

Ventana Lakes Property Owners Association  
Treasurer's Report  
January 16, 2008

**Colby Financial Statements**

The Colby final financial statements are not available for December. I have a copy of the draft version of the financials. The final version of the financial will be posted on the website when they become available. The November financial statements have been posted on the VLPOA website. Due to the financials being readily available on the website, they will no longer be attached to the Treasurer's report.

**Attached And Included as Part of This Report:(not to be posted on VLPOA website)**

The updated CD list.

The First Community Bank CD for the amount of \$16,935 was incorrectly listed with a renewal date of 10/06/2008. The actual renewal date was 01/06/07. This CD was renewed as a 13 month CD with the same bank.

The CD with FNB of \$81,188 is due on 1/30/08. It is my recommendation that this CD be invested with a different bank because we have 2 other CD's that exceed the FDIC insurance limit of \$100,000. It is my intent to reinvest this CD for a short term of one year or less. I would like to maintain adequate liquidity to finance any future projects. I have noticed that the short term CD rates are increasing and the long term rates are decreasing.

**Delinquent Homeowner Accounts**

Total delinquent amount is \$6,382. This is a 60% reduction from November. I believe the sending of notices to home owners and personal contact by the Treasurer has helped to reduce this amount.

**Certified Audit for 2007**

The property manager has initiated communication with 3 CPA firms. Jack and Moe have personally met with one of the CPA's. Due to financial debacle of a few years ago CPA's are now required to perform more in dept checks for fraudulent practices, therefore; the fees for a certified audit have significantly increased from \$6,000 to \$12,000. We will be in a position to engage a CPA firm in the near future

**Taxes and Other Reports**

The Federal & State Income tax returns along with the Corporate Commission report are now due. I am willing to prepare the Federal and state tax returns at zero cost. Lori Norris the VLPOA Secretary is also willing to prepare the Corporate Commission Report. I plan on completing the tax returns before the end of January.

**Other Information for Consideration:**

My review of the draft financial reports indicates that we have an amount in the cash portion of our assets that relate to a surplus from 2006 of \$96,248. A 2<sup>nd</sup> computation of subtracting prepaid dues assessments from the total cash supports excess cash of \$100,962 in the operating cash accounts. This confirms that there is extra cash in our operating cash account. This is how the association was able to pay for the legal fess related to the shores litigation during 2007. I wanted to shed light on this to prepare the board and home owners to have a frank discussion about these excess funds at the next

board meeting concerning future dues increases and how this will relate to the reserves and future budgets.

The Gardens also have an operating surplus in 2007 from a significant reduction of the insurance liability during 2007 along with reduced landscape maintenance cost during 2007 created by the landscape moratorium and the new contract. We will discuss this further at the next board meeting

Submitted and signed by Maurice Frenette this 16<sup>th</sup> day of January, 2008.

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Maurice Frenette