

**Circle C Homeowners Association
Board of Directors Annual
2006**

Circle C Priorities List

The board of directors created a priority list in late summer at the board retreat to communicate with residents a list of goals for the year. This list will carry over into 2007 and the board will continue to print the list in each newsletter with updates on what has been accomplished or added.

- 2007 Budget – the board has voted on the 2007 Annual Budget and will include in the Annual Report to be included in the January 2007 newsletter.
- Amenities Transfer Agreement
- Landscape Contract Re-bid 2008
- New Baby Pool – the board appointed a baby pool task force committee to execute the renovation of the baby pool which should open in time for the summer season
- One House, One Vote
- Management Review Plan – the board has assigned three board members to work on a management review plan for the staff; reviews will be given annually in December
- Park Playscape Plan – surveys have been completed for both Wildflower Park and Vintage Place; by the time you receive this newsletter the board will have chosen a vendor to design and build the playscape and park area in Wildflower Park.
- Solid Waste & Recycling Contract
- Other Pool Renovations – the board has approved a small construction project which would add an on-site office for the Aquatics Director, a small breakroom for the lifeguards and a new counter area. Renovations should be complete by March of 2007. We have also purchased a new ID system which will be in place when the pool re-opens.
- Insurance Policy/Agent Review – the board has recently switched insurance agents which has resulted in a huge savings on policy premiums.
- Designation of Capital Projects - Capital authorization worksheets have been designed and financial terms defined in order to provide a consistent process for budget planning.

Growth of Circle C Ranch

Circle C Ranch continues to grow, with new homes completion almost complete. There is a useful distinction between **lots** and **homes** for Circle C. When the developer adds **lots** to the Association we begin to earn revenue (property assessments). When a builder improves the lot and builds a home, the taxable value increases and so does the property assessment value. Until Circle C Ranch is completely built out we will have more lots than homes. We have about 4,020 homes. We have 3359 homes paying full assessments. The complete build-out total of homes is approximately 4,500, so we have a few years to go before the development is completed.

How is Circle C Homeowners Association Organized?

This is a brief summary of the Circle C Homeowners Association (CCHOA). CCHOA members are the residential property owners of Circle C Ranch. Residential development within Circle C Ranch is almost complete, so most property owners are homeowners. Developers and builders own the remaining property. The essential and primary goal of CCHOA is to preserve and enhance our property values.

Defining Documents

CCHOA is defined by a set of documents initially laid out by the developer (Gary Bradley) and subsequently modified by homeowner voting. These documents include the Certificate of Incorporation, the Declaration of Covenants, and the Amended Bylaws of CCHOA. We have adopted the Model Code to set standards of ethics and behavior for volunteers and homeowners.

- Certificate of Incorporation:
<http://www.circlecranch.info/documents/AssociationDocuments/GoverningDocuments/CertificateofIncorporation.pdf>
- Declaration of Covenants, Conditions and Restrictions:
<http://www.circlecranch.info/documents/AssociationDocuments/GoverningDocuments/declarationofcovenantcircleCranch.pdf>
- Amended Bylaws of CCHOA:
<http://www.circlecranch.info/documents/AssociationDocuments/GoverningDocuments/cchoa-bylaws2005.pdf>
- Model Code: <http://www.circlecranch.info/Model-Code.asp>

Board of Directors

The members of CCHOA elect a volunteer board of directors (BOD) to run the association. The board consists of seven people, all of whom must be property owners. Directors are elected for three year terms. We have three director seats whose terms expire in 2007 (Carolyn Merritt, AE Martin and Steve Elmore). Ryan Garcia and Michelle Moran will be up for re-election in 2008. Brendan McEntee and Sam Irwin will be up for re-election in 2009.

