

**Brightwater Club Property Owners Association
Balance Sheet**

Current Assets	12/31/15	10/31/16
Cash		
US Bank	70,389	146,094
Alpine- Operating Checking	22,996	7,714
Alpine- DRB	30,057	50,060
Alpine CD (4/20/16) 0.10%	151,246	-
UMB Bank- 0.05%	104,661	3,356
Bank of Baroda CD 0.55% 6/17/16	168,000	-
Old Nat'l Bank CD 0.75% 2/22/17		100,000
Ally Bank CD 1.05% 6/12/17	100,000	100,000
Ally Bank CD 1.3% 5/14/18	125,000	125,000
Capital One CD 1.15% 4/29/19	-	200,000
Goldman Sachs CD 1.65% 5/13/19	125,000	125,000
BMW Bank USA 1.15% 6/28/19		90,000
Amer Exp CD 2% 5/14/20	125,000	125,000
Discover Bank 1.45% 6/22/21		85,000
Total Cash	1,022,348	1,157,223
Other Current Assets		
Accounts Receivable	211,091	202,764
Other Receivables	-	-
Prepaid Expenses	9,410	11,645
Total Other Current Assets	220,501	214,409
Total Assets	1,242,849	1,371,632
Liabilities and Fund Equity		
Current Liabilities		
Accounts Payable	25,236	15,242
Prepaid Assessments	2,738	675
Compliance & Security Deposits	20,000	40,000
Transponder Deposits	350	600
Deferred Receivables		
Uncollected Accounts Receivable	211,091	203,739
Total Liabilities	259,415	260,256
Fund Equity		
Working Capital Deposits	77,900	78,300
Fund Balance - Operating Fund	86,069	221,102
Fund Balance - Reserve Fund	819,465	811,973
Total Equity	983,434	1,111,375
Total Liabilities and Fund Equity	1,242,849	1,371,632

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Brightwater Club Property Owners Association Stmnt of Revenues and Expenditures and Fund Bal For The Periods Indicated	12/31/15 Unaudited Actual	2016 Adopted Budget	Variance Favorable (Unfavor)	2016 ** Forecast **	YTD Thru 10/31/16 Actual	YTD Thru 10/31/16 Budget	Variance Favorable (Unfavor)	2017 Adopted Budget	Budget Comments
Units In Association	312	312	-	312				312	
Less Non-Paying Lots	(31)	(18)	(8)	(26)				(26)	Based on 2016 Forecast
Net Fully Paying Individual Lots	281	294	(8)	286				286	
Quarterly Assessments Per Unit	\$ 300.00	\$ 325.00		\$ 325.00				\$ 325.00	Remain same as 2016
Operating Fund Revenues									
Operating Assessments Billed	374,400	405,600	-	405,600	405,600	405,600	-	405,600	312 lots at \$325 per quarter
Less Current Year Billings Not Collected	(22,109)	(23,400)	(10,400)	(33,800)	(34,816)	(23,400)	(11,416)	(33,800)	Lots estimated to not pay per above
Prepayment of Dues	-	-	-	-	-	-	-	-	
Less Prepay Discounts	(80,700)	(95,550)	7,475	(88,075)	(88,075)	(95,550)	7,475	(92,950)	Above Lots at \$325
Prior Year Revenues Collected	37,176	30,000	15,380	45,380	45,380	29,167	16,213	-	Likely to take ownership of properties
Working Capital Applied	50	-	250	250	-	-	-	-	Already applied
Design Review Board Fees	-	-	2,750	2,750	2,750	-	2,750	-	
Legal, Late Fees and Interest Collected	1,823	250	(150)	100	87	208	(121)	-	Likely to take ownership of properties
Title Statement Charges	800	200	200	400	400	167	233	200	10 properties at \$50 each
Interest Income- DRB	3	5	(2)	3	3	4	(1)	3	Based on 2016
Interest Income- Operations	135	120	30	150	130	100	30	150	Based on 2016
Misc Income	-	-	800	800	800	-	800	-	
Developer Contribution	-	-	-	-	-	-	-	-	
Castoff Cabin Rental, net of lease sharing %	-	300	(300)	-	-	300	(300)	50	Rental to Owners only
Total Common Revenues	311,578	317,525	16,033	333,558	332,259	316,596	15,663	279,253	

