
Total Building Advisory Committee	<u>30.58</u>	<u>0.00</u>	<u>30.58</u>
Community & Volunteer Events			
Other Supplies	75.51	0.00	75.51
Total Community & Volunteer Events	<u>75.51</u>	<u>0.00</u>	<u>75.51</u>
Computer and Internet Expenses	225.00	37.50	262.50
Insurance Expense			
General Liability Insurance	1,384.00	0.00	1,384.00
Insurance Expense - Other	1,671.30	0.00	1,671.30
Total Insurance Expense	<u>3,055.30</u>	<u>0.00</u>	<u>3,055.30</u>
Meals and Entertainment	0.00	10.00	10.00
Office Supplies			
Paper Goods/Envelopes/Supplies	36.77	16.64	53.41
Postage and Delivery	616.37	0.00	616.37
Printing	32.10	0.00	32.10
Office Supplies - Other	272.89	0.00	272.89
Total Office Supplies	<u>958.13</u>	<u>16.64</u>	<u>974.77</u>
Professional Fees			
Legal Fees	10,122.00	600.00	10,722.00
Total Professional Fees	<u>10,122.00</u>	<u>600.00</u>	<u>10,722.00</u>
Rent Expense	165.00	0.00	165.00
Repairs and Maintenance	18.45	0.00	18.45
Road			
Road Improvements	15,692.81	0.00	15,692.81
Road Maintenance	21,778.84	0.00	21,778.84
Total Road	<u>37,471.65</u>	<u>0.00</u>	<u>37,471.65</u>
Taxes			
Tax Preparation	150.00	0.00	150.00
Taxes - Fed (previous years)	1.52	1.52	3.04
Total Taxes	<u>151.52</u>	<u>1.52</u>	<u>153.04</u>

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Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2015

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Total Expense	60,782.94	1,358.90	62,141.84
Net Ordinary Income	13,007.80	-1,336.90	11,670.90
Other Income/Expense			
Other Income			
Interest Income	32.88	0.00	32.88
Total Other Income	32.88	0.00	32.88
Other Expense			
Ask My Accountant	19,026.84	17.00	19,043.84
Total Other Expense	19,026.84	17.00	19,043.84
Net Other Income	-18,993.96	-17.00	-19,010.96
Net Income	-5,986.16	-1,353.90	-7,340.06

Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2016

	Support provided	Unclassified	TOTAL
Ordinary Income/Expense			
Income			
HOA Dues	74,800.00	0.00	74,800.00
Miscellaneous Income	480.93	0.00	480.93
Total Income	75,280.93	0.00	75,280.93
Gross Profit	75,280.93	0.00	75,280.93
Expense			
Annual Contract Renewal			
Web Page	1,000.00	0.00	1,000.00
Weed Control	3,598.28	292.91	3,891.19
Total Annual Contract Renewal	4,598.28	292.91	4,891.19
Board Expenses			
Miscellaneous Expense	578.59	0.00	578.59
Printing and Reproduction	0.00	42.82	42.82
Total Board Expenses	578.59	42.82	621.41
Insurance Expense			
General Liability Insurance	1,618.00	0.00	1,618.00
Insurance Expense - Other	1,804.76	0.00	1,804.76
Total Insurance Expense	3,422.76	0.00	3,422.76
Meals and Entertainment	0.00	10.00	10.00
Office Supplies			
Paper Goods/Envelopes/Supplies	42.61	30.06	72.67
Postage and Delivery	214.90	0.00	214.90
Total Office Supplies	257.51	30.06	287.57
Professional Fees			
Legal Fees	4,689.50	0.00	4,689.50
Total Professional Fees	4,689.50	0.00	4,689.50
Road			
Road Improvements	41,742.83	0.00	41,742.83
Road Maintenance	0.00	154.46	154.46
Total Road	41,742.83	154.46	41,897.29
Signs	48.56	110.33	158.89
Taxes			
Tax Preparation	200.00	0.00	200.00
Total Taxes	200.00	0.00	200.00
Total Expense	55,538.03	640.58	56,178.61
Net Ordinary Income	19,742.90	-640.58	19,102.32
Other Income/Expense			
Other Income			
Interest Income	67.01	0.00	67.01
Total Other Income	67.01	0.00	67.01
Other Expense			
Ask My Accountant	0.00	136.00	136.00
Total Other Expense	0.00	136.00	136.00
Net Other Income	67.01	-136.00	-68.99
Net Income	19,809.91	-776.58	19,033.33

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Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2017