As of this writing the CCHOA BOD has four officers: President (Sam Irwin), Vice President (Ryan Garcia), Treasurer (AE Martin) and Secretary (Brendan McEntee). Michelle Moran, Carolyn Merritt and Steve Elmore also serve on the board. You can email the board at directors@circlecranch.info

The CCHOA BOD is responsible for maintaining our common areas and enforcing architectural control for new construction and home improvements, and for enforcing deed restrictions. The common areas include the Circle C swim center and many small plots of land around the neighborhood.

Finances

Our CCHOA budget has grown significantly in the last 5 years and we were finally able to fund some long overdue capital improvement projects. We accomplished this by setting aside reserve funds for dedicated purposes and emergencies, while building up our cash reserves over the past 4 years, so that we could keep more money in their interest bearing accounts. As a result, we accomplished all of our Capital

Projects in the 2007 budget and still managed to fully fund the Baby Pool project, which came in at double what had been expected.

The board chose to delay the two playscape projects until late in the year, when we were sure we could afford them. We also visited with number of local banks to secure a short term loan, should we need it to finish out the year. While we did not have to actually get the loan, it did give us an opportunity to compare our current banking rates and terms, and they are quite favorable. It turns out that we have an excellent financial position, even though we have no credit history. We also inquired into the cost of outside account management and professional property management services. We discovered that we are actually getting more services for half of what a property management plan, with fewer services, would cost us.

The Amenities Transfer fund is still in the hands of the Federal Bankruptcy court; however, we have satisfied all of the conditions to take over those funds. In December, were also given permission to being spending some of for planning and design of the new Swim Center. Those funds are dedicated to CCHOA amenities, but post-closing agreements require that they be used to build the new swim center first. But, this was real and tangible progress. The new swim center will cost more than the Amenity Fund, but it gives us a significant sum to get started with.

We also saved a significant amount of money from un-needed landscape irrigation water this year, because of the unusually long rainy season this past spring. So, that excess irrigation fund was reallocated to some other landscaping projects, which would have otherwise have waited until 2008. There were no other fund transfers during the year. Since the board votes on the budget with it all its line items, they also have to vote to re-allocate funds from one category to another.

The Swim Center now has its own budget. We added new line items to track more costs associated with the pool and swimming programs. We now have a sales license to sell few essential items (like baby diapers) and the programs actually produced a small income. The pool is closed again for the 4 coldest months of the year to help save on heating costs. We also scheduled maintenance that could not be done during normal use (lights, pump, and filter repairs), but they were covered in the budget. We have not used any of the pool reserve funds.

Our books were audited by PMB + Helin Donovan during the summer of 2007 for the budget year that ended on December 31st, 2006. Once again, they reported that our financial statements accurately reflect our budget and cash flows.

The CCHOA budget and Audit are available for inspection by any HOA member at the HOA office, during the usual office hours. All of the board members participated in preparing the 2008 budget this year and it was approved in December. As always, we will make a more detailed report of our financial condition at the annual meeting in March.

Russ Hodes
CCHOA Treasurer

Operations Staff

The CCHOA BOD has two employees to manage neighborhood operations: Denise Nordstrom (operations manager) and Gale Foster. Denise reports to the President of the BOD, and Gale works for Denise. Kelly Schmidt is our Aquatics Director and Pool Manager, and she reports to Denise. She has a staff of assistant pool managers and lifeguards. We have contracted with Circle C Landscape (owned by neighbor Susan Hoover) for landscaping services. We have contracted with Terri Giles of Giles & Shea for financial management including book keeping. Terri reports to the Treasurer.

Public Board Meetings

The CCHOA BOD holds public monthly meetings, currently scheduled at 6:15PM on the first Wednesday of each month. The Wildflower Center has kindly allowed us to use their library for BOD meetings at no charge. We allot time at the beginning of each meeting for homeowners to address the board. The board initiated a monthly Town Hall in October, currently scheduled for the third Thursday of the month at 6:30pm at the Circle C Child Development Center.

Committees

The CCHOA has several active committees. They include Education, Amenities, Pool, Special Events, Safety, Architectural Control and E-Voting. We owe significant thanks to all past and present Circle C volunteers. Circle C would not be what it is today without the volunteer efforts of hundreds of people.