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Operating Fund Expenses									
Operating Expenses									
Accounting & Management	57,450	60,000	(4,000)	64,000	52,804	49,000	(3,804)	61,000	2016 had castoff cabin startup
Covenant Enforcement	-	-	-	-	-	-	-	-	Included in above
Legal- General	17,994	20,000	8,000	12,000	7,567	16,667	9,100	15,000	Based on 2016
Legal & Administration- CDI Bankruptcy	-	-	-	-	-	-	-	-	Bankruptcy dismissed
Legal- Collections	18,063	20,000	(18,500)	38,500	37,599	16,364	(21,235)	20,000	Additional foreclosures
Tax Return Prep	400	400	-	400	400	400	-	400	Based on 2016
Design Review Consultants	300	1,500	(2,500)	4,000	800	1,250	450	1,500	Administration and minor work
Insurance	10,972	15,500	1,529	13,971	13,971	15,500	1,529	14,500	Based on 2016
Meetings & Communications	-	1,000	(500)	1,500	634	-	(634)	1,500	Based on 2016
Phone, Copies, & Office Supplies	1,884	2,200	-	2,200	1,507	1,571	64	2,200	Based on 2016
Mailing & Postage	-	-	-	-	-	-	-	-	Included above
Bank Charges	31	100	-	100	20	83	63	100	Based on 2016
Income Tax Expense	238	300	(915)	1,215	1,215	300	(915)	2,000	Tax on interest earnings
Contingency/ Other	-	10,000	10,000	-	-	8,333	8,333	10,000	Unforeseen needs
Total Operating Expenses	107,332	131,000	(6,886)	137,886	116,561	109,468	(7,092)	128,200	
Castoff Cabin Lease Expenses									
Base Rent		120	40	80	60	93	33	120	Base rent to GCH of \$10 per Month
Property Insurance		6,800	4,662	2,138	1,735	5,289	3,554	3,500	Full year in 2017
Gas		2,500	1,750	750	281	1,944	1,664	750	Assume winterized
Electricity		1,800	1,050	750	108	1,400	1,292	750	Assume winterized
Water/Sewer		500	500	-	-	389	389	500	Assume winterized
Trash		400	400	-	-	311	311	-	No service provided
Pest Control		300	(460)	760	681	233	(447)	500	Rodent control
Cleaning		2,250	(750)	3,000	2,518	1,750	(768)	3,000	\$100 per week- April thru October
Grounds Maintenance		2,000	20	1,980	1,980	1,556	(424)	1,000	Mulch & minor items
Supplies		1,000	500	500	-	778	778	500	Restroom and other supplies
Building Maintenance		1,000	(4,000)	5,000	4,553	778	(3,775)	2,500	Winterization, minor other
Property Taxes		7,200	2,092	5,108	3,831	5,600	1,769	7,661	Full year in 2017
Contingency/ Other		4,430	4,430	-	-	4,430	4,430	1,500	Unforeseen needs
Total Castoff Cabin Lease Expenses	-	30,300	10,234	20,066	15,744	24,551	8,807	22,281	

