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**Principal Management Group North Texas**



**AAMC**  
ACCREDITED ASSOCIATION  
MANAGEMENT COMPANY

January 22, 2012

Board of Directors  
DeSoto PID #1/ Candle Meadow  
DeSoto, Texas 75115

Re: DeSoto PID #1/ Candle Meadow Homeowners Association  
December 2011 Financial Statement

Dear Board Member:

Please find enclosed your December 2011 Financial Statements. The following is a brief overview of key information contained in this report package.

BALANCE SHEET

Cash available at month's end is \$134,057.59 reported for 3 accounts: operating account managed by PMG and two Board-controlled money market accounts. This is an increase from prior month of \$93,716.67. Accounts Receivable is \$480.00. Other assets include \$5,059.09 prepaid insurance. Accounts payable at month's end was \$449.05 and Accrued Payable is \$3,855.00.

INCOME STATEMENT (Cash Basis)

The Association income for the month was \$108,936.98 which included \$108,935.73 Regular Assessments, and \$1.25 Interest Income. Expenses for the month totaled \$13,829.36, which left the Association with a net gain for the month of \$95,107.62, and a year-to-date net gain of \$60,638.65.

NOTES OF INTEREST

- Bank charges \$37.00 this month were \$75.00 for three wire transfers. Chase "savings" account December statement was unavailable for reporting this period.
- Legal fees totaling \$2,452.50 was for counsel from 11/3 through 11/9/11 regarding post election issues.
- Reduction of monthly contract rates for Landscape maintenance and Porter Svcs totaled \$882.00.

If you have any questions regarding these reports, please feel free to call me at 682-325-5353.

Sincerely,

PRINCIPAL MANAGEMENT GROUP,  
DeSoto PID #1/Candle Meadow Homeowners Association

Thomas Armstrong, CMCA, AMS, PCAM  
Association Manager – NRH office

Enclosure



**Balance Sheet Report**  
**DeSoto PID #1/Candle Meadow**  
As of December 31, 2011

	<u>Balance</u>	<u>Balance</u>	<u>Change</u>
	<u>Dec 31, 2011</u>	<u>Nov 30, 2011</u>	
<b><u>Assets</u></b>			
<b><u>Current Assets</u></b>			
10002 - Operating FAB #3138	17,075.04	2,219.10	14,855.94
10300 - Chase BOD #5919	54,049.99	36,049.99	18,000.00
10301 - Chase BOD #2673	63,632.56	2,771.83	60,860.73
11000 - Accounts Receivable	480.00	240.00	240.00
<b>Total Current Assets</b>	<b><u>135,237.59</u></b>	<b><u>41,280.92</u></b>	<b><u>93,956.67</u></b>
<b><u>Other Assets</u></b>			
14700 - Prepaid Insurance	5,059.09	5,059.09	0.00
<b>Total Other Assets</b>	<b><u>5,059.09</u></b>	<b><u>5,059.09</u></b>	<b><u>0.00</u></b>
<b>Total Assets</b>	<b><u>140,296.68</u></b>	<b><u>46,340.01</u></b>	<b><u>93,956.67</u></b>
<b><u>Liabilities</u></b>			
<b><u>Current Liabilities</u></b>			
20100 - Accounts Payable - Trade	449.08	1,604.03	(1,154.95)
20124 - Prepaid Assessments	0.00	236.00	(236.00)
20650 - Accrued Expenses Payable	3,855.00	3,855.00	0.00
<b>Total Current Liabilities</b>	<b><u>4,304.08</u></b>	<b><u>5,695.03</u></b>	<b><u>(1,390.95)</u></b>
<b><u>Other Liabilities</u></b>			
21001 - Other Escrowed Fees	480.00	240.00	240.00
<b>Total Other Liabilities</b>	<b><u>480.00</u></b>	<b><u>240.00</u></b>	<b><u>240.00</u></b>
<b>Total Liabilities</b>	<b><u>4,784.08</u></b>	<b><u>5,935.03</u></b>	<b><u>(1,150.95)</u></b>
<b><u>Owners' Equity</u></b>			
<b>Equity</b>			
30150 - DeSoto PID Contribution	728,418.92	728,418.92	0.00

**Balance Sheet Report**  
**DeSoto PID #1/Candle Meadow**  
 As of December 31, 2011

<u>Owners' Equity</u>	<u>Balance Dec 31, 2011</u>	<u>Balance Nov 30, 2011</u>	<u>Change</u>
Equity			
30700 - Retained Earnings	(653,544.97)	(653,544.97)	0.00
<b>Total Equity</b>	<b>74,873.95</b>	<b>74,873.95</b>	<b>0.00</b>
<b>Total Owners' Equity</b>	<b>74,873.95</b>	<b>74,873.95</b>	<b>0.00</b>
<b>Net Income / (Loss)</b>	<b>60,638.65</b>	<b>(34,468.97)</b>	<b>95,107.62</b>
<b>Total Liabilities and Equity</b>	<b>140,296.68</b>	<b>46,340.01</b>	<b>93,956.67</b>

