



**Valley Pond Townhome
Association
General Information
and Policies
May 4, 2014**

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Welcome to the Valley Pond Townhome Association

Dear Member:

As the owner of a townhome in the Valley Pond Townhome Association, you automatically become a member of the Association and are entitled to its benefits and services. These are stated in the *Articles of Incorporation of the Valley Pond Townhome Association*, the *Declaration of Covenants, Conditions, Easements and Restrictions*, and the *Bylaws*, which you should have received as part of your purchase agreement. These documents are also available on line at <http://valleypond.org> (go to “documents and insurance” under “Association info”). We urge you to read them carefully and familiarize yourself with the workings of the VPTA.

Upon purchasing your Townhome you agreed to a mutual sharing of maintenance expenses to keep our homes up to date and looking not only well-maintained but also inviting to our neighbors on adjacent streets. The expenses established for this are paid monthly as part of your assessment fee.

We welcome you as a new neighbor and are pleased to have you as a member of our Association. You will find that the VPTA has a history of dedicated homeowners, and that its financial reserves are enviable. We look forward to getting to know you and having you join us in our mutual living experiences.

Sincerely,

The Valley Pond Townhome Association Board

* * * * *

You will find lists of current Board members, Officers, and committee members on page 4, and a complete list of VPTA residents on pages 5-6. See pages 7-8 for information on the Association's "Organization and Conduct of Business," and its "Collection and Procedure Policies."

**Valley Pond Townhome Association
Proposed Board Members**

Building #1 Jim Pence 2111 Hidden Valley	664-2020	Building #6 Norm Watt 2108 Lincoln St. South	507-581-1435
Building #2 Carmen Sevcik 2123 Hidden Valley Road	663-0882	Building #7- Co-Reps Jim Dale 2010 Lincoln St. South Gene Moninger 2016 Lincoln St. South Zach Pruitt 2014 Lincoln St. South	507-301-3318 645-6786 612-578-5984
Building #3 Dan and Jan Foley 2205 Hidden Valley Rd	763-218-9743		
Building #4 Griff Wigley 1133 Heritage Dr	645-6065	Building #8 Myron Dack 2006 Lincoln St. South	612-366-6016
Building #5 Jim Anderson 1127 Heritage Dr	663-1889	Building #9 Gary Freking 1900 Lincoln St. South	645-6128

Committees:

Maintenance Committee:

Gene Bauer (painting/sealcoating)	645-6810
Gary Freking (snow/insurance)	645-6128
Jerry Krause (roofs)	645-6263
Carmen Sevcik (lawncare)	663-0882

Nominating Committee:

Jim Pence (Chair)	664-2020
Gene Bauer	645-6810
Anne Krause	645-6263
Earl Crowe	645-7540
Jowane Howard	663-1837

Architectural Committee:

Gene Moninger (Chair)	645-6786
Anne Krause	645-6263
George Selvy	664-0176

Self-Audit Committee:

Frank Balster (Chair)	507-301-3080
Joe Grundhoefer	645-8602
Cheryl Backstrom	645-8212

Officers: (To be elected at the June meeting)

President: Jim Pence

Vice President: Grif Wigley

Secretary: Anita Hellie

Treasurer: Sherry Freking

Valley Pond Townhome Association

Membership List

5/1/2014

Hidden Valley Road

Building #1

2105	Dennis and Sandra McClintock	507-412-0765
2107	Gerald and Anne Krause	507-301-2170
2109	Scott McMillan	507-412-0777
2111	Jim and Liz Pence*	507-664-2020

Building #2

2113	Jowane Howard	507-663-1837
2115	Jon Severs	651-324-5856
2117	Kris Herreid Neset	507-271-6321
2119	George and Leslie Selvy	507-664-0176
2121	Greg and Heather Flanders	
	Greg (cell)	301-500-7554
	Heather (cell)	724-504-4270
2123	Carmen Sevcik*	507-663-0882

Building # 3

2205	Frank and Christie Balster	507-301-3080
2207	Marlene Finger	507-650-7819
2209	Dan and Jan Foley*	763-218-9743
2211	Lieng Thi Bui	507-581-9451
2213	Steve and Ann Jorstad	507-663-8885
2215	Sandy Pieri	507-645-4054

Heritage Drive

Building #4

1135	Kim Johnson	5074-301-3263
1133	Robbie and Griffin Wigley*	507-645-6065
1131	Jaye Lawrence	612-382-2371
	Theo Durbin	612-327-7707
1129	Chuck and Anita Hellie	320-766-3148

Building # 5

1127	Jim and Deborah Anderson*	507-663-1889
1125	Don and Joan Starkweather	507-645-9389
1123	Timothy Nielsen	507-645-2624
1121	Bruce and Ann Dybvik	507-645-1673

Lincoln Street South

Building #6

2110	Thomas Peck	507-645-0671
2108	Barbara Smith & Norm Watt*	
	Barbara	507-581-6099
	Norm	507-581-1435
2106	Joe and Jodi Grundhoefer	507-645-8602
2104	Rinae and David Noyes	507-664-0136
2102	Kathy Lunder	507-645-7500
2100	Earl and Mary Crow	507-645-7540

Building #7

2018	Susan and Gene Bauer	507-645-6810
2016	Gene and Earlyne Moninger*	507-645-6786
2014	Zachary Pruitt*	612-578-5984
2012	John and Cheryl Backstrom	507-649-0411
2010	Jim and Janet Dale*	507-301-3318
2008	Todd and Linda Zehnder	507-581-2700

Building #8

2006	Myron and Arlene Dack*	507-205-7346
	Myron (cell)	612-366-6016
	Arlene (cell)	612-232-0766
2004	Sandra Zieske	507-645-5216
2002	Julie Sydnes	612-751-0140
2000	Joanne Rodland	

Building #9

1906	Solveig Bailey	507-645-2496
1904	Ray Wieland and Colleen Gay	507-664-3894
1902	Connie Woida	952-393-2767
1900	Gary and Sherry Freking*	507-645-6128

Valley Pond Townhome Association **Organization and Conduct of Business**

Membership: Since its inception, the VPTA has relied on volunteerism. The quality of our Association will be as good as the level of interest and participation by its members. This happens when VPTA members periodically serve on the Board of Directors or on one of the standing committees, communicate with their Board members, and attend the Annual Meeting, held each year on the first Tuesday of May.

Board of Directors: The primary function of the Board of Directors is to manage the properties/affairs/business in accordance with the VPTA's *Articles of Incorporation*, the *Declaration of Covenants, Conditions, Easements and Restrictions*, and the *Bylaws*. This includes fixing assessments, keeping records of actions, providing public liability insurance to protect the Association and its members, providing for the maintenance of the units as outlined in the *Declarations*, electing officers, and filling appointments to committees (Architectural Control, Nominating, and Maintenance). The Board also develops policies for decision-making to assure uniformity in the conduct of business based on the legal documents which established our Association.

The Board is required to have 3 to 9 members; we have 9, one representing each of the nine buildings. Prior to Board elections at the Annual Meeting, the Nominating Committee provides candidates for vacancies, and VPTA members may nominate others from the floor. Board members are not compensated but can be reimbursed for out-of-pocket expenses. Any member of the Board can be removed by a majority vote of the Association membership.

The Board of Directors, along with a President, Vice President, Secretary, and Treasurer, meets on the first Tuesday of each month at the home of one of its members. A quorum consists of a majority of the Board. Minutes of each meeting are recorded and provided to Association members via the VPTA website. As a member of the Association, you are welcome to attend any of these meetings, and you should feel free to consult the Board member representing your building if you have any questions or concerns, or if you have need of a paper copy of the minutes.

