

**Brightwater Club Property Owners Association
Balance Sheet**

Current Assets	12/31/17	10/31/18
Cash		
US Bank	30,375	128,427
Alpine- Operating Checking	29,451	26,635
Alpine- DRB	30,066	-
UMB Bank	101,336	115,308
UMB Bank Brokered CD's	1,072,000	1,173,000
Total Cash	1,263,228	1,443,371
Other Current Assets		
Accounts Receivable	370	745
Other Receivables	-	-
Prepaid Expenses	9,542	9,225
Total Other Current Assets	9,911	9,970
Total Assets	1,273,139	1,453,340
Liabilities and Fund Equity		
Current Liabilities		
Accounts Payable	22,414	20,515
Prepaid Assessments	2,650	1,000
Compliance & Security Deposits	20,000	60,000
Transponder Deposits	900	1,100
Deferred Receivables		
Uncollected Accounts Receivable	0	-
Total Liabilities	45,964	82,615
Fund Equity		
Working Capital Deposits	78,800	80,800
Fund Balance - Operating Fund	87,758	132,309
Fund Balance - Reserve Fund	1,060,617	1,157,617
Total Equity	1,227,175	1,370,725
Total Liabilities and Fund Equity	1,273,139	1,453,340
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Brightwater Club Property Owners Association Stmnt of Revenues and Expenditures and Fund Bal For The Periods Indicated	12/31/17 Unaudited Actual	2018 Adopted Budget	Variance Favorable (Unfavor)	2018 Forecast	YTD Thru 10/31/18 Actual	YTD Thru 10/31/18 Budget	Variance Favorable (Unfavor)	2019 Adopted Budget	Budget Comments
Units In Association	312	312	-	312				312	
Less Association Owned Lots	(7)	(9)	1	(8)				(6)	1 in 2018 and 2 in 2019 to lien holders
Less Non-Paying Lots	(2)		-						
Net Fully Paying Individual Lots	303	303	1	304				306	
Quarterly Assessments Per Unit	\$ 325.00	\$ 325.00		\$ 325.00				\$ 325.00	Remain same as 2018
Operating Fund Revenues									
Operating Assessments Billed	397,716	393,900	467	394,367	394,367	393,900	467	397,800	312-7=305 lots at \$325 per quarter
Less Current Year Billings Not Collected	(4,575)	-	-	-	-	-	-	-	Assume all current
Prepayment of Dues	-	-	-	-	-	-	-	-	
Less Prepay Discounts	(93,600)	(98,475)	2,275	(96,200)	(96,200)	(98,475)	2,275	(99,450)	Above Lots at \$325
Prior Year Revenues Collected	57,077	-	-	-	-	-	-	-	
Design Review Board Fees	3,000	-	5,000	5,000	5,000	-	5,000	-	
Legal, Late Fees and Interest Collected	2,047	-	50	50	50	-	50	-	
Title Statement Charges	475	500	-	500	350	417	(67)	500	10 properties at \$50 each
Interest Income- DRB	4	3	(2)	1	1	3	(2)	-	
Interest Income- Operations	67	150	(75)	75	53	125	(72)	75	Based on 2018
Misc Income (incl. cabin rental fees)	381	300	(225)	75	65	300	(235)	100	Based on 2018
Developer Contribution	-	-	-	-	-	-	-	-	
Total Common Revenues	362,593	296,378	7,490	303,868	303,687	296,270	7,417	299,025	