Amenities Committee

On the Amenities front, the Board has been active in a number of projects geared towards the long-term development of our neighborhood's amenities. In the spring, the Amenities Committee worked with RVi to finalize the Circle C Ranch Amenities Master Plan, a thorough compilation of our hopes to develop parks, playscapes, trails, and a host of other community amenities over the years. Although this Master Plan is by no means a specific agenda, it does describe many of the tasks that can be accomplished in the future both for developing new amenities and improving our existing ones.

The Amenities Committee also came up with a priority list of what projects they would like to see accomplished in the short term. Topping the list was the baby pool, as it had just been determined that the baby pool would be closed for the summer. After the baby pool, the Committee then felt that allocating resources towards parks would be the next best priority. Two large parks are contemplated in the Master Plan, along with the potential for other, smaller pocket parks. Of the various options available, the Committee believed that developing one park completely would be a better use of resources than in trying to distribute funds across multiple projects and have each one take many years to complete. Of the two main parks contemplated in the Master Plan, the Committee thought that Wildflower Park would be the better project to perform initially.

With that plan and recommendation in hand, the Board agreed with the Committee. The baby pool project was funded and a special ad hoc committee was formed to deal with the amenity as quickly as possible. The Board then voted to budget \$125,000 to build the Wildflower Park. Although this is less money than was estimated in the Master Plan, both the Board and the Committee believed that this amount would be more than adequate to build an impressive park that would be of great benefit to the entire neighborhood.

Under the new leadership of Committee Chair Tony Gendron, the Committee is now in the process of identifying design firms to submit bids for Wildflower Park. We anticipate selecting a firm and completing construction in 2007 and look forward to creating the first completely new amenity for the neighborhood in many years.

The other large issue that continues to be worked on in terms of amenities is the Amenities Fund. As our community continues to grow we all recognize the need for an additional pool to accommodate the ever increasing number of families in our neighborhood. Many people saw RVi's Master Plan presentation at last year's Annual Meeting, which included a section on the new pool and a potential design for the new pool center. Last year's Annual Meeting spoke of the Amenities Fund and how the Circle C Board has been working to get that fund transferred to the Homeowners Association. Although work continues on

this front, we have so far been unable to reach an acceptable agreement with the estate and the bankruptcy court to free up these funds.

The duty to construct the new pool belongs to the developer. This is not the HOA, but rather the company that sold land to individual builders. As part of many of the later developments, one condition attached to the land was that builders had to pay \$1,000 for each house sold into a fund that would be used to construct a new pool. That fund is controlled by the developer, who also has the land to build the new pool.

Unfortunately, the developer is now in bankruptcy meaning that all assets are controlled by the bankruptcy court. This includes the constantly increasing fund that is set aside for the new pool. Knowing that they have an obligation to build the new pool with the money, but also knowing that attempting to build a new pool while being controlled by the bankruptcy court is a difficult situation at best, the Board and the bankruptcy court have attempted to work on an agreement that will transfer the fund to the Homeowners Association so that we can expedite the new pool's construction. However, before this agreement can be finalized and the money transferred, some key issues need to be addressed regarding impervious cover.

For those unfamiliar with the intricacies of developing in South Austin, the Save Our Springs ordinance mandates that all development over our local aquifer be limited to a certain amount of impervious cover. Normally impervious cover travels with the land, so that, for example, a 1 acre piece of land can have up to 0.15 of impervious cover. However, because of a Settlement Agreement between the City of Austin and the Bradley's parties, the land in Circle C is actually a separate entity from the impervious cover. The land covered by the Bradley Settlement Agreement must be conveyed with an "Impervious Cover Allocation" which amount will be deducted from the IC bank maintained by the City of Austin Environmental Officer. Thus if you are given a 1 acre piece of land without an associated impervious cover allocation, your development options would be non-existent unless you could contribute impervious cover from another source.