**Income Statement Report**  
**DeSoto PID #1/Candle Meadow**  
 December 01, 2011 thru December 31, 2011

	Current Period		Year to Date (3 months)		Annual Budget	
	Actual	Budget	Variance	Actual		Budget
<b>Income</b>						
<b>Scheduled Income</b>						
40000 - Regular Assessment	108,935.73	19,272.00	89,663.73	115,442.45	57,815.00	57,627.45
<b>Total Scheduled Income</b>	<b>108,935.73</b>	<b>19,272.00</b>	<b>89,663.73</b>	<b>115,442.45</b>	<b>57,815.00</b>	<b>57,627.45</b>
<b>Miscellaneous Income</b>						
43000 - Interest Income	1.25	0.00	1.25	5.76	0.00	5.76
<b>Total Miscellaneous Income</b>	<b>1.25</b>	<b>0.00</b>	<b>1.25</b>	<b>5.76</b>	<b>0.00</b>	<b>5.76</b>
<b>Total Income</b>	<b>108,936.98</b>	<b>19,272.00</b>	<b>89,664.98</b>	<b>115,448.21</b>	<b>57,815.00</b>	<b>57,633.21</b>
<b>Expense</b>						
<b>Administrative Expenses</b>						
50010 - Answering Service	0.00	0.00	0.00	0.00	0.00	0.00
50070 - Bank/Check Charges	75.00	50.00	25.00	187.00	150.00	37.00
50085 - Collection Services Appraisal District	0.00	0.00	0.00	0.00	0.00	0.00
50110 - Copies & Postage	142.85	80.00	62.85	661.09	260.00	401.09
50120 - Data Processing	19.50	0.00	19.50	19.50	20.00	(0.50)
50210 - Rental/Storage	5.10	30.00	(24.90)	65.30	90.00	(24.70)
50250 - Licenses/Permits/Inspection Fees	0.00	8.00	(8.00)	0.00	25.00	(25.00)
50270 - Meetings	0.00	0.00	0.00	300.00	0.00	300.00
50300 - Supplies - Administrative	0.00	0.00	0.00	44.72	0.00	44.72
50340 - Printing/Newsletter	0.00	0.00	0.00	0.00	260.00	(260.00)
50350 - Holiday Decorations	0.00	0.00	0.00	0.00	600.00	(600.00)
50355 - Social Committee	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)
50400 - Member Relations	0.00	0.00	0.00	25.00	0.00	25.00
50450 - Advertising	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Administrative Expenses</b>	<b>242.45</b>	<b>168.00</b>	<b>74.45</b>	<b>1,302.61</b>	<b>5,405.00</b>	<b>(4,102.39)</b>
<b>Professional Services</b>						
50001 - Accounting/Audit	0.00	0.00	0.00	0.00	0.00	0.00
50244 - Legal Fees-Non Collections	2,452.50	0.00	2,452.50	4,300.00	0.00	4,300.00
<b>Total Professional Services</b>	<b>2,452.50</b>	<b>0.00</b>	<b>2,452.50</b>	<b>4,300.00</b>	<b>0.00</b>	<b>4,300.00</b>
<b>Total</b>	<b>111,389.48</b>	<b>19,272.00</b>	<b>92,117.48</b>	<b>119,748.21</b>	<b>57,815.00</b>	<b>61,935.21</b>



**Income Statement Report**  
**DeSoto PID #1/Candle Meadow**  
December 01, 2011 thru December 31, 2011

	Current Period		Year to Date (3 months)		Annual Budget
	Actual	Budget	Actual	Budget	
<b>Expense</b>					
<b>Repairs &amp; Maintenance</b>					
70080 - Common Area Maintenance	0.00	0.00	0.00	500.00	1,000.00
70110 - Electrical	0.00	0.00	0.00	500.00	1,000.00
70140 - Fence/Gates/Walls	0.00	0.00	49.00	500.00	1,000.00
70220 - Landscaping / Seasonal	0.00	0.00	0.00	500.00	1,000.00
70240 - Lights/Bulbs	0.00	0.00	0.00	0.00	300.00
70290 - Pest Control	0.00	0.00	0.00	0.00	300.00
70300 - Plumbing	0.00	0.00	0.00	250.00	1,000.00
70311 - Swimming Pool	0.00	0.00	310.85	500.00	1,000.00
70314 - Pool Chemicals	0.00	0.00	0.00	0.00	1,500.00
70350 - Sprinkler / Irrigation Repair	0.00	0.00	2,837.25	500.00	1,000.00
<b>Total Repairs &amp; Maintenance</b>	<b>0.00</b>	<b>0.00</b>	<b>3,197.10</b>	<b>3,250.00</b>	<b>9,100.00</b>
<b>Other Expenses</b>					
70335 - Signs	0.00	0.00	38.97	0.00	0.00
<b>Total Other Expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>38.97</b>	<b>0.00</b>	<b>0.00</b>
<b>Capital Improvements</b>					
90010 - Capital Improvement	0.00	0.00	0.00	0.00	13,900.00
90210 - Capital Improvement - Pools/Jacuzzis	0.00	0.00	11,080.90	0.00	0.00
<b>Total Capital Improvements</b>	<b>0.00</b>	<b>0.00</b>	<b>11,080.90</b>	<b>0.00</b>	<b>13,900.00</b>
<b>Reserve Contributions</b>					
90600 - Restricted Replacement Reserve	0.00	0.00	0.00	0.00	28,100.00
<b>Total Reserve Contributions</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>28,100.00</b>
<b>Total Expense</b>	<b>13,829.36</b>	<b>11,361.00</b>	<b>54,809.56</b>	<b>43,637.00</b>	<b>231,258.00</b>
<b>Net Income / (Loss)</b>	<b>95,107.62</b>	<b>7,911.00</b>	<b>60,638.65</b>	<b>14,178.00</b>	<b>0.00</b>