



INNSBROOK CONDOMINIUM OWNERS' ASSOCIATION

December 1, 2009

Dear Innsbrook Condominium Owner,

As our fiscal year comes to a close, it is time again to address our "State-of-the-Condominiums" and evaluate those issues of particular interest to you as a condominium owner at Innsbrook.

In 2009, we maintained a solid budget, we were able to contribute \$31,082 to our reserve fund, and we are on track for a fiscally sound 2010 without raising the assessment fees.

I'm happy to report we were able to accomplish more this year than ever before. We increased the frequency and quality of lawn mowing/care. Geneva Beach was expanded, and the new landscape boulders at both beaches are a great improvement to the old wooden ties. New asphalt was overlaid at Building 3. We replaced eight decks. We have nearly completed power-washing and staining the remaining decks and also have made great strides in power-washing our buildings' exterior siding. The marina shoreline required considerable attention this year; thank you for your patience as the necessary repairs were made. The recycling receptacles added to our trash depots last year have been a success, and participation has been wonderful – thank you!

In addition to our routine maintenance, in 2010 we will replace 10 decks, overlay new asphalt from units 91 to 99, and replace cracked sidewalks in several areas. We will replace the metal grates covering the storm water runoff pipes embedded in the parking/drive areas that are in need of repair. This program will begin next year.

We hope you are pleased with the results, and we look forward to making more improvements in the coming year. It is our mission to provide you with a wonderful place to relax and enjoy!

Assessment fees are due December 31, 2009. Please refer to the enclosed invoice.

Your comments, compliments and criticisms are important to us. Please join us at the annual Condominium Owners' Meeting on Saturday, January 9, 2010 from 9:00 to 10:00 a.m. at the Innsbrook Conference Center. The Rental Program meeting will immediately follow. All are invited to attend.

Thank you and Happy Holidays,

Sincerely,

Charles Boyce, Trustee
Innsbrook Condominium Owners' Association
(636)928-3366 ext. 164
charlie.boyce@innsbrook-resort.com

Innsbrook Condominium Owners' Association
For the fiscal year ended November 30, 2009

	Actual 2008/09	Budget 2009/10
Revenue		
Condominium Maintenance Assessment (1)	88,889	88,889
Insurance Assessment (2)	65,432	70,125
Condominium Reserve Fund (3)	31,323	31,323
Miscellaneous Income (4)	5,607	6,025
Total Revenue	191,251	196,362
Expenses		
Insurance	65,263	70,125
Payroll & Payroll Taxes (5)	27,070	27,100
Condominium Building Maintenance (6)	23,080	23,500
Asphalt (7)	10,492	10,500
Landscaping & Equipment (8)	21,372	21,500
Taxes & Professional Fees (9)	7,661	6,750
Utilities (10)	5,230	5,500
Total Expenses	160,169	164,975
Excess of Revenue over Expenses	31,082	31,387
Fund Balance - Beginning of Year	92,533	123,615
Fund Balance - End of Year	123,615	155,002

Note: All sums are rounded to the nearest dollar.

Not Included in Budgeted Items:

A portion of the assessments received from condominium owners relates to maintenance, utility and security fees. The condominium association directly remits the funds received for this portion of the assessment to the appropriate vendor upon receipt of the funds.

For example, \$24,720 of water fees were collected in 2008/09, and this amount was submitted to the appropriate water district to pay the expense. In the income statements and budgets shown above, the funds received from condominium owners have been netted with the direct disbursement of the utilities and security fees to the vendors. Therefore, neither the revenue nor the expense is shown on the statements.

In addition, \$97,541 of Innsbrook Development maintenance fees were collected in 2008/09 through assessments, and the entire amount was directly remitted to the Innsbrook Owners' Association. Those funds are included in the maintenance assessment revenue received on the Owners' Association account.

Footnotes to Receipts and Expenditures 2008/09

- 1) **Condominium Maintenance:** These fees provide the basis for the general operating expenses of the Innsbrook Condominium Owners' Association.
- 2) **Insurance:** The general liability aggregate limit is \$2 million. Of this, \$1 million represents personal and advertising injury limits and \$1 million of each occurrence. Earthquake coverage is also provided.
- 3) **Reserve:** These fees provide for eventual replacement of items such as roofing and siding, and to provide funds for unforeseen expenses.
- 4) **Miscellaneous:** This amount represents items such as marina fees and interest income. Interest income is earned on the balance of the certificate of deposit account. The certificate of deposit is established by depositing the excess funds at the beginning of a fiscal year into an interest-bearing certificate of deposit account.
- 5) **Payroll & Payroll Taxes:** This expense represents the gross wages paid to employees and employer payroll taxes for those who work on the maintenance of all the common areas of the Innsbrook Condominium Complex, such as landscaping, beaches and general upkeep of the units' exteriors.
- 6) **Condominium Building Maintenance:** This expense represents material and equipment costs for building maintenance. Items include decking, stain, paint and replacement items such as doors, lighting and sidewalks. Pest control is also included.
- 7) **Asphalt:** An annual expense, this project will continue until all buildings have quality drive and parking areas.
- 8) **Landscaping & Equipment:** This expense represents material and equipment costs for landscaping. Items include lawn care, trees, shrubs, rock, sand, mowers, trimmers and small equipment.
- 9) **Taxes & Professional Fees:** Included in this amount are legal fees, income taxes and general administrative expenses, such as postage, printing, bookkeeping and accounting.
- 10) **Utilities:** Included in this amount are electric and trash hauling.