The Board is still attempting to reach an agreement with the bankruptcy court to allow that fund to be transferred to the HOA. The difficulty here is that since the HOA would be taking on the duty that the developer currently owes to us, we want to make sure that we are given the same tools that the developer would have. For example, the developer is currently obliged to build the pool using the fund that builders have been paying into. The developer has already set aside land for the pool, and it also has a bank of impervious cover it can draw from in building the pool. The developer and bankruptcy court have already addressed the land and fund, but impervious cover still needs to be hammered out. We are not sure how much impervious cover they are giving us, if any, and should we take just the land and money and be obliged to build the second pool we may be forced to use any impervious cover the HOA currently has that we plan on using for building additional parks, playscapes, trails, or other community amenities.

Rest assured that we will do everything we can to help expedite the process, but at the same time we don't want to obligate the HOA to take on responsibilities it shouldn't and can't afford to accept. It is our great hope to have this issue resolved in 2007, but only if doing so benefits the neighborhood.

Education Committee

Update on the Boundary Task Force for SW Austin

The Boundary Task Force for Southwest Austin continued its work at the start of 2006. Because of the extreme overcrowding at Baranoff, Kiker, and Mills Elementary Schools, and because of the construction of the new elementary school, boundary lines were redrawn throughout Circle C. Education Committee

members Marian Wallace and Jeff Walker served on the Boundary Task Force to represent the Circle C neighborhood. Upon a final approval by the Task Force, the new boundary lines were sent to the AISD school board and after review they voted unanimously to accept the changes.

Under the new boundary map, the Wildflower Park neighborhood moved from Baranoff Elementary to Kiker Elementary. The boundary lines affecting Circle C neighborhoods currently zoned for Mills Elementary (those north of Slaughter Lane) were left largely unchanged. The biggest change to Circle C then occurred in the western parts of the development, with the boundary line being drawn roughly between the older Hillshire neighborhood and the newer Circle C West neighborhood.

The changes resulted in Kiker Elementary opening the 2006 fall semester with 709 students, down from approximately 1000 students in the previous school year. Kiker is expected to increase only slightly in student population, leveling off at 757 students by 2010.

Mills Elementary received very little relief as a result of the boundary changes, primarily due to the overwhelming neighborhood response to leave the boundaries in place. After several meetings with the Mills parents and teachers, it was clear that the majority preferred an overcrowded school to changes in their boundary lines. Mills enrollment is currently around 900 students with a capacity for 850 students.

Update on 2004 AISD Bond Program

Elementary Schools:

Nan Clayton Elementary opened in August 2006 with 605 students. The school's capacity is 858 students. The dedication ceremony for Clayton Elementary took place on Sunday, November 5, 2006 and was well attended by students, their families, faculty, CCHOA neighbors, AISD Trustees and elected officials. Nan Clayton and her family were also present.

Kiker Elementary School's eight-classroom addition is nearing completion, with full occupation of the addition to occur upon return to school in January 2007. Kiker and Mills Elementary Schools will also be receiving play slab covers, which was also scheduled for completion during November. And all elementary schools will receive upgrades in their security and safety alarm systems.

Middle Schools:

Bond projects to benefit Bailey Middle School include: construction of the art room kiln ventilation hood system, replacement of the large gym sound system, and installation of safety and security enhancements. All work is scheduled to be completed by 2010.

The new southwest middle school, originally scheduled to be completed in 2010, was moved to the Phase III of the bond program and is now scheduled to open in 2009. It will be located near the corner of 1826 and Slaughter Lane. Architects and engineers were chosen at the end of November and the contractor at risk will be chosen in January 2007. The current schedule includes 12 months for design and 18 months for construction. The construction was moved forward due to current and projected enrollments in Southwest Austin.

Bowie High School:

Bowie is receiving substantial roof repair and replacement, including approximately 20,000 square feet of built-up roofing. The ventilation system has been upgraded as well. Two art classrooms were converted to biology classrooms. Work still to be completed includes security lighting, improving drainage, detention

filtration pond, repairing and replacing ceilings and soffits, replacing exterior doors, frames and hardware, renovating student restrooms, replacing the clock system, and safety and security enhancements. These are all scheduled to be completed during the summer of 2007.

