

OAK MEADOWS HOMEOWNERS' ASSOCIATION

FINANCIAL STATEMENTS

DECEMBER 31, 2006

These statements are furnished to you in accordance with Colorado Revised Statute 38-33.3-209.4

DALBY, WENDLAND & CO., P.C.



Certified Public Accountants & Consultants

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Board of Directors
Oak Meadows Homeowners' Association
P.O. Box 2715
Glenwood Springs, Colorado 81602

We have compiled the accompanying statement of assets, liabilities and equity-income tax basis of Oak Meadows Homeowners' Association as of December 31, 2006 and the related statement of revenues and expenses-income tax basis for the month and year to date periods ending December 31, 2006 and 2005, and the departmental schedules of revenues and expenses-income tax basis, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used by the Company, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the income tax basis of accounting and has not presented supplementary information on future major repairs and replacements that the American Institute of Certified Public Accountants has determined is required to supplement, although not required to be a part of, the basic financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

A handwritten signature in cursive script, appearing to read 'Dalby Wendland & Co. P.C.', is written over the printed name of the firm.

DALBY, WENDLAND & CO., P.C.
January 12, 2007

OAK MEADOWS HOMEOWNER'S ASSOC.
STATEMENT OF ASSETS, LIABILITIES & EQUITY-INCOME TAX BASIS
 DECEMBER 31, 2006

| | | |
|--|-------------|----------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| 1020 · B of C GEN'L CHECKING | \$49,755.47 | |
| Total 1020 · B of C GEN'L CHECKING | | \$49,755.47 |
| | | |
| 1035 · B of C GEN'L MONEY MARKET | | |
| 1030 · B of C F4A(TH) PAINTING M/M | 115,809.30 | |
| 1032 · B of C F4B PH 1 ROAD FUND | 3,264.00 | |
| 1033 · B of C F4 BEAVER CRT ROAD FUND | 1,466.08 | |
| 1034 · B of C F4B PH II(OLD MDLD)ROAD FD | 2,472.00 | |
| 1035 · B of C GEN'L MONEY MARKET - Other | 68,675.35 | |
| 1036 · B of C F III ROAD FUND | 16,352.37 | |
| Total 1035 · B of C GEN'L MONEY MARKET | | 208,039.10 |
| | | |
| 1050 · WACHOVIA SECURITIES | | |
| 1040 · WACHOVIA FILING 4A(TH) PAINTING | 18,831.47 | |
| 1060 · WACHOVIA F III ROAD FUND | 25.20 | |
| 1050 · WACHOVIA SECURITIES - Other | 5,228.96 | |
| Total 1050 · WACHOVIA SECURITIES | | 24,085.63 |
| | | |
| Total Checking/Savings | | 281,880.20 |
| | | |
| Accounts Receivable | | |
| 1100 · A/R-HOMEOWNERS | 3,567.22 | |
| Total Accounts Receivable | | 3,567.22 |
| | | |
| Total Current Assets | | 285,447.42 |
| | | |
| TOTAL ASSETS | | <u><u>\$285,447.42</u></u> |