References:

- Bylaws:* Article III – Meeting of Members
- Article IV – Board of Directors: Selection and Meetings
- Article V – Board of Directors: Powers, Duties and Restrictions
- Article VI – Officers and Their Duties
- Article VII – Committees
- Declaration of Covenants, Conditions, Easements and Restrictions:*
- Article VI – Covenants for Assessment, Section 7: Duties of the Board of Directors

Valley Pond Townhome Association Collection and Procedure Policies

Payment of Annual Assessments (Association fees):

Association fees are paid on the 10th of each month by automated withdrawal from the homeowner's account and are deposited in the Association's account at the First National Bank of Northfield. New homeowners should contact the VPTA Treasurer to authorize these payments within 30 days of home closing.

Payment of Special Assessments:

Payment in full is required within 30 days of written notification of any "extra maintenance" work approved by the Board and not covered under the Association maintenance policy. These costs are the responsibility of the individual homeowner.

Non-payment of Assessments:

Any monthly fee or special assessment not paid by the stated due date will be considered delinquent and an interest charge may be applied after 30 days. An extension of up to 90 days, on the basis of a regular payment plan, may be granted by the Board for unusual circumstances.

Infractions of VPTA Declarations or Amendments should be brought to a Board meeting by homeowners or Board members for discussion. In general, the strategy decided upon is to be carried out by the President, as outlined in the two sections below.

Procedure for the Collection of Delinquent Fees or Assessments:

1. The President writes to the homeowner requesting payment.
2. After 60 days, a lawyer for the Association will send a letter to the owner advising of its intent to record a lien with the County Recorder against the delinquent owner's property.
3. After 90 days, the VPTA will file a lien against the property with the Rice County Recorder.

Procedure for the Enforcement of the Nonrental Amendment (June 2006) to the *Declaration*:

1. After 30 days, the President of the Board will send a letter to the owner advising of the pertinent Association policies.
2. After 60 days, a lawyer for the Association will send a letter to the owner advising of the Association's intent to start an injunction process.
3. After 90 days, the Association will file an injunction against the owner of the property.

Procedures for the Expenditure of VPTA Funds (September 2010):

Any project involving the expenditure of VPTA funds must be brought to the Board for discussion and approval prior to beginning the project. If the project and expenditure are the responsibility of a particular homeowner, the homeowner is to be made aware of the cost, and then billed when the project is completed. If the Association is responsible for payment, the Treasurer is given responsibility to pay by action of the Board.

VPTA Online

VPTA has had a website at ValleyPond.org since Feb, 2009. The website is an online brochure for prospective homeowners as well as an information resource for current residents.



Volunteers update the VPTA blog once or twice a month with seasonal photos, organizational news, and neighborhood items of interest. Monthly board meeting minutes, annual updates to this policy booklet, and insurance policies are archived on the site, along with miscellaneous documents such as our articles of incorporation and declaration of covenants. A regularly updated list of current members with their names, addresses, phone numbers and email addresses is also available on the site, but accessible only to members via a password.

The website also provides details on how to participate in two separate email discussion lists. The **VPTA Membership discussion list** is for all VPTA members to discuss any association or neighborhood related news, issues or concerns. Use the Contact Us page on the website to request getting on or off the list. The **VPTA Board discussion list** is used by current board members to discuss board-related matters in between the face-to-face meetings.

Valley Pond Townhome Association
Maintenance Program and Policy

1) Maintenance Responsibilities:

a) By the Association:

- 1) Responsible for the following six major maintenance items: basic lawn care, snow plowing, insurance, re-shingling, painting, and sealcoating of driveways.
- 2) Responsible for creating a maintenance committee.
- 3) Responsible for creating a detailed maintenance budget that includes the six maintenance items listed above. The budget should clearly outline the future financial obligations so the Board of Directors can construct an appropriate financing plan. Monthly assessments are used to cover the six major maintenance items.

b) By the Homeowner:

- 1) Budgets do not include any maintenance items apart from the six major areas listed above. All other maintenance items will be assessed to or completed by the individual homeowner.

2) Maintenance Committee:

a) Structure:

- 1) Three individuals (may or may not be Board members) with one member selected as chairperson. Terms will last a minimum of one year.
- 2) The six major maintenance items will be divided into three groups with one individual in charge of each group.
 - Group One: Exterior Painting and Re-shingling
 - Group Two: Insurance and Sealcoating
 - Group Three: Snow removal and Lawn Care

b) Duties:

- 1) Responsible for managing the six major maintenance areas listed above. This includes selecting quality contractors, drafting contracts, and overseeing maintenance projects.
- 2) Semi-annual maintenance assessment of grounds and buildings taking place during each spring and fall.

VALLEY POND TOWNHOME ASSOCIATION																
Year End Report - 2013																
2012																
EXPENSE	Budget	Year To Date	Difference	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	2013 Total
Lawn Care	\$11,000.00	\$12,132.00	-\$1,132.00					\$2,622.00	\$2,385.00	\$1,915.00	\$1,395.00	\$780.00	\$1,690.00	\$1,345.00		\$12,132.00
Snow Plowing	\$9,700.00	\$7,820.00	\$1,880.00	\$1,510.00	\$700.00	\$2,790.00	\$1,970.00								\$850.00	\$7,820.00
Insurance	\$21,645.48	\$21,645.48	\$0.00					\$21,645.48								\$21,645.48
Roofing	\$500.00	\$238.50	\$261.50												\$238.50	\$238.50
Painting	\$48,905.00	\$50,405.00	-\$1,500.00						\$3,567.00	\$14,417.00	\$16,089.25	\$16,331.75				\$50,405.00
Sealcoating	\$0.00	\$0.00	\$0.00													\$0.00
Office expenses	\$50.00	\$16.95	\$33.05		\$16.95											\$16.95
Photocopying	\$75.00	\$114.51	-\$39.51										\$114.51			\$114.51
Postage	\$25.00	\$0.00	\$25.00													\$0.00
Taxes (IRS & MN)	\$184.00	\$184.00	\$0.00			\$184.00										\$184.00
Professional fees	\$350.00	\$330.00	\$20.00			\$330.00										\$330.00
Bank Service Charge	\$120.00	\$120.00	\$0.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00
Returned ACH	\$0.00	\$0.00	\$0.00													\$0.00
Returned ACH bank fee	\$0.00	\$0.00	\$0.00													\$0.00
Maint. supplies	\$250.00	\$155.35	\$94.65							\$46.37				\$108.98		\$155.35
Special Assess - Reim.	\$0.00	\$0.00	\$0.00													\$0.00
Gifts and memorials	\$200.00	\$100.00	\$100.00			\$50.00		\$50.00								\$100.00
Annual meeting	\$100.00	\$25.00	\$75.00								\$25.00					\$25.00
Reimbursements	\$0.00	\$360.00	-\$360.00								\$180.00		\$180.00			\$360.00
Miscellaneous	\$175.00	\$0.00	\$175.00													\$0.00
TOTAL	\$93,279.48	\$93,646.79	-\$367.31	\$1,520.00	\$726.95	\$3,364.00	\$1,980.00	\$24,327.48	\$5,962.00	\$16,388.37	\$17,699.25	\$17,121.75	\$1,994.51	\$1,463.98	\$1,098.50	\$93,646.79
INCOME																
Balance Forward																
Checking	\$62,028.19	\$62,028.19														
Savings	\$224,434.51	\$224,434.51														
Mo. Assessment	\$95,730.00	\$95,730.00		\$7,787.50	\$7,700.00	\$7,962.50	\$7,700.00	\$7,700.00	\$7,920.00	\$7,920.00	\$8,100.00	\$7,920.00	\$8,100.00	\$9,180.00	\$7,740.00	\$95,730.00
Spec. Assessment	\$0.00	\$2,675.00		\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$328.50		\$400.00	\$400.00		-\$53.50		\$2,675.00
Interest on checking	\$20.00	\$18.96		\$1.69	\$1.67	\$1.84	\$2.15	\$1.89	\$1.58	\$1.74	\$1.27	\$1.33	\$1.12	\$1.19	\$1.49	\$18.96
Interest on savings	\$800.00	\$785.80		\$66.34	\$60.07	\$66.94	\$64.69	\$67.02	\$65.44	\$67.35	\$65.33	\$68.17	\$67.86	\$64.83	\$61.76	\$785.80
Miscellaneous	\$0.00	\$0.00														\$0.00
TOTAL	\$383,012.70	\$385,672.46	\$0.00	\$8,255.53	\$8,161.74	\$8,431.28	\$8,166.84	\$8,168.91	\$8,315.52	\$7,989.09	\$8,166.60	\$8,389.50	\$8,168.98	\$9,192.52	\$7,803.25	\$99,209.76
YTD Income	\$383,012.70	\$385,672.46														
YTD Expense	\$93,279.48	\$93,646.79														
Balance on hand		\$292,025.67														