Conclusion

The Education Committee continues to take an active role in working to ensure that all of the children within the Circle C Ranch neighborhood receive an excellent education. We have maintained a good working relationship with AISD and frequently meet with members of AISD's administration to provide input and keep updated on educational information affecting our community. In addition we have a close working relationship with our AISD School Board Trustee, Robert Schneider.

Our committee is made up of twelve members, which represent every school within our area. This fall we have focused on the advancement of the new SW middle school and look forward to seeing its progress in 2007.

Special Events Committee

The Special Events Committee includes residents: Joy Miletic, Melinda and Bob McKenna, Michelle Moran, Denise Fisher, Mary Schaffrath, Marnie Ketchum and Julie Arevalo. Special Events Committee had a very successful year! Last December we had our annual Children's Holiday Party at the Child Development Center. There were many games, arts and crafts projects, petting zoos, and of course Santa Claus. There was a great turn out and the children of Circle C had a grand old time! The Adult Holiday Party was held at the Wildflower Center. Fun was definitely had by all. The event was a casino theme and was sold out. We predict that this year's party will be an even bigger success. The next event was the annual Circle C Egg Hunt. As always it was a giant success and there were hundreds of very excited participants. There were plenty of eggs to be found and lots of happy faces. The "Bunny" also delighted the crowd by hopping around and posing for pictures. In July we had our annual Fourth of July Parade. The weather was a bit tricky, but we still had an enormous turnout. Our very own Firefighters came to lead the parade. Starflight also flew over and landed for the kids and kids at heart, to climb aboard and check it out.

Baby Pool Ad-Hoc:

This group was put together to assist in the planning and development of a new Baby Pool at the current Swim Center Facility. The Ad-Hoc was developed in September and met numerous times to formulate a needs and wants list. The group went on a field trip to visit many other local pools to compare. We hired TBG Partners to design and prepare the project to be bid and to assist with evaluating the bids. Currently we are awaiting the bids. Once the Board awards a company the project, the process will begin. The goal is for the Baby Pool to open by the end of May. During this project there will be other improvements that will be made to the existing grounds around the pool such as fence placements, demolition of the arbors, some drainage problems will be fixed, and some sitting area and umbrellas will be added.

Annual Meeting for Members

The CCHOA holds our annual meeting in March. The annual meeting agenda includes election of directors, an income and expense report to members, and an operational report to members.

Communications

There are several ways to contact the association to ask questions, make a request or lodge a complaint. You can email or call our manager, Denise Nordstrom. Her phone number is 512-288-8663, and her email address is info@circlecranch.info. You can speak to the Board at the monthly board meeting or at the monthly Town Hall. You can contact the directors – because they are your neighbors!

We have several ways we use for neighborhood communications. Our web page is at <http://www.circlecranch.info>, including a neighbor discussion forum at <http://www.circlecranch.info/forum>. We publish a newsletter monthly, sent to your home by first class mail. We maintain several marquees around the neighborhood for announcements. We have a slowly growing list of email addresses for neighbors for announcements. We also schedule occasional town hall meetings on specific subjects (ie schools, trash collection, amenities, etc).

Circle C Swim Center 2005 – 2006

It's been a long year for the swim center. We have gone through a major renovation to changes in management. Hines Pool & Spa completed their resurface job early in the year and had to come back out to drain the pool twice to make repairs (both of which were under warranty). William Hamilton who began the year managing the pool left early in the year and we contracted with Lifeguard 4 Hire for management services through the middle of summer.

The good news is that our search for an aquatics director ended in great success with the hiring of Kelly Schmidt. Kelly brings many years of experience in pool facility management, program implementation and oversight and personnel management.