SEE ACCOUNTANTS' COMPILATION REPORT

OAK MEADOWS HOMEOWNER'S ASSOC.
STATEMENT OF ASSETS, LIABILITIES & EQUITY-INCOME TAX BASIS
DECEMBER 31, 2006

| | | |
|---|------------------|--------------------|
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Accounts Payable | | |
| 2000 - ACCOUNTS PAYABLE | \$7,048.48 | |
| Total Accounts Payable | | <u>\$7,048.48</u> |
| Other Current Liabilities | | |
| 2110 - F III Road Fund Special Deposit | 3,000.00 | |
| Total Other Current Liabilities | | <u>\$3,000.00</u> |
| Total Liabilities | | \$10,048.48 |
| Equity | | |
| 3000 - PAINTING FUND CARRYOVER | 114,974.67 | |
| NET INCOME (LOSS) PAINTING FUND | <u>19,655.47</u> | |
| PAINTING FUND BALANCE | | 134,630.14 |
| 3020 - FILING 4A ROAD FUND CARRYOVER | 4,986.68 | |
| NET INCOME (LOSS) FILING 4A ROAD FUND | <u>2,437.82</u> | |
| FILING 4A ROAD FUND BALANCE | | 7,424.50 |
| 3040 - FILING 4A - NORTH | 2,431.28 | |
| NET INCOME (LOSS) FILING 4A-NORTH | <u>305.99</u> | |
| FILING 4A - NORTH FUND BALANCE | | 2,737.27 |
| 3045 - FILING 4A - SOUTH | 4,039.81 | |
| NET INCOME (LOSS) FILING 4A - SOUTH | <u>326.89</u> | |
| FILING 4A - SOUTH FUND BALANCE | | 4,366.70 |
| 3060 - GENERAL ASSESSMENT CARRYOVER | 81,241.82 | |
| NET INCOME (LOSS) GENERAL ASSESSMENT | <u>16,890.87</u> | |
| GENERAL ASSESSMENT FUND BALANCE | | 98,132.69 |
| 3080 - FILING 4A - SINGLE FAMILY | 636.62 | |
| NET INCOME (LOSS) FILING 4A-SINGLE FAMILY | <u>2,758.67</u> | |
| FILING 4A-SINGLE FAMILY FUND BALANCE | | 3,395.29 |
| 3110 - FILING III ROAD FUND CARRYOVER | 9,397.63 | |
| NET INCOME (LOSS) FILING III ROAD FUND | <u>3,818.95</u> | |
| FILING III ROAD FUND BALANCE | | 13,216.58 |
| 3150 - FILING 4B-PHASE II ROAD FUND CARRYOVER | 0.00 | |
| NET INCOME (LOSS) F4B-PHII ROAD FUND | <u>2,472.00</u> | |
| F4B-PHII ROAD FUND BALANCE | | 2,472.00 |
| 3140 - GRASS CUTTING FUND CARRYOVER | 0.00 | |
| NET INCOME (LOSS) GRASS CUTTING | <u>79.78</u> | |
| GRASS CUTTING FUND BALANCE | | 79.78 |
| 3170 - FILING 4B-PHI ROAD FUND CARRYOVER | 0.00 | |
| NET INCOME (LOSS) F4B-PHI ROAD FUND | <u>3,264.00</u> | |
| FILING4B-PHI ROAD FUND BALANCE | | 3,264.00 |

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OAK MEADOWS HOMEOWNER'S ASSOC.
STATEMENT OF ASSETS, LIABILITIES & EQUITY-INCOME TAX BASIS
DECEMBER 31, 2006

| | | |
|---------------------------------------|-----------------|----------------------------|
| 3160 · WATER FUND CARRYOVER | 3,779.40 | |
| NET INCOME (LOSS) WATER FUND | <u>70.70</u> | |
| WATER FUND BALANCE | | 3,850.10 |
| | | |
| 3180 · SNOW REMOVAL FUND CARRYOVER | (4,568.68) | |
| NET INCOME SNOW REMOVAL | <u>4,932.49</u> | |
| SNOW REMOVAL FUND BALANCE | | 363.81 |
| | | |
| 3190 · F4 BEAVER COURT | 146.08 | |
| NET INCOME (LOSS) F4 BEAVER COURT | <u>1,320.00</u> | |
| F4 BEAVER COURT FUND BALANCE | | <u>1,466.08</u> |
| | | |
| Total Liabilities & Equity | | <u>285,447.42</u> |
| | | |
| TOTAL LIABILITIES & EQUITY | | <u><u>\$285,447.42</u></u> |