VALLEY POND TOWNHOME ASSOCIATION

Year to Date Report - 2014

EXPENSE	Budget	Year To Date	Difference	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	2014 Total
Lawn Care	\$12,000.00	\$0.00	\$12,000.00													\$0.00
Snow Plowing	\$7,700.00	\$5,600.00	\$2,100.00	\$1,235.00	\$1,705.00	\$2,660.00										\$5,600.00
Insurance	\$21,645.48	\$0.00	\$21,645.48													\$0.00
Roofing	\$500.00	\$0.00	\$500.00													\$0.00
Painting	\$48,905.00	\$0.00	\$48,905.00													\$0.00
Sealcoating	\$0.00	\$0.00	\$0.00													\$0.00
Office expenses	\$50.00	\$16.95	\$33.05			\$16.95										\$16.95
Photocopying	\$75.00	\$0.00	\$75.00													\$0.00
Postage	\$25.00	\$0.00	\$25.00													\$0.00
Taxes (IRS & MN)	\$184.00	\$180.00	\$4.00			\$180.00										\$180.00
Professional fees	\$350.00	\$405.00	-\$55.00			\$405.00										\$405.00
Bank Service Charge	\$120.00	\$30.00	\$90.00	\$10.00	\$10.00	\$10.00										\$30.00
Returned ACH	\$0.00	\$0.00	\$0.00													\$0.00
Returned ACH bank fee	\$0.00	\$0.00	\$0.00													\$0.00
Maint. supplies	\$250.00	\$0.00	\$250.00													\$0.00
Special Assess - Reim.	\$0.00	\$0.00	\$0.00													\$0.00
Gifts and memorials	\$200.00	\$0.00	\$200.00													\$0.00
Annual meeting	\$100.00	\$25.00	\$75.00		\$25.00											\$25.00
Reimbursements	\$0.00	\$180.00	-\$180.00	\$180.00												\$180.00
Miscellaneous	\$175.00	\$0.00	\$175.00													\$0.00
TOTAL	\$92,279.48	\$6,436.95	\$85,842.53	\$1,425.00	\$1,740.00	\$3,271.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,436.95
INCOME																
Balance Forward																
Checking	\$62,028.19	\$58,205.36			-\$30,000.00											
Savings	\$224,434.51	\$233,820.31			\$30,000.00											
Mo. Assessment	\$95,040.00	\$23,400.00		\$7,920.00	\$7,740.00	\$7,740.00										\$23,400.00
Spec. Assessment	\$0.00	\$0.00														\$0.00
Interest on checking	\$20.00	\$3.99		\$1.59	\$1.31	\$1.09										\$3.99
Interest on savings	\$800.00	\$183.99		\$59.67	\$56.73	\$67.59										\$183.99
Miscellaneous	\$0.00	\$0.00														\$0.00
TOTAL	\$382,322.70	\$315,613.65	\$0.00	\$7,981.26	\$7,798.04	\$7,808.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$23,587.98
YTD Income	\$382,322.70	\$315,613.65														
YTD Expense	\$92,279.48	\$6,436.95														
		\$309,176.70														

MASTER BUDGET Expense
2008 - 2015

EXPENSES	Growth Rate		2008	2009	2010	2011	2012	2013	2014	2015
Lawn Care	3%		\$6,327	\$14,627	\$10,320	\$10,861	\$9,484	\$15,352	\$15,813	\$16,287
	2.9%									
Snow Plowing	3%		\$5,296	\$5,927	\$7,840	\$9,585	\$1,500	\$5,000	\$5,150	\$5,305
	2.5%									
Insurance	5%		\$15,656	\$16,429	\$21,098	\$18,685	\$25,883	\$21,645	\$22,727	\$23,864
	8.3%									
Roofing	5%	Ave. cost/unit	\$6,085	\$6,389	\$6,708	\$7,044	\$7,396	\$7,766	\$8,154	\$8,562
	5.8%	Building 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Roofing Total	\$0	\$0	\$605	\$138	\$0	\$0	\$0	\$0
Painting	4%	Ave. cost/unit	\$4,500	\$3,505	\$3,645	\$3,791	\$3,260	\$3,600	\$3,744	\$3,894
	0.8%	Building 1	\$0	\$0	\$0	\$0	\$0	\$15,765	\$0	\$0
		Building 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 3	\$0	\$0	\$0	\$0	\$19,563	\$0	\$0	\$0
		Building 4	\$0	\$14,020	\$0	\$0	\$0	\$0	\$0	\$0
		Building 5	\$0	\$0	\$0	\$0	\$0	\$14,875	\$0	\$0
		Building 6	\$0	\$0	\$0	\$0	\$0	\$19,765	\$0	\$0
		Building 7	\$0	\$0	\$0	\$0	\$0	\$0	\$16,820	\$0
		Building 8	\$21,580	\$0	\$0	\$0	\$0	\$0	\$0	\$15,575
		Building 9	\$21,175	\$0	\$0	\$0	\$0	\$0	\$0	\$15,575
		Painting Total	\$42,755	\$14,020	\$0	\$0	\$19,563	\$50,405	\$16,820	\$31,150
Sealcoating	5%	Ave. cost/bldg	\$674	\$707	\$656	\$689	\$1,162	\$1,220	\$1,281	\$1,345
	5.1%	Building 1	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 2	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 3	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 4	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 5	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 6	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 7	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 8	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Building 9	\$0	\$0	\$656	\$0	\$1,162	\$0	\$0	\$1,345
		Sealcoat Total	\$0	\$0	\$5,904	\$0	\$10,455	\$0	\$0	\$12,106
Other										
Office supplies	3%		\$0	\$0	\$0	\$17	\$0	\$17	\$18	\$18
Photocopying	3%		\$109	\$0	\$73	\$68	\$65	\$114	\$117	\$121
Postage	3%		\$5	\$0	\$0	\$0	\$45	\$0	\$0	\$0
Taxes (IRS & MN)	3%		\$232	\$152	\$71	\$364	\$159	\$184	\$190	\$195
Professional fees	3%		\$1,180	\$355	\$517	\$315	\$526	\$330	\$340	\$350
Bank Service Charge	3%		\$261	\$261	\$120	\$120	\$122	\$120	\$124	\$127
Roof Insp. & Repair	3%		\$0	\$0	\$0	\$0	\$0	\$239	\$246	\$254
Maint. supplies	3%		\$0	\$0	\$0	\$0	\$282	\$155	\$160	\$164
Special Assessment	0%		\$0	\$0	\$0	\$0	\$14	\$0	\$0	\$0
Gifts and memorials	3%		\$0	\$63	\$0	\$205	\$50	\$100	\$103	\$106
Annual meeting	3%		\$38	\$105	\$20	\$0	\$25	\$25	\$26	\$27
Reimbursements	0%		\$0	\$3,017	\$668	\$480	\$510	\$414	\$0	\$0
Miscellaneous	3%		\$141	\$20	\$411	\$170	\$0	\$0	\$180	\$185
		Other Total	\$1,966	\$3,973	\$1,880	\$1,739	\$1,798	\$1,698	\$1,503	\$1,548
Total Expenses			\$72,000	\$54,976	\$47,647	\$41,008	\$68,683	\$94,100	\$62,012	\$90,259
	2.9%									