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
HOA Dues	76,201.85	0.00	76,201.85
Miscellaneous Income	1,630.00	68.00	1,698.00
Total Income	<u>77,831.85</u>	<u>68.00</u>	<u>77,899.85</u>
Gross Profit	77,831.85	68.00	77,899.85
Expense			
Annual Contract Renewal			
Web Page	550.00	0.00	550.00
Weed Control	837.23	0.00	837.23
Total Annual Contract Renewal	<u>1,387.23</u>	<u>0.00</u>	<u>1,387.23</u>
Bank Service Charges	3.00	0.00	3.00
Board Expenses			
Miscellaneous Expense	365.28	0.00	365.28
Total Board Expenses	<u>365.28</u>	<u>0.00</u>	<u>365.28</u>
Insurance Expense			
General Liability Insurance	0.00	1,644.00	1,644.00
Insurance Expense - Other	1,786.91	0.00	1,786.91
Total Insurance Expense	<u>1,786.91</u>	<u>1,644.00</u>	<u>3,430.91</u>
Office Supplies			
Paper Goods/Envelopes/Supplies	92.22	0.00	92.22
Postage and Delivery	138.00	0.00	138.00
Total Office Supplies	<u>230.22</u>	<u>0.00</u>	<u>230.22</u>
Professional Fees			
Legal Fees	7,087.00	0.00	7,087.00
Total Professional Fees	<u>7,087.00</u>	<u>0.00</u>	<u>7,087.00</u>
Registrations and Subscriptions	0.00	10.00	10.00
Rent Expense	0.00	20.00	20.00
Repairs and Maintenance			
Fuel - Equipment	0.00	60.00	60.00
Total Repairs and Maintenance	<u>0.00</u>	<u>60.00</u>	<u>60.00</u>
Road			
Road Improvements	30,214.00	0.00	30,214.00
Road - Other	22,194.10	0.00	22,194.10
Total Road	<u>52,408.10</u>	<u>0.00</u>	<u>52,408.10</u>
Signs	99.90	0.00	99.90
Total Expense	<u>63,367.64</u>	<u>1,734.00</u>	<u>65,101.64</u>
Net Ordinary Income	14,464.21	-1,666.00	12,798.21
Other Income/Expense			
Other Income			
Interest Income	74.31	0.00	74.31
Total Other Income	<u>74.31</u>	<u>0.00</u>	<u>74.31</u>
Other Expense			
Ask My Accountant	2,683.34	33.00	2,716.34
Total Other Expense	<u>2,683.34</u>	<u>33.00</u>	<u>2,716.34</u>
Net Other Income	<u>-2,609.03</u>	<u>-33.00</u>	<u>-2,642.03</u>

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Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2017

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Net Income	<u>11,855.18</u>	<u>-1,699.00</u>	<u>10,156.18</u>

Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2018

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
HOA Dues	83,573.75	-545.00	83,028.75
Miscellaneous Income	904.64	26.00	930.64
Total Income	<u>84,478.39</u>	<u>-519.00</u>	<u>83,959.39</u>
Gross Profit	84,478.39	-519.00	83,959.39
Expense			
Annual Contract Renewal			
Web Page	550.00	0.00	550.00
Weed Control	1,206.00	0.00	1,206.00
Total Annual Contract Renewal	1,756.00	0.00	1,756.00
Bank Service Charges	36.00	0.00	36.00
Board Expenses			
Miscellaneous Expense	506.85	0.00	506.85
Printing and Reproduction	0.00	240.84	240.84
Total Board Expenses	506.85	240.84	747.69
Fire Mitigation	233.90	0.00	233.90
Insurance Expense			
General Liability Insurance	1,952.00	0.00	1,952.00
Insurance Expense - Other	1,450.00	0.00	1,450.00
Total Insurance Expense	3,402.00	0.00	3,402.00
Meals and Entertainment	100.00	0.00	100.00
Office Supplies			
Postage and Delivery	42.00	0.00	42.00
Office Supplies - Other	0.00	24.25	24.25
Total Office Supplies	42.00	24.25	66.25
Professional Fees			
Legal Fees	5,896.00	0.00	5,896.00
Professional Fees - Other	85.00	0.00	85.00
Total Professional Fees	5,981.00	0.00	5,981.00
Registrations and Subscriptions	10.00	0.00	10.00
Repairs and Maintenance			
Fuel - Equipment	32.10	0.00	32.10
Total Repairs and Maintenance	32.10	0.00	32.10
Road			
Road Improvements	33,132.71	0.00	33,132.71
Road Maintenance	1,521.96	0.00	1,521.96
Road - Other	32,577.78	-546.00	32,031.78
Total Road	67,232.45	-546.00	66,686.45
Signs	244.78	0.00	244.78
Total Expense	<u>79,577.08</u>	<u>-280.91</u>	<u>79,296.17</u>
Net Ordinary Income	4,901.31	-238.09	4,663.22
Other Income/Expense			
Other Income			
Interest Income	90.10	0.00	90.10
Total Other Income	90.10	0.00	90.10
Other Expense			

No assurance is provided on these financial statements. The financial statements do not include a statement of cash flows. All disclosures required by accounting principles generally accepted in the United States are not included.

Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2018

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Ask My Accountant	2,493.61	460.00	2,953.61
Total Other Expense	2,493.61	460.00	2,953.61
Net Other Income	-2,403.51	-460.00	-2,863.51
Net Income	<u>2,497.80</u>	<u>-698.09</u>	<u>1,799.71</u>

Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2019

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
HOA Dues	77,231.25	0.00	77,231.25
Total Income	77,231.25	0.00	77,231.25
Gross Profit	77,231.25	0.00	77,231.25
Expense			
Annual Contract Renewal			
Snow Plowing	2,500.00	0.00	2,500.00
Web Page	550.00	0.00	550.00
Weed Control	441.30	0.00	441.30
Total Annual Contract Renewal	3,491.30	0.00	3,491.30
Bank Service Charges	36.00	0.00	36.00
Board Expenses			
Miscellaneous Expense	237.48	0.00	237.48
Printing and Reproduction	107.04	0.00	107.04
Total Board Expenses	344.52	0.00	344.52
Insurance Expense			
General Liability Insurance	2,458.00	0.00	2,458.00
Insurance Expense - Other	1,450.00	0.00	1,450.00
Total Insurance Expense	3,908.00	0.00	3,908.00
Meals and Entertainment	84.35	0.00	84.35
Office Supplies			
Postage and Delivery	159.00	0.00	159.00
Total Office Supplies	159.00	0.00	159.00
Professional Fees			
Legal Fees	6,249.50	0.00	6,249.50
Total Professional Fees	6,249.50	0.00	6,249.50
Registrations and Subscriptions			
Business Licenses and Permits	10.00	0.00	10.00
Total Registrations and Subscriptions	10.00	0.00	10.00
Repairs and Maintenance	4,500.00	0.00	4,500.00
Road			
Road Improvements	37,699.63	0.00	37,699.63
Road Maintenance	10,378.90	0.00	10,378.90
Road - Other	22,014.32	0.00	22,014.32
Total Road	70,092.85	0.00	70,092.85
Signs	49.63	0.00	49.63
Utilities	118.00	0.00	118.00
Total Expense	89,043.15	0.00	89,043.15
Net Ordinary Income	-11,811.90	0.00	-11,811.90
Other Income/Expense			
Other Income			
Interest Income	72.20	0.00	72.20
Total Other Income	72.20	0.00	72.20
Other Expense			
Ask My Accountant	2,839.40	66.22	2,905.62
Total Other Expense	2,839.40	66.22	2,905.62

No assurance is provided on these financial statements. The financial statements do not include a statement of cash flows. All disclosures required by accounting principles generally accepted in the United States are not included.

Exhibit B
Cedar Mesa Ranches Home Onwers Association
Profit & Loss by Class
January through December 2019

	<u>Support provided</u>	<u>Unclassified</u>	<u>TOTAL</u>
Net Other Income	-2,767.20	-66.22	-2,833.42
Net Income	<u>-14,579.10</u>	<u>-66.22</u>	<u>-14,645.32</u>

Cedar Mesa Rances Homeowners Association, Inc.
Exhibit C

QuickBooks compared to internally prepared financials

	2015	2016	2017	2018	2019
Revenue	113.62	(0.00)	(1,887.00)	1,256.00	(2,443.75)
Expense	(4,173.52)	2,167.07	(4,558.90)	1,777.04	(1,613.51)
Net Income (Loss) Variance	(4,059.90)	2,167.07	(6,445.90)	3,033.04	(4,057.26)

REVENUE VARIANCES		Misc Income	HOA Dues	Prepaid Dues
		(1,378.85)	1,280.00	(2,443.75)

EXPENSE VARIANCES		Snow Removal	Snow Removal	Snow Removal	Snow Removal
		4,070.00	(3,690.29)	5,400.00	(3,487.50)
			<u>Weed Control</u>		<u>Weed Control</u>
			1,602.70		787.69
					<u>Ask my accountant</u>
					(4,016.51)
					<u>Professional Fees</u>
					317.50
					<u>Professional Fees</u>
					(1,642.00)
					<u>Road</u>
					714.90
					<u>Road</u>
					6,903.46

Total Identified Variance	4,070.00	(2,087.59)	6,778.85	(2,947.41)	1,226.20
Unidentified Variance	10.10	79.48	332.95	85.63	(2,831.06)
Net Income (Loss) Variance	4,059.90	(2,167.07)	6,445.90	(3,033.04)	4,057.26