

Innsbrook Owners' Association

For The Year Ended November 30, 2011

	Final	Budget
Revenue	2010/11	2011/12
Maintenance Assessment Income (1)	1,506,548	1,539,135
Security Payroll Fee Income (2)	463,932	467,353
Activities Fee Income (3)	325,932	325,000
Special Assessment Reserve Fund (4)	75,942	37,612
Miscellaneous Income (5)	95,005	98,750
Total Revenue	2,467,359	2,467,850
Expenses		
Operating Expenses		
Payroll (6)	965,504	973,120
Activities (7)	321,668	325,000
Insurance (8)	131,806	133,126
Road Maintenance (9)	308,817	317,000
Professional Fees, Publications, Office Expenses (10)	90,609	90,300
Payroll Taxes (11)	68,864	70,000
Landscape Maintenance (12)	78,713	83,350
Lake Maintenance (13)	54,489	58,500
Security Purchases & Maintenance (14)	74,792	58,000
Utilities (15)	64,092	66,380
Vehicle Repairs & Maintenance (16)	70,371	66,750
Taxes & Licenses (17)	27,129	27,000
Recreation (18)	20,000	31,500
Capital Purchases & Expenses		
Vehicle, Equipment & Improvements (19)	65,307	80,388
Principal & Interest (20)	46,094	46,094
Total Expenses	2,388,253	2,426,508
Excess of Revenue over Expenses	79,105	41,342
Fund Balance - Beginning of Year	389,847	468,952
Fund Balance - End of Year	468,952	510,294
<i>Two Unpaid Assessments 2006-07</i>	<i>3,410</i>	
<i>Three Unpaid Assessments 2007-08</i>	<i>5,765</i>	
<i>Four Unpaid Assessments 2008-09</i>	<i>6,922</i>	
<i>Four Unpaid Assessments 2009-10</i>	<i>7,772</i>	
<i>Six Unpaid Assessments 2010-11</i>	<i>11,679</i>	
<i>Total Unpaid Assessments</i>	<i>35,548</i>	

Notes to 2010-11 Income Statement, Receipts & Expenditures for Innsbrook Owners' Association

1. Maintenance: These fees provide the basis for the general operating expenses of the Innsbrook Owners' Association. In addition to the assessment fees, the Property Owners paid \$317,358 in water fees. Of the funds, \$149,497 was disbursed to the Public Water Supply District No. 2. The owners on the north side of Lake Aspen and all chalets and residential home sites west of Harmony Bridge paid the remaining balance of \$168,315 to the Innsbrook Corporation for its water supply system. The annual water fee has been increased by \$9 per year. Also paid was \$350,276 in central alarm monitoring system fees to the Innsbrook Corporation, which maintains the monitoring system and pays the CenturyLink lease line charges. In fiscal 2010-11, the Innsbrook Corporation paid \$68,208 to the Owners' Association for their share of maintenance and security. Two accounts from fiscal 2006-07 have unpaid assessments totaling \$3,410. Three accounts from fiscal 2007-08 have unpaid assessments totaling \$5,765. Four accounts from fiscal 2008-09 have unpaid assessments totaling \$6,922. Four accounts from fiscal 2009-10 have unpaid assessments totaling \$7,772. Six accounts from fiscal 2010-11 have unpaid assessments totaling \$11,679. Liens have been filed against these unpaid accounts with the Warren County Recorder's office. Attorney's fees, filing fees and finance charges have been assessed and will accrue until paid in full. Two prior unpaid assessments for years 2007-08 & 2008-09 were collected for a total of \$3,892. For fiscal 2011-12, the Maintenance assessment has a \$14 increase.

2. Security: These fees provide for the general operating expenses of the Innsbrook Security Department, excluding the central alarm monitoring system. For fiscal 2011-12, the Security assessment has an \$8 increase.

3. Activities: These fees provide for the general operating expenses of the Innsbrook Activities Department. Activities assessment generated \$186,595. This year \$114,047 was donated from property owners and vendors for the Fireworks Display. Thank you for the support... without it the show would not be possible! Partnerships with the Warren County Fine Arts Council and the Innsbrook Institute helped produce such events as performances of the Summer Breeze Concert Series and the Innsbrook Institute Music Academy & Festival. For fiscal 2011-12, the Activities assessment remains the same.