The board voted to seek a tenant to offset the costs of heating for the winter and began negotiations with Longhorn Aquatics mid year but were unable to come to an agreement. Due to the inability to find a tenant the board voted to close the pool November 3rd for the winter season. The pool will re-open in mid March. Kelly is currently working on a number of new programs for the summer and the next winter season. These program costs will hopefully help offset the costs of remaining open all year.

Due to problems with City of Austin code requirements the baby pool was closed this summer season and the board quickly formed a task force to begin planning for a new baby pool. Plans are well underway and the baby pool should open in time for the summer. The new baby pool will feature a zero depth entry and all sorts of new water features and shade. This new addition will most certainly have a positive impact on everyone's property values.

Kelly will be using the winter down time to do some much needed repair to the pool facility and preparing for a busy summer season. Watch the website and newsletter for further updates on the renovations and upcoming programs.

Circle C Landscape

2006 was a banner year for landscaping at Circle C Ranch. With the previous adoption of the **Green Community Landscape Model**, which sets a new environmental standard for maintenance procedures and landscape restoration, the CCHOA Board formally adopted the **Circle C Long Term Landscape Plan**.

The plan specifies all areas in need of restoration, and provides a guide for allocating landscape capital improvements funds to projects that will meet the goals of the Green Community Landscape Model.

These goals include limiting turf area, reducing water consumption, using drought tolerant native plants, and diversification of trees and plant materials.

The Circle C Homeowners Association and Circle C Landscape LLC have been acknowledged for their environmental efforts, being recognized by the Texas Commission on Environmental Quality as a Finalist for an Environmental Excellence Award. In addition, the Austin American Statesman produced a feature article on the new landscape plan.

The following major projects were accomplished in 2006, all in compliance with the Long Term Landscape Plan:

Irrigation Improvements. All irrigation controllers have been updated and standardized. This has improved our water conservation efforts.

Restoration of LaCrosse, MoPac to Escarpment. Older vegetation and grassed areas were replaced by native beds and grasses on the north side and in the medians on LaCrosse.

Replacement of Rose Beds with Native Plants in High Traffic Areas. Roses were removed from the intersections of Escarpment/Slaughter and MoPac/LaCrosse, as well as Rhett Butler and LaCrosse. These areas had been repeatedly hit by traffic, and the roses are a high resource user in terms of water, maintenance and fertilizer.

Implementation of Green Community Model in Circle C North. Beds in Circle C North were renovated to meet the standards of the new landscape model.

Removal of Failing Bradford Pear Trees at Escarpment/Slaughter. The Bradford Pear Trees installed by the developer were at the end of their life and planted too closely together. They had begun to fail and lose numerous branches. These were recently removed. A new design to update this entry is currently underway.

2007 CCHOA INCOME BUDGET

<u>Category</u>	<u>Subcategory</u>	<u>2007 Budget</u>
Homeowner Income	Homeowner Dues	\$1,550,000
Homeowner Income	Resale Certificates	\$70,000
Homeowner Income	Transfer Fees Income	\$140,000
Homeowner Income	Late Fees Collected	\$7,500
Homeowner Income	Lien Fees Income	\$1,300
Homeowner Income	Filing Fee Income	\$850
Homeowner Income Total		\$1,769,650
Arch Review Income	Architectural Review Income	\$46,500
Arch Review Income	Total	\$46,500
Rental Income Office Rent		\$1,200
Rental Income Grill Rent		\$6,700
Rental Income Total		\$7,900
Swim Center Income	Pool Programs	\$79,924
Swim Center Income	Guest Fees	\$700
Swim Center Income	Total	\$80,624

Other Owner Lndscp Reimb	Stratus Prop Lndscp Reimb	\$97,000
Other Owner Lndscp Reimb	COA Landscape Reimb	\$17,600
Other Owner Landscape Reimbursements Total		\$114,600

Miscellaneous Income	Interest Income	\$20,000
Miscellaneous Income Total		\$20,000

