

SAN ANTONIO DEL MAR HOMEOWNERS ASSOCIATION
THIRD QUARTER FINANCIAL REPORT (July -- September 2008)

| Accounts | 3rd Quarter | | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|------------------|
| | 1st Quarter | 2nd Quarter | July | August | September | July - September |
| Revenue | | | | | | |
| Initial Balance | | \$ 21,956.88 | \$ 26,821.43 | \$ 28,337.58 | \$ 18,124.49 | \$ 26,821.43 |
| Monthly Income | \$ 29,700.00 | \$ 49,917.75 | \$ 14,070.00 | \$ 6,500.00 | \$ 5,960.00 | \$ 26,530.00 |
| Other Income | \$ 37.95 | \$ 2,657.00 | \$ 20.00 | | | \$ 20.00 |
| Petty cash end of the previous month | | \$ 18.04 | \$ 437.29 | \$ 519.88 | \$ 42.51 | \$ 437.29 |
| Initial total | \$ 29,737.95 | \$ 74,549.67 | \$ 41,348.72 | \$ 35,357.46 | \$ 24,127.00 | \$ 53,808.72 |
| Expenses | | | | | | |
| Personnel | | | | | | |
| Administrative | \$ 1,500.00 | \$ 4,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | \$ 4,500.00 |
| Maintenance | \$ 1,553.62 | \$ 5,199.77 | \$ 2,194.12 | \$ 2,564.71 | \$ 1,354.54 | \$ 6,113.37 |
| Operation and Manteinance | | | | | | |
| Security | | \$ 17,272.65 | \$ 5,791.53 | \$ 7,013.14 | \$ 4,467.44 | \$ 17,272.11 |
| Street repair | \$ 1,436.31 | \$ 7,135.08 | \$ 250.25 | \$ 951.15 | \$ 81.44 | \$ 1,282.84 |
| Trash | \$ 282.22 | \$ 725.56 | \$ 275.86 | \$ 300.60 | \$ 258.37 | \$ 834.83 |
| Repairs | \$ 645.51 | \$ 1,845.48 | \$ 675.58 | \$ 683.73 | \$ 224.68 | \$ 1,583.99 |
| Vehicle maintenance and gas | \$ 301.49 | \$ 1,398.21 | \$ 335.14 | \$ 359.02 | \$ 537.50 | \$ 1,231.66 |
| Utilities | \$ 374.64 | \$ 3,562.19 | \$ 294.80 | \$ 3,033.27 | \$ 264.49 | \$ 3,592.56 |
| Maintenance | | | \$ - | \$ - | \$ - | \$ - |
| Website | \$ 131.55 | | \$ - | \$ - | \$ - | \$ - |
| Miscellaneous | \$ 28.22 | \$ 185.07 | \$ 61.83 | \$ - | \$ 26.32 | \$ 88.15 |
| Copies | | \$ 222.50 | \$ 141.06 | \$ 225.00 | \$ - | \$ 366.06 |
| Translations | | | \$ - | \$ - | \$ - | \$ - |
| Rock Wall | | \$ 2,066.11 | \$ - | \$ 50.10 | \$ 47.85 | \$ 97.95 |
| Equipment and Supplies | | | | | | |
| Tools and Materials | \$ 673.93 | \$ 541.15 | \$ 174.39 | \$ 142.16 | \$ 58.52 | \$ 375.07 |
| Office Equipment and Supplies | \$ 101.45 | \$ 217.67 | \$ 60.80 | \$ 56.55 | \$ 72.37 | \$ 189.72 |
| Pool 600 block | \$ 652.09 | \$ 1,447.30 | \$ 567.90 | \$ 311.03 | \$ 559.84 | \$ 1,438.77 |
| Mail | \$ 82.00 | \$ 330.00 | \$ 168.00 | \$ - | \$ 84.00 | \$ 252.00 |
| | \$ - | | \$ - | \$ - | \$ - | \$ - |
| | \$ - | | \$ - | \$ - | \$ - | \$ - |
| Misc: Cancellation of Acta | \$ - | \$ 642.40 | \$ - | \$ - | \$ - | \$ - |
| Total Expenses | \$ 7,763.03 | \$ 47,290.95 | \$ 12,491.26 | \$ 17,190.46 | \$ 9,537.36 | \$ 39,219.08 |
| Final balance | \$ 21,974.92 | \$ 27,258.72 | \$ 28,857.46 | \$ 18,167.00 | \$ 14,589.64 | \$ 14,589.64 |
| Bank Balance | 21956.88 | \$ 26,821.43 | \$ 28,337.58 | \$ 18,124.49 | \$ 13,203.92 | \$ 13,203.92 |
| Cash on Hand | \$ 18.04 | \$ 437.29 | \$ 519.88 | \$ 42.51 | \$ 1,385.72 | \$ 1,385.72 |

This report covers the third financial quarter of 2008. The following are explanations of the report and some of its specifics:

1. **"Initial Balance"** is the amount of money carried over from the previous month.
2. **"Monthly Income"** is the money received from homeowners during the month and money received for the repair of streets.
3. **"Personnel"** is the money paid to individuals who work for SADM on a permanent basis-- the Administrator and maintenance workers. The cost for part-time or contract workers is included in the appropriate category under **Operation and Maintenance**.
4. **"Bank Balance"** refers to the final balance amount printed on the monthly bank statement. This is the bank account into which homeowners dues are deposited.
5. **PERSONNEL/ MAINTENANCE:** The increased labor costs for **July** and **August** were caused by adding supervision of the 600 block pool during those months.
6. **SECURITY:** The increase for security during the month of **August** is because of 5 pay periods. In **September** the Committee ended the security relationship with Alta and began providing security directly. Security expenses in **September** include maintenance and fuel of the patrol car and telephone for the casetas. The cost for employee social security and other employee related expenses are not included since those costs are paid in the month following.
7. In **August**, under **Utilities**, \$3,033.27 includes a payment of over \$2,000 to reconnect electricity at the 800 block pool. This cost included penalties and previously unpaid bills. This debt originated prior to 2008.
8. In **September**, under **Vehicle Maintenance and Gas**, the slight expense increase was due to repair of the maintenance pick-up -- alternator and starter and replacement of battery.
9. In **August**, under **Copies**, \$225.00 was spent to purchase a used copier. As a result, there are no copy expenses for September.
10. **"Monthly Income"** decreased about 1/2 this quarter compared to 2nd Quarter -- \$49,917 (2nd), \$26,530 (3rd). At the same time, the SADM Homeowners Committee was able to reduce **Expenses** during the 3rd Quarter -- \$47,290 (2nd), \$39,219 (3rd). This is a reduction of about \$8,000.00 over the quarter.
11. Based on data from 8 months, we continue to estimate that our monthly expenses to administer and maintain the community at the current minimal level will average between \$13,000.00 and \$15,000.00 per month.