4. Reserve Fund: The Reserve Fund was established during fiscal 2002-03 to be prudently prepared for unforeseen and/or unexpected events. For fiscal 2011-12, the Reserve Fund assessment will decrease by \$25.

5. Miscellaneous: Interest income is earned on the balance of certificates of deposit and individual money market accounts. These accounts are established at the beginning of the fiscal year by depositing excess funds into interest-bearing accounts. Other income streams include marina rental, boat storage and moving, and sales of security gate cards and key fobs.

6. Payroll: This expense represents the gross wages paid to employees who worked on the maintenance of all common areas such as roads, beaches, dams, gate house, nature trails, fences and grass cutting. Also includes payroll and contract services for our security director, gate and patrol officers. Included in this account are the \$50 per lot management fee and the \$25 per lot security management fee, implemented in 1995-96, that is paid to the Innsbrook Corporation.

7. Activities: Expenses include the Memorial Day Party, the fireworks display, movies, tennis tournaments, Innsbrook Institute, Camp Innsbrook (of which \$10,463 was collected in participation fees), and Summer Breeze concerts. The Summer Workshop programs continued this year, with \$5,197 collected in participation fees.

8. Insurance: Insurance includes Worker's Compensation; Group Health Insurance; General Liability on roads, beaches and employees; Collision and Comprehensive on the Association's vehicles; Extortion and Fraud on handling the Association's cash and checks. The Innsbrook Corporation pays 50% of the Liability policy for the Innsbrook Estates Subdivision. This percentage will change as the development phase of Innsbrook Estates ends.

9. Road Maintenance: Expenses include asphalt overlay and repairs, replacement gravel, grading, ditching, culvert repairs and dust control. Asphalt overlay totaled \$199,351; replacement gravel expenses totaled \$58,237; debris clean-up from the summer storms \$18,539; and dust control applications totaled \$16,021.

10. Professional Fees, Publications, Office Expense: Included in these expenses are Architectural Review Board, publications and, of course, office expenses such as postage, bookkeeping and accounting; including independent accounting firm fees of \$24,000 which began in fiscal 2010-11.

11. Payroll Taxes: Included is 20% for FICA, FUTA and Missouri Unemployment Taxes for Property Management employees, as well as to cover the cost of processing their paychecks and government forms.

12. Landscape Maintenance: Landscape Maintenance includes all expenses for landscaping, plant beds, mowing and general upkeep of the development's appearance. Innsbrook Corporation pays for the landscaping services for its locations such as the Conference Center, Clubhouse and Real Estate Office.

13. Lake Maintenance: Silt projects were completed in lakes Trinity and Wanderfern.

14. Security Purchases & Maintenance: This includes the purchase, fuel and maintenance of the vehicles used to patrol our community. Additional expenses include guard house, gate, access control, and animal control expenses. New entrance and exit gates were installed at the Highway F West Entrance. A new fleet vehicle for roving patrol was purchased in fiscal year 2009-10 with conventional financing. The total balance of payments is \$8,600.

15. Utilities: Includes trash hauling and utilities for the Innsbrook Owners' Association's Property Management Department (PMD) building, green house, security entrances and facilities.

16. Vehicle Repairs & Maintenance: This includes the maintenance of the fleet of trucks, tractors, and specialty equipment used to maintain the common grounds of the development. Also includes fuel and oil.

17. Taxes & Licenses: The Association must pay income taxes on all earned income such as interest. All taxes are paid annually in December. Expense includes legal counsel.

18. Recreation: This includes payment to the Innsbrook Corporation for a portion of the swimming pool and fitness center's labor and operating expenses.

19. Vehicles, Equipment & Improvements: A 2010 Chevrolet truck with plow was purchased in December 2010 with conventional financing. The total balance of payments is \$23,516. Also in December, the 1991 Chevy truck was sold for \$1,855. A Swisher pull-behind mower was purchased for \$850 in March 2011. Additional expenses for fiscal 2010-11 include \$6,750 for tennis court improvements; \$6,543 to add the dog park; \$5,627 for snow removal equipment; and \$10,000 to the Innsbrook Historical Society.

20. Principal & Interest: Principal balance due on the Property Management Facility is \$423,843.