MASTER BUDGET Expense
2016 - 2023

EXPENSES	Growth Rate		2016	2017	2018	2019	2020	2021	2022	2023
Lawn Care	3%		\$16,776	\$17,279	\$17,797	\$18,331	\$18,881	\$19,447	\$20,031	\$20,632
	2.9%									
Snow Plowing	3%		\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720
	2.5%									
Insurance	5%		\$25,057	\$26,310	\$27,625	\$29,006	\$30,457	\$31,980	\$33,578	\$35,257
	8.3%									
Roofing	5%	Ave. cost/unit	\$8,990	\$9,439	\$9,911	\$10,407	\$10,927	\$11,474	\$12,047	\$12,650
	5.8%	Building 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Building 9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Roofing Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Painting	4%	Ave. cost/unit	\$4,050	\$4,211	\$4,380	\$4,555	\$4,737	\$4,927	\$5,124	\$5,329
	0.8%	Building 1	\$0	\$0	\$0	\$0	\$18,949	\$0	\$0	\$0
		Building 2	\$0	\$0	\$0	\$27,331	\$0	\$0	\$0	\$0
		Building 3	\$0	\$0	\$0	\$27,331	\$0	\$0	\$0	\$0
		Building 4	\$16,198	\$0	\$0	\$0	\$0	\$0	\$0	\$21,316
		Building 5	\$0	\$0	\$0	\$0	\$18,949	\$0	\$0	\$0
		Building 6	\$0	\$0	\$0	\$0	\$28,424	\$0	\$0	\$0
		Building 7	\$0	\$0	\$0	\$0	\$0	\$29,561	\$0	\$0
		Building 8	\$0	\$0	\$0	\$0	\$0	\$0	\$20,496	\$0
		Building 9	\$0	\$0	\$0	\$0	\$0	\$0	\$20,496	\$0
		Painting Total	\$16,198	\$0	\$0	\$54,662	\$66,323	\$29,561	\$40,991	\$21,316
Sealcoating	5%	Ave. cost/bldg	\$1,412	\$1,483	\$1,557	\$1,635	\$1,717	\$1,803	\$1,893	\$1,987
	5.1%	Building 1	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 2	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 3	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 4	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 5	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 6	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 7	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 8	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Building 9	\$0	\$0	\$1,557	\$0	\$0	\$1,803	\$0	\$0
		Sealcoat Total	\$0	\$0	\$14,015	\$0	\$0	\$16,224	\$0	\$0
Other										
Office supplies	3%		\$19	\$19	\$20	\$20	\$21	\$22	\$22	\$23
Photocopying	3%		\$125	\$128	\$132	\$136	\$140	\$144	\$149	\$153
Postage	3%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes (IRS & MN)	3%		\$201	\$207	\$213	\$220	\$226	\$233	\$240	\$247
Professional fees	3%		\$361	\$371	\$383	\$394	\$406	\$418	\$431	\$443
Bank Service Charge	3%		\$131	\$135	\$139	\$143	\$148	\$152	\$157	\$161
Roof Insp. & Repair	3%		\$261	\$269	\$277	\$285	\$294	\$303	\$312	\$321
Maint. supplies	3%		\$169	\$174	\$180	\$185	\$191	\$196	\$202	\$208
Special Assessment	0%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gifts and memorials	3%		\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
Annual meeting	3%		\$27	\$28	\$29	\$30	\$31	\$32	\$33	\$34
Reimbursements	0%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	3%		\$191	\$197	\$203	\$209	\$215	\$221	\$228	\$235
		Other Total	\$1,594	\$1,642	\$1,691	\$1,742	\$1,794	\$1,848	\$1,903	\$1,960
Total Expenses			\$65,088	\$50,858	\$66,924	\$109,711	\$123,604	\$105,394	\$103,028	\$85,885
	2.9%		2016	2017	2018	2019	2020	2021	2022	2023

MASTER BUDGET Expense
2024 - 2030

EXPENSES	Growth Rate		2024	2025	2026	2027	2028	2029	2030
Lawn Care	3%		\$21,251	\$21,888	\$22,545	\$23,221	\$23,918	\$24,635	\$25,375
	2.9%								
Snow Plowing	3%		\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264
	2.5%								
Insurance	5%		\$37,020	\$38,871	\$40,815	\$42,856	\$44,998	\$47,248	\$49,611
	8.3%								
Roofing	5%	Ave. cost/unit	\$13,282	\$13,946	\$14,644	\$15,376	\$16,145	\$16,952	\$17,799
	5.8%	Building 1	\$0	\$0	\$0	\$61,503	\$0	\$0	\$0
		Building 2	\$0	\$0	\$0	\$92,255	\$0	\$0	\$0
		Building 3	\$0	\$0	\$0	\$92,255	\$0	\$0	\$0
		Building 4	\$0	\$0	\$0	\$61,503	\$0	\$0	\$0
		Building 5	\$0	\$0	\$0	\$61,503	\$0	\$0	\$0
		Building 6	\$0	\$0	\$0	\$92,255	\$0	\$0	\$0
		Building 7	\$0	\$0	\$0	\$92,255	\$0	\$0	\$0
		Building 8	\$0	\$0	\$0	\$61,503	\$0	\$0	\$0
		Building 9	\$0	\$0	\$0	\$61,503	\$0	\$0	\$0
		Roofing Total	\$0	\$0	\$0	\$676,538	\$0	\$0	\$0
Painting	4%	Ave. cost/unit	\$5,542	\$5,764	\$5,994	\$6,234	\$6,483	\$6,743	\$7,012
	0.8%	Building 1	\$0	\$0	\$0	\$24,936	\$0	\$0	\$0
		Building 2	\$0	\$0	\$35,966	\$0	\$0	\$0	\$0
		Building 3	\$0	\$0	\$35,966	\$0	\$0	\$0	\$0
		Building 4	\$0	\$0	\$0	\$0	\$0	\$0	\$28,050
		Building 5	\$0	\$0	\$0	\$24,936	\$0	\$0	\$0
		Building 6	\$0	\$0	\$0	\$37,404	\$0	\$0	\$0
		Building 7	\$0	\$0	\$0	\$0	\$38,900	\$0	\$0
		Building 8	\$0	\$0	\$0	\$0	\$0	\$26,971	\$0
		Building 9	\$0	\$0	\$0	\$0	\$0	\$26,971	\$0
		Painting Total	\$0	\$0	\$71,931	\$87,276	\$38,900	\$53,942	\$28,050
Sealcoating	5%	Ave. cost/bldg	\$2,087	\$2,191	\$2,301	\$2,416	\$2,537	\$2,663	\$2,796
	5.1%	Building 1	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 2	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 3	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 4	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 5	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 6	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 7	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 8	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Building 9	\$2,087	\$0	\$0	\$2,416	\$0	\$0	\$2,796
		Sealcoat Total	\$18,781	\$0	\$0	\$21,741	\$0	\$0	\$25,168
Other									
Office supplies	3%		\$24	\$24	\$25	\$26	\$26	\$27	\$28
Photocopying	3%		\$158	\$163	\$167	\$172	\$178	\$183	\$188
Postage	3%		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes (IRS & MN)	3%		\$255	\$262	\$270	\$278	\$287	\$295	\$304
Professional fees	3%		\$457	\$471	\$485	\$499	\$514	\$530	\$545
Bank Service Chrg	3%		\$166	\$171	\$176	\$182	\$187	\$193	\$198
Roof Insp. & Repair	3%		\$331	\$341	\$351	\$362	\$372	\$384	\$395
Maint. supplies	3%		\$215	\$221	\$228	\$234	\$241	\$249	\$256
Special Assessment	0%		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gifts and memorials	3%		\$138	\$143	\$147	\$151	\$156	\$160	\$165
Annual meeting	3%		\$35	\$36	\$37	\$38	\$39	\$40	\$41
Reimbursements	0%		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	3%		\$242	\$249	\$257	\$264	\$272	\$280	\$289
		Other Total	\$2,019	\$2,080	\$2,142	\$2,207	\$2,273	\$2,341	\$2,411
Total Expenses	2.9%		\$85,993	\$69,968	\$144,776	\$861,402	\$117,879	\$136,190	\$138,879