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Operating Fund Expenses (Continued)									
Security/ Gatehouse Expenses									
Contribution to Valagua Metro Towards Staffing	-	-	-	-	-	-	-	-	No longer using manned staff
Cleaning & Maintenance	-	-	-	-	-	-	-	-	Paid by GCH
Utilities- Water & Sewer	-	-	-	-	-	-	-	-	Paid by GCH
Utilities- Telephone/Internet	3,808	4,000	-	4,000	3,282	3,333	51	4,000	Phone & Internet to run system
Utilities- Natural Gas	295	400	-	400	292	333	42	400	Based on 2016
Utilities- Electric	792	1,000	-	1,000	884	833	(51)	1,000	Based on 2016
Pest Control	-	-	-	-	-	-	-	-	
Equipment Purchase & Maintenance	1,471	2,500	(5,000)	7,500	5,562	2,083	(3,479)	4,000	Service calls, component replacement
Operating Supplies	-	1,000	700	300	161	1,000	839	1,000	Parts & misc supplies
Software Fees	2,872	3,000	-	3,000	2,302	2,500	198	3,000	Monthly camera/database fee
Contingency/ Other	-	2,500	2,500	-	-	1,944	1,944	2,500	Unforeseen needs
Total Security Expenses	9,238	14,400	(1,800)	16,200	12,484	12,028	(456)	15,900	
Common Area Maintenance Expenses									
Grounds Contract (Entrances, trees, irrig, weeds)	9,784	10,340	(735)	11,075	11,074	10,340	(734)	10,340	Flowers, weed pulling, trees, add'l mul
Weed Control- Road Medians & Entrance	-	-	-	-	-	-	-	-	Included above
Tree Care	-	-	-	-	-	-	-	-	Included above
Weed Control- Private Lot Spot Spraying	21,360	21,240	-	21,240	21,240	21,240	-	21,240	Assuming 3 applications
Weed Control- Private Lot Mowing & Broadcast Spr	1,500	-	-	-	-	-	-	-	Hoping to not have to repeat
Weed Control- Roadside Edges	8,810	7,860	-	7,860	7,860	7,860	-	9,850	Mowing & Spraying
Weed Control- Stream Area/ Conservation Easeme	1,500	1,500	-	1,500	1,500	1,500	-	1,500	Spot spray & mow trails
Fence Repair	-	2,000	2,000	-	-	2,000	2,000	2,000	Shared with rancher
Reserve Study	-	-	-	-	-	-	-	-	Completed in 2014
Engineering	-	-	-	-	-	-	-	-	Completed in 2014
Repairs & Maintenance	1,998	2,500	-	2,500	1,336	2,500	1,164	2,500	Street lights, signs, etc
Electric- Street Lights	801	1,000	-	1,000	642	833	191	1,000	Based on 2016 Forecast
Electric - Lake Aeration	1,660	2,000	(1,500)	3,500	2,705	2,000	(705)	3,500	Assume to continue to pay for GCH
Snow Plowing	3,665	5,500	3,000	2,500	999	4,400	3,401	5,500	Assume normal year, \$333 per plow
Road & Shoulder Maintenance	-	2,000	1,900	100	80	2,000	1,920	2,000	In case of minor needs
Irrigation	7,110	6,500	-	6,500	5,000	6,500	1,500	6,500	Maint and \$6K pmt to GCH for usage
Conservation Easement Inspections	3,920	3,900	-	3,900	-	-	-	3,900	\$20 per sold lot (195) pd to Land Trust
Contingency/ Other	-	-	-	-	-	-	-	-	
Total Common Area Maintenance Exp.	62,108	66,340	4,665	61,675	52,437	61,173	8,737	69,830	
Total Expenses	178,678	242,040	6,213	235,827	197,225	207,221	9,995	236,211	
Transfer to Reserve Fund	(133,000)	(75,000)	(23,000)	(98,000)	-	-	-	(43,000)	Needs to increase to \$180K annually
Change in Fund Balance	(100)	485	(754)	(269)	135,034	109,375	25,659	42	Funding of capital reserves
Operations Fund Balance - Beginning	86,169	86,120	(52)	86,069	86,069	86,120	(52)	85,800	
Operations Fund Balance - Ending	86,069	86,605	(805)	85,800	221,102	195,495	25,607	85,842	Roughly 4 Months of Expenses