Transfer from General Reserve Account	\$50,000
Total Transfers	\$50,000

Grand Total \$2,089,274

2007 CCHOA EXPENSE BUDGET

<u>Category</u>	<u>Subcategory</u>	<u>2007 Budget</u>
Commons Area Services	Landscape Maint Contract	\$612,954
Commons Area Services	2006 Land Additions	\$20,000
Commons Area Services	Landscape Repairs	\$30,000
Commons Area Services	Landscape Supplies	\$12,000
Commons Area Services	Landscape Water Utilities	\$140,000
Commons Area Services	Landscape Electric Utilities	\$35,000
Commons Area Services	Fence Repairs & Maint	\$5,000
Commons Area Services	Electrical Repairs & Maint	\$25,000
Commons Area Services Total		\$879,954
Swim Center Compound	Water Utilities	\$18,000
Swim Center Compound	Natural Gas Utilities	\$23,600
Swim Center Compound	Electric Utilities	\$28,000
Swim Center Compound	Telephone Utilities	\$1,200
Swim Center Compound	Contract Landscape Repair/Maint	\$18,200
Swim Center Compound	Bldg Maintenance	\$8,000
Swim Center Compound	Swim Center--Staff	\$148,781
Swim Center Compound	Payroll Taxes	\$11,382
Swim Center Compound	Pking Lot Maint & Dumpster Exp	\$8,000
Swim Center Compound	Pool Repair/Maint and Supplies	\$55,000
Swim Center Compound	Non-contract Irrigation & Landscape	\$4,000
Swim Center Compound Total		\$324,163
<u>ACC Review Expenses Architectural Review Expenses \$22,560</u>		
Architectural Review Expenses Total		\$22,560
Financial Management	Management Services	\$78,000
Financial Management	Resale Certificate	\$10,000
Financial Management	Lien Filing Administrative Fees	\$1,000
Financial Management	Bank Fees	\$2,500
Financial Management	CPA/Audit	\$6,500
Financial Management Total		\$98,000
<u>Legal Services Legal Services</u>		\$10,000
Legal Services Total		\$10,000
Taxes	Property	\$11,000

Taxes Other	\$1,000
Taxes Total	\$12,000

Insurance	General, Property, Boiler & Auto, \$1m umbrella \$40,000	
Insurance	D & O Insurance	\$1,800
Insurance	Worker's Comp	\$8,000
Insurance Total		\$49,800

Neighborhood Operations	Deed Restrictions	\$3,000
Neighborhood Operations	Printing	\$10,000
Neighborhood Operations	Web Operations	\$900
Neighborhood Operations	Community Events	\$22,000
Neighborhood Operations	Holiday Lighting	\$10,000
Neighborhood Operations	Postage/Delivery	\$15,000
Neighborhood Operations	Office Equipment	\$2,000
Neighborhood Operations	Office Repairs	\$2,600
Neighborhood Operations	Office Supplies	\$6,500
Neighborhood Operations	Utilities--Phone	\$1,500
Neighborhood Operations	Maintenance/Repairs	\$27,000
Neighborhood Operations	Meetings	\$8,000
Neighborhood Operations	Awards	\$1,000
Neighborhood Operations	Operational Expenses--Misc	\$1,000
Neighborhood Operations Total		\$110,500

Management Staff	Operations Mgmt	\$80,500
Management Staff	Payroll Taxes	\$6,158
Management Staff	Insurance Reimbursement	\$12,000
Management Staff	Staff Education and Skills Enhancement	\$3,500
Management Staff	Bonus:Program Imp (Aquatics Dir)	\$7,992
Management Staff	Other	\$12,000
Management Staff Total		\$122,151

Community Enhancement	Consulting	\$5,000
Community Enhancement	Association Memberships	\$2,000
Community Enhancement Total		\$7,000

Grand Total \$1,636,128

Retained Earnings \$453,146

Capital Budget \$325,000
 Project 2007-1 Swim Ctr Play Area \$200,000
 Project 2007-2 Wildflower Park Improvements \$125,000

Designated for Reserves \$128,146