MASTER BUDGET Income

2008 - 2015

INCOME		2008	2009	2010	2011	2012	2013	2014	2015
Balance Forward	(from prior yr.)	\$147,113	\$149,328	\$173,276	\$212,712	\$259,271	\$286,863	\$290,026	\$327,714
Monthly Assessments	(per unit/mo.)	\$140	\$150	\$160	\$170	\$175	\$180	\$185	\$190
Reg. assessments/year	(44 units)	\$71,400	\$73,240	\$82,106	\$86,705	\$92,465	\$93,730	\$96,800	\$99,440
Special assessments		\$2,100	\$0	\$706	\$0	\$2,995	\$2,728	\$0	\$0
Interest on Accounts		\$715	\$797	\$1,336	\$797	\$815	\$805	\$2,900	\$3,277
Miscellaneous		\$0	\$4,887	\$2,848	\$65	\$0	\$0	\$0	\$0
Total Year's Income		\$221,328	\$228,252	\$260,272	\$300,279	\$355,546	\$384,126	\$389,726	\$430,431
Total year's Expense		\$72,000	\$54,976	\$47,647	\$41,008	\$68,683	\$94,100	\$62,012	\$90,259
Difference		(\$600)	\$18,264	\$34,459	\$45,697	\$23,782	(\$370)	\$34,788	\$9,181
Ending Balance		\$149,328	\$173,276	\$212,625	\$259,271	\$286,863	\$290,026	\$327,714	\$340,172
Surplus as % of Expend		147%	207%	333%	446%	632%	418%	308%	528%
Monthly Cost Per Unit		\$136	\$104	\$90	\$78	\$130	\$178	\$117	\$171
5 Yrs Out (start '08)	\$108								
10 Yrs Out (start '08)	\$122								
15 Yrs Out (start '08)	\$146								
20 Yrs Out (start '08)	\$228								
		2008	2009	2010	2011	2012	2013	2014	2015
EXPENSE	20 yr. Ave.								
Cost Summary	(start '08)								
Lawn Care	\$16,857	\$6,327	\$14,627	\$10,320	\$10,861	\$9,484	\$15,352	\$15,813	\$16,287
Snow Plowing	\$6,157	\$5,296	\$5,927	\$7,840	\$9,585	\$1,500	\$5,000	\$5,150	\$5,305
Insurance	\$28,241	\$15,656	\$16,429	\$21,098	\$18,685	\$25,883	\$21,645	\$22,727	\$23,864
Roofing	\$33,864	\$0	\$0	\$605	\$138	\$0	\$0	\$0	\$0
Painting	\$28,149	\$42,755	\$14,020	\$0	\$0	\$19,563	\$50,405	\$16,820	\$31,150
Sealcoating	\$4,961	\$0	\$0	\$5,904	\$0	\$10,455	\$0	\$0	\$12,106
Office supplies	\$17	\$0	\$0	\$0	\$17	\$0	\$17	\$18	\$18
Photocopying	\$122	\$109	\$0	\$73	\$68	\$65	\$114	\$117	\$121
Postage	\$3	\$5	\$0	\$0	\$0	\$45	\$0	\$0	\$0
Taxes (IRS & MN)	\$220	\$232	\$152	\$71	\$364	\$159	\$184	\$190	\$195
Professional fees	\$452	\$1,180	\$355	\$517	\$315	\$526	\$330	\$340	\$350
Bank Service Charge	\$156	\$261	\$261	\$120	\$120	\$122	\$120	\$124	\$127
Roof Insp. & Repair	\$222	\$0	\$0	\$0	\$0	\$0	\$239	\$246	\$254
Maint. supplies	\$158	\$0	\$0	\$0	\$0	\$282	\$155	\$160	\$164
Special Assessments	\$1	\$0	\$0	\$0	\$0	\$14	\$0	\$0	\$0
Gifts and memorials	\$109	\$0	\$63	\$0	\$205	\$50	\$100	\$103	\$106
Annual meeting	\$33	\$38	\$105	\$20	\$0	\$25	\$25	\$26	\$27
Reimbursements	\$104	\$0	\$0	\$668	\$480	\$510	\$414	\$0	\$0
Miscellaneous	\$191	\$141	\$20	\$411	\$170	\$0	\$0	\$180	\$185
Totals	\$120,015	\$72,000	\$51,959	\$47,647	\$41,008	\$68,683	\$94,100	\$62,012	\$90,259
	20 yr. Ave.								
Cost Breakdown	(start '08)								
Lawn Care	14.05%	9%	28%	22%	26%	14%	16%	25%	18%
Snow Plowing	5.13%	7%	11%	16%	23%	2%	5%	8%	6%
Insurance	23.53%	22%	32%	44%	46%	38%	23%	37%	26%
Roofing	28.22%	0%	0%	1%	0%	0%	0%	0%	0%
Painting	23.45%	59%	27%	0%	0%	28%	54%	27%	35%
Sealcoating	4.13%	0%	0%	12%	0%	15%	0%	0%	13%
Office supplies	0.01%	0%	0%	0%	0%	0%	0%	0%	0%
Photocopying	0.10%	0%	0%	0%	0%	0%	0%	0%	0%
Postage	0.00%	0%	0%	0%	0%	0%	0%	0%	0%
Taxes (IRS & MN)	0.18%	0%	0%	0%	1%	0%	0%	0%	0%
Professional fees	0.38%	2%	1%	1%	1%	1%	0%	1%	0%
Bank Service Charge	0.13%	0%	1%	0%	0%	0%	0%	0%	0%
Roof Insp. & Repair	0.19%	0%	0%	0%	0%	0%	0%	0%	0%
Maint. supplies	0.13%	0%	0%	0%	0%	0%	0%	0%	0%
Special Assessments	0.00%	0%	0%	0%	0%	0%	0%	0%	0%
Gifts and memorials	0.09%	0%	0%	0%	0%	0%	0%	0%	0%
Annual meeting	0.03%	0%	0%	0%	0%	0%	0%	0%	0%
Reimbursements	0.09%	0%	0%	1%	1%	1%	0%	0%	0%
Miscellaneous	0.16%	0%	0%	1%	0%	0%	0%	0%	0%
Totals	100%	100%	100%	100%	100%	100%	100%	100%	100%