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Operating Fund Expenses									
Operating Expenses									
Accounting & Management	62,848	62,000	12,000	50,000	43,805	52,750	8,946	60,000	2018 was a light activity year
Covenant Enforcement	436	3,000	-	3,000	2,500	2,500	-	3,000	\$250 per month for outside service
Audit	-	-	-	-	-	-	-	-	
Legal- General	14,842	15,000	11,000	4,000	2,277	12,500	10,223	12,000	2018 was a light activity year
Legal- Collections	10,686	10,000	8,000	2,000	1,935	8,182	6,247	500	Foreclosures complete
Tax Return Prep	450	450	(550)	1,000	1,000	450	(550)	500	2018 included restructuring
Design Review Consultants	3,450	3,500	-	3,500	2,800	2,917	117	3,500	2018 -2 new construction sites
Insurance	15,004	16,000	1,500	14,500	14,146	16,000	1,854	16,000	Based on 2018
Meetings & Communications	955	1,500	500	1,000	413	1,500	1,087	1,000	Based on 2018
Phone, Copies, & Office Supplies	2,587	2,200	-	2,200	1,066	1,571	505	2,200	3 yr website renewal in 2017
Bank Charges	82	780	-	780	623	650	27	780	Bill.com E-Payment services
Income Tax Expense	5,574	3,000	28	2,972	2,972	3,000	28	3,300	Tax on interest earnings
Contingency/ Other	-	10,000	10,000	-	-	-	-	10,000	Unforeseen needs
Uncategorized Expenses									
Total Operating Expenses	116,914	127,430	42,478	84,952	73,535	102,020	28,484	112,780	
Castoff Cabin Lease Expenses									
Base Rent	120	120	-	120	90	100	10	-	Lease not renewed
Property Insurance	3,012	3,500	298	3,202	2,427	2,917	490	-	Lease not renewed
Gas	663	750	-	750	591	625	34	-	Lease not renewed
Electricity	405	750	-	750	-	625	625	-	Lease not renewed
Water/Sewer	-	500	-	500	-	417	417	-	Lease not renewed
Trash		-	-	-	-	-	-	-	Lease not renewed
Pest Control	480	500	(100)	600	480	417	(63)	-	Lease not renewed
Cleaning	2,450	3,000	200	2,800	2,400	3,000	600	-	Lease not renewed
Grounds Maintenance	726	1,000	1,000	-	-	1,000	1,000	-	Lease not renewed
Supplies	-	500	300	200	106	500	394	-	Lease not renewed
Building Maintenance	4,355	2,500	2,000	500	(1,099)	2,500	3,599	-	Lease not renewed
Property Taxes	7,661	8,500	(1,100)	9,600	7,200	7,792	592	-	Lease not renewed
Contingency/ Other		1,500	1,500	-		1,500	1,500	-	Lease not renewed
Total Castoff Cabin Lease Expenses	19,872	23,120	4,098	19,022	12,194	21,392	9,197	-	

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Operating Fund Expenses (Continued)									
Security/ Gatehouse Expenses									
Utilities- Telephone/Internet	4,066	4,000	(200)	4,200	3,467	3,333	(134)	4,400	Phone & Internet to run system
Utilities- Natural Gas	320	400	-	400	272	333	62	400	Based on 2018
Utilities- Electric	1,055	1,000	(200)	1,200	823	833	10	1,400	Based on 2018
Equipment Purchase & Maintenance	3,385	4,000	1,000	3,000	2,053	3,333	1,280	4,000	Service calls, component replacements
Operating Supplies	-	1,000	-	1,000	-	1,000	1,000	1,000	Parts & misc supplies
Software Fees	2,817	3,000	34	2,966	2,452	2,500	48	3,200	Monthly camera/database fee
Contingency/ Other	-	2,500	2,500	-	-	1,944	1,944	2,500	Unforeseen needs
Total Security Expenses	11,644	15,900	3,134	12,766	9,067	13,278	4,210	16,900	
Common Area Maintenance Expenses									
Grounds Contract (Entrances, trees, irrig, weeds)	10,508	10,340	-	10,340	10,340	10,340	-	9,090	Flowers, weed pulling, trees, add'l mulc
Weed Control- Private Lot Spot Spraying	21,240	21,240	-	21,240	21,240	21,240	-	21,240	Assuming 3 applications
Weed Control- Private Lot Mowing & Broadcast Spr	-	-	-	-	-	-	-	-	
Weed Control- Roadside Edges	9,852	9,850	-	9,850	9,850	9,850	-	9,850	Mowing & Spraying
Weed Control- Stream Area/ Conservation Easement	1,500	1,500	-	1,500	1,500	1,500	-	1,500	Spot spray & mow trails
Tree Maintenance	-	-	-	-	-	-	-	2,500	For new trees being planted
Entrances/RoundAbout landscaping	-	-	-	-	-	-	-	2,000	Flower barrels at North gate
Fence Repair	-	2,000	2,000	-	-	2,000	2,000	2,000	Materials for minor repairs
Repairs & Maintenance	165	2,500	-	2,500	120	2,500	2,380	2,500	Street lights, signs, etc
Electric- Street Lights	670	1,000	-	1,000	589	833	245	750	Based on 2018 Forecast
Electric - Lake Aeration	4,067	3,500	-	3,500	-	-	-	3,500	Assume to continue to pay for GCH
Snow Plowing	3,500	5,500	3,750	1,750	700	4,400	3,700	5,500	\$350 per plow; Hand Shovel \$45/HR
Road & Shoulder Maintenance	465	2,000	2,000	-	-	2,000	2,000	1,000	Minor repairs
Irrigation	6,000	6,500	-	6,500	-	-	-	6,500	Maint and \$6K pmt to GCH for usage
Conservation Easement Inspections	3,900	3,900	-	3,900	-	-	-	3,900	\$20 per sold lot (195) pd to Land Trust
Contingency/ Other	-	-	-	-	-	-	-	-	Est for new trees installation
Total Common Area Maintenance Exp.	61,867	69,830	7,750	62,080	44,339	54,663	10,325	71,830	
Total Expenses	210,298	236,280	57,460	178,820	139,136	191,353	52,217	201,510	
Transfer to Reserve Fund	(152,000)	(60,000)	(65,000)	(125,000)	(120,000)	(60,000)	(60,000)	(98,000)	Needs to increase to \$180K annually
Change in Fund Balance	295	98	(50)	48	44,551	44,917	(366)	(485)	Funding of capital reserves
Operations Fund Balance - Beginning	87,463	86,969	789	87,758	87,758	86,969	789	87,806	
Operations Fund Balance - Ending	87,758	87,067	739	87,806	132,309	131,886	423	87,321	