SEE ACCOUNTANTS' COMPILATION REPORT

OAK MEADOWS HOMEOWNER'S ASSOC.
STATEMENT OF REVENUES & EXPENSES-INCOME TAX BASIS
 JANUARY 1, 2006 THROUGH DECEMBER 31, 2006

| | Jan - Dec 06 | Jan - Dec 05 | \$ Change |
|---|-------------------|-------------------|--------------------|
| Income | | | |
| 4000 · GENERAL ASSESSMENT | 38,075.00 | 33,747.56 | 4,327.44 |
| 4010 · NON-MEMBER BILLING FEE | 240.00 | 240.00 | 0.00 |
| 4020 · LEGAL COSTS ASSESSMENT | 111.69 | 0.00 | 111.69 |
| 4050 · INTEREST INCOME | 5,174.19 | 3,581.51 | 1,592.68 |
| 4700 · FILING 4A PAINTING ASSESSMENT | 17,280.00 | 17,280.00 | 0.00 |
| 5000 · FILING 4A ROAD ASSESSMENTS | 2,304.00 | 2,304.00 | 0.00 |
| 5400 · FILING 4A N. ASSESSMENTS | 1,820.00 | 1,800.00 | 20.00 |
| 5620 · FILING 4A S. ASSESSMENT | 2,020.00 | 2,040.00 | (20.00) |
| 5635 · PARKING FEE | 660.00 | 570.00 | 90.00 |
| 5800 · FILING 4A(SF) ROAD ASSESSMENT | 2,720.00 | 2,400.00 | 320.00 |
| 5810 · FILNG 4A(SF) SPECIAL ASSESSME... | 0.00 | 3,909.00 | (3,909.00) |
| 5900 · ROAD ASSESSMENTS F-4/AREA II | 1,320.00 | 0.00 | 1,320.00 |
| 6000 · ROAD ASSESSMENT F-4B, PHASE 1 | 3,264.00 | 0.00 | 3,264.00 |
| 6100 · ROAD ASSESSMENT-F4B-PH II | 2,472.00 | 0.00 | 2,472.00 |
| 6240 · TRASH SERVICE | 2,648.88 | 2,767.74 | (118.86) |
| 6410 · FILING III ROAD ASSESSMENTS | 3,900.00 | 3,900.00 | 0.00 |
| 6700 · SNOW REMOVAL ASSESSMENTS | 19,691.90 | 8,738.75 | 10,953.15 |
| 6800 · GRASS CUTTING ASSESSMENT | 1,361.05 | 0.00 | 1,361.05 |
| Total Income | 105,062.71 | 83,278.56 | 21,784.15 |
| Expense | | | |
| 4505 · BOOKKEEPING & ACCOUNTING | 6,238.50 | 7,886.43 | (1,647.93) |
| 4510 · ADMINISTRATIVE EXPENSES | 7,446.42 | 8,180.77 | (734.35) |
| 4515 · LEGAL EXPENSES | 5,791.29 | 5,062.29 | 729.00 |
| 4520 · INSURANCE EXPENSE | 2,420.00 | 5,014.00 | (2,594.00) |
| 4530 · GRASS CUTTING | 6,878.13 | 6,882.50 | (4.37) |
| 5100 · ROAD MAINTENANCE | 0.00 | 545.00 | (545.00) |
| 5500 · LANDSCAPING | 160.00 | 0.00 | 160.00 |
| 6310 · GENERAL MAINTENANCE | 137.09 | 2,491.87 | (2,354.78) |
| 6340 · TRASH SERVICES | 2,156.24 | 3,158.09 | (1,001.85) |
| 6450 · ROAD IMPROVEMENTS | 0.00 | 36,077.50 | (36,077.50) |
| 6620 · PROFESSIONAL SERVICES | 742.00 | 0.00 | 742.00 |
| 6710 · SNOW REMOVAL | 14,759.41 | 10,614.93 | 4,144.48 |
| Total Expense | 46,729.08 | 85,913.38 | (39,184.30) |
| Net Income | 58,333.63 | (2,634.82) | 60,968.45 |

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