MASTER BUDGET Income
2016 - 2023

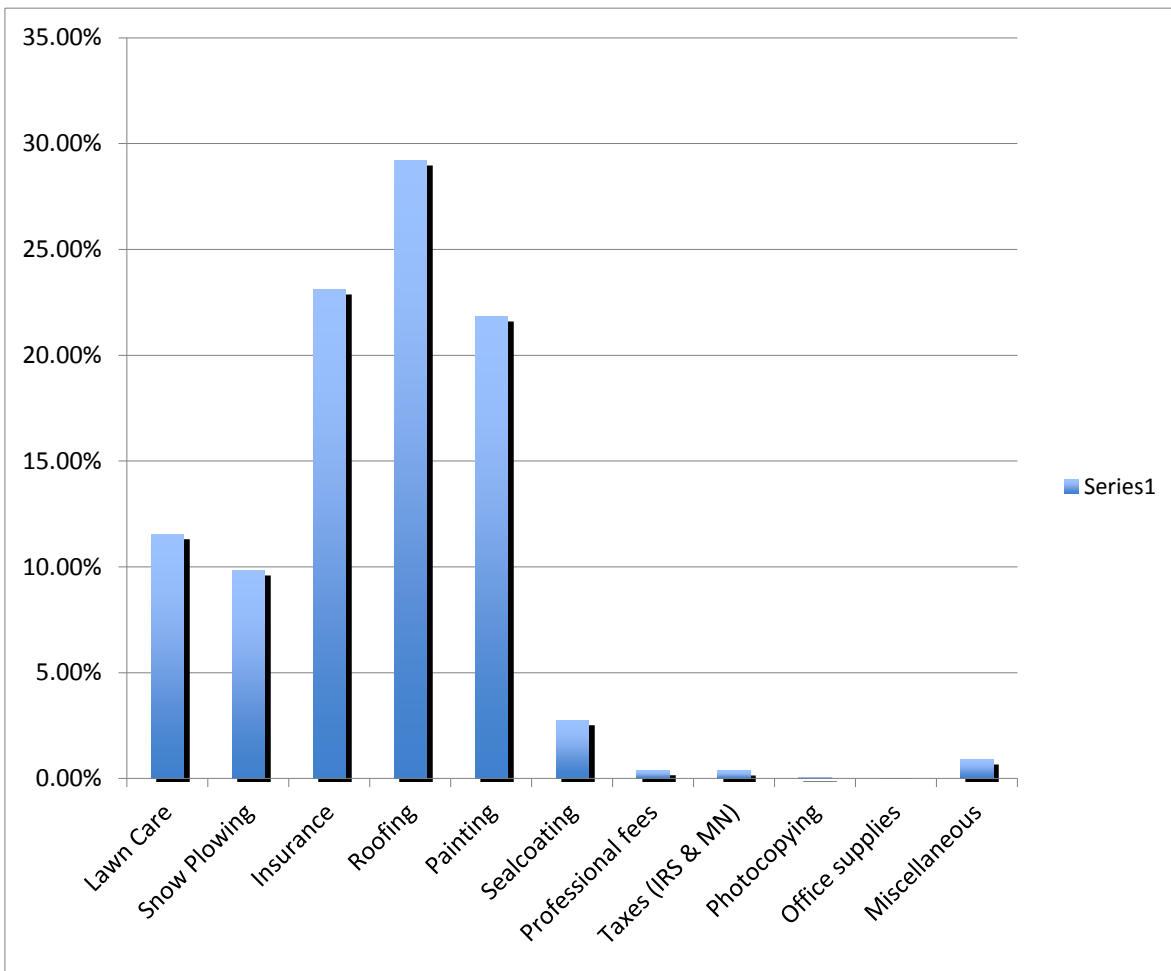
INCOME		2016	2017	2018	2019	2020	2021	2022	2023
Balance Forward	(from prior yr.)	\$340,172	\$380,566	\$438,233	\$483,051	\$488,170	\$483,848	\$504,735	\$536,118
Monthly Assessments	(per unit/mo.)	\$195	\$200	\$205	\$210	\$220	\$235	\$250	\$270
Reg. assessments/yea	(44 units)	\$102,080	\$104,720	\$107,360	\$110,000	\$114,400	\$121,440	\$129,360	\$139,040
Special assessments		\$0	\$0	\$0	\$0	\$0	\$1	\$2	\$3
Interest on Accounts		\$3,402	\$3,806	\$4,382	\$4,831	\$4,882	\$4,838	\$5,047	\$5,361
Miscellaneous		\$0	\$0	\$0	\$0	\$0	\$1	\$2	\$3
Total Year's Income		\$445,654	\$489,091	\$549,976	\$597,882	\$607,452	\$610,128	\$639,146	\$680,525
Total year's Expense		\$65,088	\$50,858	\$66,924	\$109,711	\$123,604	\$105,394	\$103,028	\$85,885
Difference		\$36,992	\$53,862	\$40,436	\$289	(\$9,204)	\$16,046	\$26,332	\$53,155
Ending Balance		\$380,566	\$438,233	\$483,051	\$488,170	\$483,848	\$504,735	\$536,118	\$594,641
Surplus as % of Expen	147%	585%	862%	722%	445%	391%	479%	520%	692%
Monthly Cost Per Unit		\$123	\$96	\$127	\$208	\$234	\$200	\$195	\$163
5 Yrs Out (start '08)	\$108								
10 Yrs Out (start '08)	\$122								
15 Yrs Out (start '08)	\$146								
20 Yrs Out start '08)	\$228								
		2016	2017	2018	2019	2020	2021	2022	2023
EXPENSE	20 yr. Ave.								
Cost Summary	(start '08)								
Lawn Care	\$16,857	\$16,776	\$17,279	\$17,797	\$18,331	\$18,881	\$19,447	\$20,031	\$20,632
Snow Plowing	\$6,157	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720
Insurance	\$28,241	\$25,057	\$26,310	\$27,625	\$29,006	\$30,457	\$31,980	\$33,578	\$35,257
Roofing	\$33,864	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Painting	\$28,149	\$16,198	\$0	\$0	\$54,662	\$66,323	\$29,561	\$40,991	\$21,316
Sealcoating	\$4,961	\$0	\$0	\$14,015	\$0	\$0	\$16,224	\$0	\$0
Office supplies	\$17	\$19	\$19	\$20	\$20	\$21	\$22	\$22	\$23
Photocopying	\$122	\$125	\$128	\$132	\$136	\$140	\$144	\$149	\$153
Postage	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes (IRS & MN)	\$220	\$201	\$207	\$213	\$220	\$226	\$233	\$240	\$247
Professional fees	\$452	\$361	\$371	\$383	\$394	\$406	\$418	\$431	\$443
Bank Service Charge	\$156	\$131	\$135	\$139	\$143	\$148	\$152	\$157	\$161
Roof Insp. & Repair	\$222	\$261	\$269	\$277	\$285	\$294	\$303	\$312	\$321
Maint. supplies	\$158	\$169	\$174	\$180	\$185	\$191	\$196	\$202	\$208
Special Assessments	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gifts and memorials	\$109	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
Annual meeting	\$33	\$27	\$28	\$29	\$30	\$31	\$32	\$33	\$34
Reimbursements	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$191	\$191	\$197	\$203	\$209	\$215	\$221	\$228	\$235
Totals	\$120,015	\$65,088	\$50,858	\$66,924	\$109,711	\$123,604	\$105,394	\$103,028	\$85,885
	20 yr. Ave.								
Cost Breakdown	(start '08)								
Lawn Care	14.05%	26%	34%	27%	17%	15%	18%	19%	24%
Snow Plowing	5.13%	8%	11%	9%	5%	5%	6%	6%	8%
Insurance	23.53%	38%	52%	41%	26%	25%	30%	33%	41%
Roofing	28.22%	0%	0%	0%	0%	0%	0%	0%	0%
Painting	23.45%	25%	0%	0%	50%	54%	28%	40%	25%
Sealcoating	4.13%	0%	0%	21%	0%	0%	15%	0%	0%
Office supplies	0.01%	0%	0%	0%	0%	0%	0%	0%	0%
Photocopying	0.10%	0%	0%	0%	0%	0%	0%	0%	0%
Postage	0.00%	0%	0%	0%	0%	0%	0%	0%	0%
Taxes (IRS & MN)	0.18%	0%	0%	0%	0%	0%	0%	0%	0%
Professional fees	0.38%	1%	1%	1%	0%	0%	0%	0%	1%
Bank Service Charge	0.13%	0%	0%	0%	0%	0%	0%	0%	0%
Roof Insp. & Repair	0.19%	0%	1%	0%	0%	0%	0%	0%	0%
Maint. supplies	0.13%	0%	0%	0%	0%	0%	0%	0%	0%
Special Assessments	0.00%	0%	0%	0%	0%	0%	0%	0%	0%
Gifts and memorials	0.09%	0%	0%	0%	0%	0%	0%	0%	0%
Annual meeting	0.03%	0%	0%	0%	0%	0%	0%	0%	0%
Reimbursements	0.09%	0%	0%	0%	0%	0%	0%	0%	0%
Miscellaneous	0.16%	0%	0%	0%	0%	0%	0%	0%	0%
Totals	100%	100%	100%	100%	100%	100%	100%	100%	100%