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Replacement Reserve Revenues									
Interest Income	15,333	11,000	7,000	18,000	14,984	9,167	5,817	22,000	1.9% of Fund Balance
Transfer From Operating Fund	152,000	60,000	65,000	125,000	120,000	60,000	60,000	98,000	Needs to increase to \$180K annually
GCH Contribution for Deferred Maintenance	-	-	-	-	-	-	-	-	GCH portion completed
Total Repl. Reserve Revenues	167,333	71,000	72,000	143,000	134,984	69,167	65,817	120,000	
Replacement Reserve Expenditures									
Roads									
Overlays	-	-	-	-	-	-	-	-	Slated for 2020 but not enough \$
Operations Management	-	-	-	-	-	-	-	-	
Crackfilling	6,500	13,000	1,618	11,382	11,382	13,000	1,619	13,000	Ongoing needs
Repair Settled Areas	-	-	-	-	-	-	-	15,000	Settled areas
Culverts & Drainage	-	-	-	-	-	-	-	-	
Curb & Gutter Repair	-	-	-	-	-	-	-	-	
Bridge Maintenance	-	-	-	-	-	-	-	-	Nothing anticipated
Gate House Entrance Repair (Sinkhole)	-	-	-	-	-	-	-	-	Nothing anticipated
Landscaping									
Complete Irrigation	-	-	-	-	-	-	-	-	
Irrigation Maintenance	-	-	-	-	-	-	-	-	
Tree Removal & Replacement	1,457	-	(2,000)	2,000	-	-	-	7,000	40 Aspen & 2 Spruce trees
Roundabout & North Entrance	-	-	-	-	-	-	-	-	
Gatehouse									
Exterior Lighting	-	-	-	-	-	-	-	-	Not Association responsibility
Staining	-	-	-	-	-	-	-	-	Not Association responsibility
Gutters & Downspouts	-	-	-	-	-	-	-	-	Not Association responsibility
Roof	-	-	-	-	-	-	-	-	Not Association responsibility
Gates	-	-	-	-	-	-	-	-	
Access Control System	-	-	-	-	-	-	-	-	Nothing anticipated
Security System	-	-	-	-	-	-	-	-	Nothing anticipated
Other Common Elements									
Fencing- North Gate & Boundaries	-	-	-	-	-	-	-	-	(Valley Rd fence = Valagua Metro)
Street Light Maintenance	-	7,825	4,825	3,000	3,000	7,825	4,825	-	Nothing anticipated
Street Light Replacement	-	-	-	-	-	-	-	-	Stained in 2018
Ballard Light Maintenance	-	6,086	4,586	1,500	1,500	6,086	4,586	-	Nothing anticipated
Ballard Light Replacement	-	-	-	-	-	-	-	-	Stained in 2018
Sign Maintenance	17,379	8,695	(13,408)	22,103	22,103	8,695	(13,408)	-	Nothing anticipated
Sign Replacement	-	-	-	-	-	-	-	-	Project complete
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	25,336	45,606	5,621	39,985	37,985	45,606	7,621	45,000	
Repl Res Net Income	141,997	25,394	77,621	103,015	96,999	23,561	73,439	75,000	
Repl. Res. Fund Balance - Begin	918,621	1,051,914	8,703	1,060,617	1,060,617	1,051,914	8,703	1,163,632	
Repl. Res. Fund Balance - End	1,060,617	1,077,308	86,324	1,163,632	1,157,617	1,075,475	82,142	1,238,632	\$1.5 M needed in 2020 for overlays

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No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.