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Replacement Reserve Revenues									
Interest Income	4,799	2,008	4,992	7,000	5,695	1,674	4,021	6,835	0.75% of Fund Balance
Transfer From Operating Fund	133,000	75,000	23,000	98,000	-	-	-	43,000	Needs to be roughly \$200K annually
GCH Contribution for Deferred Maintenance	16,388	-	-	-	-	-	-	-	GCH portion completed
Total Repl. Reserve Revenues	154,187	77,008	27,992	105,000	5,695	1,674	4,021	49,835	
Replacement Reserve Expenditures									
Roads									
Overlays	-	-	-	-	-	-	-	-	Slated for 2020 but not enough \$
Operations Management	-	-	-	-	-	-	-	-	
Crackfilling	9,092	5,000	(8,187)	13,187	13,187	5,000	(8,187)	7,500	Ongoing needs
Repair Settled Areas	7,832	-	-	-	-	-	-	-	Nothing anticipated
Culverts & Drainage	-	-	-	-	-	-	-	-	
Curb & Gutter Repair	-	-	-	-	-	-	-	-	
Bridge Maintenance	-	-	-	-	-	-	-	-	Nothing anticipated
Gate House Entrance Repair (Sinkhole)	-	-	-	-	-	-	-	-	Nothing anticipated
Landscaping									
Complete Irrigation	-	-	-	-	-	-	-	-	Nothing anticipated
Irrigation Maintenance	-	-	-	-	-	-	-	-	Nothing anticipated
Tree Removal & Replacement	-	-	-	-	-	-	-	-	Nothing anticipated
Roundabout & North Entrance	12,389	25,000	25,000	-	-	25,000	25,000	2,000	Nothing anticipated
Gatehouse									
Exterior Lighting	-	-	-	-	-	-	-	-	Not Association responsibility
Staining	-	-	-	-	-	-	-	-	Not Association responsibility
Doors	-	-	-	-	-	-	-	-	Not Association responsibility
Windows	-	-	-	-	-	-	-	-	Not Association responsibility
Gutters & Downspouts	-	-	-	-	-	-	-	-	Not Association responsibility
Roof	-	-	-	-	-	-	-	-	Not Association responsibility
Gates	-	-	-	-	-	-	-	-	Nothing anticipated
Access Control System	-	-	-	-	-	-	-	-	Nothing anticipated
Security System	-	-	-	-	-	-	-	-	Nothing anticipated
Other Common Elements									
Fence at North Gate	3,463	-	-	-	-	-	-	-	Nothing anticipated
Street Light Maintenance	-	-	-	-	-	-	-	-	Nothing anticipated
Street Light Replacement	-	-	-	-	-	-	-	-	Nothing anticipated
Ballard Light Maintenance	-	-	-	-	-	-	-	2,000	Ballard repairs
Ballard Light Replacement	-	-	-	-	-	-	-	-	Nothing anticipated
Sign Maintenance	276	2,000	2,000	-	-	2,000	2,000	-	Minor repairs
Sign Replacement	-	-	-	-	-	-	-	-	
Pond Liners	-	-	-	-	-	-	-	-	Not Association responsibility
Pond Pumps	-	-	-	-	-	-	-	-	Not Association responsibility
Pond Aerators	-	-	-	-	-	-	-	-	Not Association responsibility
Misc Other/ Contingency		10,000	10,000	-	-	10,000	10,000	10,000	
Repl. Res. Expenditures	33,052	42,000	28,813	13,187	13,187	42,000	28,813	21,500	
Repl Res Net Income	121,135	35,008	56,805	91,813	(7,492)	(40,326)	32,834	28,335	
Repl. Res. Fund Balance - Begin	698,330	803,364	16,101	819,465	819,465	803,364	16,101	911,278	
Repl. Res. Fund Balance - End	819,465	838,372	72,906	911,278	811,973	763,038	48,935	939,613	\$1.5 M needed in 2020 for overlays

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