MASTER BUDGET Income
2024 - 2030

INCOME		2024	2025	2026	2027	2028	2029	2030
Balance Forward	(from prior yr.)	\$594,641	\$660,683	\$748,691	\$768,054	\$76,267	\$126,366	\$163,938
Monthly Assessments	(per unit/mo.)	\$280	\$290	\$300	\$310	\$320	\$330	\$340
Reg. assessments/yea	(44 units)	\$146,080	\$151,360	\$156,640	\$161,920	\$167,200	\$172,480	\$177,760
Special assessments		\$4	\$5	\$6	\$7	\$8	\$9	\$10
Interest on Accounts		\$5,946	\$6,607	\$7,487	\$7,681	\$763	\$1,264	\$1,639
Miscellaneous		\$4	\$5	\$6	\$7	\$8	\$9	\$10
Total Year's Income		\$746,675	\$818,659	\$912,830	\$937,669	\$244,245	\$300,128	\$343,357
Total year's Expense		\$85,993	\$69,968	\$144,776	\$861,402	\$117,879	\$136,190	\$138,879
Difference		\$60,087	\$81,392	\$11,864	(\$699,482)	\$49,321	\$36,290	\$38,881
Ending Balance		\$660,683	\$748,691	\$768,054	\$76,267	\$126,366	\$163,938	\$204,478
Surplus as % of Expen		147%	768%	1070%	531%	9%	107%	120%
Monthly Cost Per Unit		\$163	\$133	\$274	\$1,631	\$223	\$258	\$263
5 Yrs Out (start '08)	\$108							
10 Yrs Out (start '08)	\$122							
15 Yrs Out (start '08)	\$146							
20 Yrs Out start '08)	\$228							
		2024	2025	2026	2027	2028	2029	2030
EXPENSE	20 yr. Ave.							
Cost Summary	(start '08)							
Lawn Care	\$16,857	\$21,251	\$21,888	\$22,545	\$23,221	\$23,918	\$24,635	\$25,375
Snow Plowing	\$6,157	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264
Insurance	\$28,241	\$37,020	\$38,871	\$40,815	\$42,856	\$44,998	\$47,248	\$49,611
Roofing	\$33,864	\$0	\$0	\$0	\$676,538	\$0	\$0	\$0
Painting	\$28,149	\$0	\$0	\$71,931	\$87,276	\$38,900	\$53,942	\$28,050
Sealcoating	\$4,961	\$18,781	\$0	\$0	\$21,741	\$0	\$0	\$25,168
Office supplies	\$17	\$24	\$24	\$25	\$26	\$26	\$27	\$28
Photocopying	\$122	\$158	\$163	\$167	\$172	\$178	\$183	\$188
Postage	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes (IRS & MN)	\$220	\$255	\$262	\$270	\$278	\$287	\$295	\$304
Professional fees	\$452	\$457	\$471	\$485	\$499	\$514	\$530	\$545
Bank Service Charge	\$156	\$166	\$171	\$176	\$182	\$187	\$193	\$198
Roof Insp. & Repair	\$222	\$331	\$341	\$351	\$362	\$372	\$384	\$395
Maint. supplies	\$158	\$215	\$221	\$228	\$234	\$241	\$249	\$256
Special Assessments	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gifts and memorials	\$109	\$138	\$143	\$147	\$151	\$156	\$160	\$165
Annual meeting	\$33	\$35	\$36	\$37	\$38	\$39	\$40	\$41
Reimbursements	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$191	\$242	\$249	\$257	\$264	\$272	\$280	\$289
Totals	\$120,015	\$85,993	\$69,968	\$144,776	\$861,402	\$117,879	\$136,190	\$138,879
	20 yr. Ave.							
Cost Breakdown	(start '08)							
Lawn Care	14.05%	25%	31%	16%	3%	20%	18%	18%
Snow Plowing	5.13%	8%	10%	5%	1%	7%	6%	6%
Insurance	23.53%	43%	56%	28%	5%	38%	35%	36%
Roofing	28.22%	0%	0%	0%	79%	0%	0%	0%
Painting	23.45%	0%	0%	50%	10%	33%	40%	20%
Sealcoating	4.13%	22%	0%	0%	3%	0%	0%	18%
Office supplies	0.01%	0%	0%	0%	0%	0%	0%	0%
Photocopying	0.10%	0%	0%	0%	0%	0%	0%	0%
Postage	0.00%	0%	0%	0%	0%	0%	0%	0%
Taxes (IRS & MN)	0.18%	0%	0%	0%	0%	0%	0%	0%
Professional fees	0.38%	1%	1%	0%	0%	0%	0%	0%
Bank Service Charge	0.13%	0%	0%	0%	0%	0%	0%	0%
Roof Insp. & Repair	0.19%	0%	0%	0%	0%	0%	0%	0%
Maint. supplies	0.13%	0%	0%	0%	0%	0%	0%	0%
Special Assessments	0.00%	0%	0%	0%	0%	0%	0%	0%
Gifts and memorials	0.09%	0%	0%	0%	0%	0%	0%	0%
Annual meeting	0.03%	0%	0%	0%	0%	0%	0%	0%
Reimbursements	0.09%	0%	0%	0%	0%	0%	0%	0%
Miscellaneous	0.16%	0%	0%	0%	0%	0%	0%	0%
Totals	100%	100%	100%	100%	100%	100%	100%	100%

VPTA Percentage of Major Expenses

EXPENSE	PERCENT
Lawn Care	11.54%
Snow Plowing	9.82%
Insurance	23.11%
Roofing	29.21%
Painting	21.82%
Sealcoating	2.76%
Professional fees	0.38%
Taxes (IRS & MN)	0.36%
Photocopying	0.07%
Office supplies	0.02%
Miscellaneous	0.91%
TOTAL	100.00%



Valley Pond Townhouse Association
Self-audit for 2013

The self-audit was conducted on March 31, 2014 at the home of Frank Balster by committee members Frank Balster, Joe Grundhoefer, Bruce Dybvik. Treasurer Sherry Freking was home sick so the committee communicated with her via telephone with any questions. Sherry furnished the treasurer's records prior to the meeting.

Purpose

The purpose of the audit is to examine all inflows and outflows of money that the board controls on behalf of the members of the Valley Pond Townhome Association; to ensure that all contracts are properly processed and adhered to; and to uncover and correct any possible weaknesses. This audit covered the calendar year 2013.

Process

- 1) Review VPTA dues, deposits, and dates on bank statements compared to dates and amounts shown on the monthly reports to the members.
- 2) Trace representative samples of paid invoices to canceled checks and to bank statements.
- 3) Review representative samples of any payments made to board members.
- 4) Insure that all records, canceled checks, and bank statements are properly stored.
- 5) Inspect bank reconciliation and recalculate a sample of bank reconciliation.
- 6) Review the sequencing of check dates and numbers for inconsistency.
- 7) Examine a sample of board minutes for consistency with actions and expenditures.
- 8) Review signature authorizations on bank accounts.
- 9) Determine that all pertinent association documents are properly safeguarded.

