



INNSBROOK
Condominium Owners' Association

Monday, November 28, 2011

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 2011, we maintained a solid budget, we were able to build our reserve fund, and we are on track for a fiscally sound 2012.

I'm happy to report that the landscaping and lawn care programs we implemented over the last several years are showing strong dividends. From the entrance to our condominium areas to the shoreline of Lake Aspen, our grounds continue to mature. Ongoing beach expansions, boat storage rails and landscaping projects have the beaches looking great! The clarification of carport and landscape area usage and restrictions was well received, and I would like to thank you for complying. We were able to replace 11 decks this year and hope to have a similar amount replaced in 2012. Our condominium marina will also be receiving attention this coming season as many of the boards are worn and need to be replaced.

The year-end amount that is due December 31, 2011 is a few dollars less than this time last year. The \$8 net decrease is the result of reducing the reserve fund for the Innsbrook Owners' Association from \$50 to \$25 and increases in water and security system fees of \$9 and \$8, respectively. Cable television fees for 2012 will be increased to an effective rate of \$39.50 per month; however this amount will be collected at the mid-year assessment billing. *Note: The enclosed invoice is due 12/31/11. Late payment is subject to finance charges. Those with direct deposit must plan accordingly. Many banks are slow to process, which has resulted in late payments, finance charges and very unhappy property owners.*

We hope you are equally pleased with this year's results, and we look forward to the coming year's projects. It is our mission to provide you with a wonderful place to relax and enjoy.

Your comments, compliments and suggestions are important to us. Please join us at the annual Condominium Owners' Meeting on Saturday, January 7, 2012 from 9 to 10 a.m. at the Innsbrook Conference Center. The meeting for those participating in the Rental Program 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

Footnotes to Receipts and Expenditures 2010-11

**Innsbrook Condominium Owners' Association
For the fiscal year ended November 30, 2011**

	Actual 2010-11	Budget 2011-12
Revenue		
Condominium Maintenance Assessment (1)	88,889	88,884
Insurance Assessment (2)	63,331	69,664
Condominium Reserve Fund (3)	31,372	31,236
Miscellaneous Income (4)	5,979	7,300
Total Revenue	189,571	197,084
Expenses		
Insurance	63,344	69,664
Payroll & Payroll Taxes (5)	24,408	25,650
Condominium Building Maintenance (6)	21,411	31,800
Landscaping & Equipment (7)	18,789	26,683
Taxes & Professional Fees (8)	6,289	6,005
Utilities (9)	3,915	4,170
Marina	36	1,000
Total Expenses	138,192	164,972
Excess of Revenue over Expenses	51,379	32,112
Fund Balance - Beginning of Year	137,173	188,552
Fund Balance - End of Year	188,552	220,664

Note: All sums are rounded to the nearest dollar.

Not Included in Budgeted Items:

A portion of the assessments received from condominium owners are not reflected here. Those funds that relate to water, sewer, security as well as overall development maintenance are directly remitted to the supplier of those services and are not included in the budget outlined above.

For example, \$25,029 of water fees were collected in 2010-11, and this amount was submitted to the appropriate water district to pay the expense. In the income statements and budgets, 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.

\$97,541 of Innsbrook development maintenance fees were collected in 2010-11 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.

- 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 fee 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) *Landscaping & Equipment:* This expense represents material and equipment costs for landscaping. Items include lawn care, trees, shrubs, rock, sand, mowers, trimmers and small equipment.
- 8) *Taxes & Professional Fees:* Included in this amount are legal fees, income taxes and general administrative expenses, such as postage, printing, bookkeeping and accounting.
- 9) *Utilities:* Included in this amount are electric and trash hauling.