Findings and Recommendations

In review of Process 1 questions were raised about the differing amounts of deposits from one month to the next. Those questions were answered with a phone call to Sherry and verification of deposits from the ACH report, bank statements and Board Meeting notes. The committee was satisfied with the findings. Joe suggested that a spreadsheet be kept from month to month showing those addresses or homeowners payments for each month. He uses a similar template for in is rental business and it helps to balance deposits each month and might make Sherry's job as well as the self-audit easier. Also part of Process 1 the committee recognized the November 5 closing of the general savings account and that \$4,203.51 balance transferring to the Heywood investment account.

Process 2 was carried out and all of the samples of invoices were matched up with the canceled checks and bank statements. Some maintenance payments were made without board approval, or at least not clearly approved in the minutes, but all that were found did not exceed \$300. It was suggested that it be approved and added to our bylaws that any reasonable payments that do not exceed \$500 may be made with the Treasurer's discretion. All payments exceeding \$500 must have board approval.

It was suggested that we consider a professional audit every 5 years to insure that all funds are properly accounted for and our methods of bookkeeping and account management meet accounting standards for our type of association.

All remaining 7 processes were carried out and met the approval of the committee.

If there are any questions about these findings I may be reached by phone at 507-301-3080 or by email at frankbalster@charter.net.

Cordially,
Frank Balster
Chair – VPTA Audit Committee

Valley Pond Townhome Insurance Summary

(Based on VPTA Declaration of Covenants, Conditions, Easements and Restrictions
Article VII, Covenants for Insurance)

1. **Maintenance of Insurance:** All owners are required to carry and maintain an insurance policy with coverage for fire, vandalism, miscellaneous mischief that will include the entire replacement cost of their home. Rather than through numerous individual insurance policies, insurance coverage can be obtained through a Master Policy with the Association as Trustee. Valley Pond Townhome Association has selected this method as the way to provide insurance for all owners.

2. **Association as Insurance Trustee:** If any living unit is destroyed or damaged by causes covered under the Master Policy, the proceeds are payable to the Association and to the First Mortgagee or Mortgagees of record of the living unit. The proceeds will be administered as follows:
 - a. The proceeds will be deposited in escrow with a title insurance company acceptable to the Association and the First Mortgagee.
 - b. Within 30 days after the proceeds have been deposited with a title insurance company, the owner shall enter into a firm contract with a qualified builder satisfactory to the Association to provide for the reconstruction or remodeling of the Living Unit to, substantially, the same condition that existed immediately prior to the insured loss. Owners may not enter into any contract for an amount greater than the insurance proceeds until additional funds are deposited by the Owner that will cover all construction costs as determined by the Title Insurance Company. The reconstruction or remodeling work shall start and be completed promptly and shall be finished no later than 180 days after the proceeds have been deposited. The Association and the First Mortgagee have the right but are not obligated to deposit additional funds in excess of the insurance proceeds to permit construction.
 - c. If the owner fails to enter into a contract to reconstruct or remodel or the construction or remodeling is not completed as prescribed by paragraph 2b above, then the Association or the First Mortgagee has the right, but not the obligation, to contract and complete the reconstruction or remodeling work, without becoming liable to the Owner. The Association can collect charges from the owner for its actions to carry out the work.
 - d. Disbursement of the funds escrowed for contracts for reconstruction or remodeling shall be made by the title insurance company subject to the following:
 - i. Reconstruction or remodeling has complied with the Association's Architectural Control Committee review.
 - ii. The Title Insurance Company has received written consent from any party holding a lien or encumbrance on the Living Unit.

- iii. The Title Insurance Company has received sworn construction statements, lists of subcontractors, lien waivers and receipts that it needs. Disbursements may be in installments and the Title Insurance Company can make inspection and withhold payments it deems necessary to ensure completion and compliance with plans and specifications. The Title Insurance Company may charge for its services and the Association is empowered to pay a reasonable fee for services rendered. The Association shall collect such charges from the Owner or Owners as the case may be.
 - iv. The Title Insurance Company has received written consent of the Owner(s) to make the payments.
 - e. Nothing in this Section 2 makes the Association or its Board of Directors, or the First Mortgagee responsible to either collect or not collect the insurance proceeds. The Association Board of Directors or First Mortgagee is responsible only for insurance proceeds that come into their hands. The Owner(s) of the damaged or destroyed Living Unit(s) collect the proceeds from the insurance carrier which will then be delivered to the Association in trust to pay for the repair work.
 - f. In the event that a remodeling or reconstruction contract, for any reason, is not entered into within 180 days after the deposit of insurance proceeds with the title insurance company, the title insurance company shall disburse the proceeds to each mortgagee of record of the affected Living Unit(s) as its interest appears to retire the indebtedness of the mortgage. The title insurance company may then disburse any remaining deposits, first to cover its own costs and expenses, next to pay any delinquent assessments that have been created, and last to the Owner(s) as their interest appears.
3. Waiver of Subrogation: Each Owner and the Association mutually releases each from the other from all claims for damage or destruction of their respective properties if the damage or destruction results from one or more of the perils covered by the standard Minnesota form of fire and extended coverage insurance.
4. Lien For Premiums: The Association may pay insurance premiums for any owner who becomes delinquent. If the Association pays this cost, it is treated as part of the annual assessment and becomes a charge on the land, a continuing lien on the property, and the personal obligation of the Owner from the time the Association paid the cost.
5. Public Liability Insurance: The Association shall purchase and maintain a comprehensive policy of public liability insurance covering all of the Lots. The insurance policy shall contain a "severability of interest" clause endorsement that prevents the insurer from denying an Owner's claim because of negligent acts of the Association or other Owners. VPTA has \$3 million liability insurance for its Board of Directors and for the Owners.

Prepared by Matt Kerschbaum and Earl Crow
Review by Attorney Mike Hero
February 22, 2001

Valley Pond Townhome Association **Insurance Information**

Summary: A master condominium/association policy is maintained for the Valley Pond Townhome Association. This policy provides coverage for the exterior and interior of the 9 buildings of the association. Unit owners should purchase a unit owner's policy to cover their personal property within their unit. Unit owners may purchase this policy from an insurance agent of their choice.

In order to reduce claim frequency and policy costs, there is a \$5000 deductible on the master policy. In the event of a claim, your unit owner's policy may cover some or all of this expense. Check with your agent on your coverage.

If there is a claim that may exceed the deductible, homeowners should contact their building representative and State Farm. Because the association owns the policy, the claim payments are made to the association. To assure that repairs are properly completed (and thereby maintain the property values of the association), payments are placed in escrow until repairs are completed and approved.

Agent: Auto Owners Insurance Company
Gene Flom Agency, Inc.
118 4th St. N.
Cannon Falls, MN 55009-2056
Phone: (507) 263-2020

Policy: Auto Owners Condominium/Association Policy, a master policy for the entire association. Our policy number is #4791164400.

Coverage: Exterior and interior damage caused by a sudden event such as fire, wind, lightning, water, etc. Coverage extends to almost anything that is attached to or part of the building. Each Building Representative has a copy of the complete policy available for member's review or you can request your own copy from Auto Owner's Agent, .

Deductible: The policy deductible is \$5000 per claim that is payable by the member(s) for whom the claim is made.

Reference: The entire subject of insurance is covered in Article VII, "Covenants for Insurance" of the Association's document, "Declaration of Covenants, conditions, Easements and Restrictions." This information has been summarized into simpler language and format. The process for how to initiate and work through a claim has also been summarized to help members should a need arise. These documents are included in the "Valley Pond Townhome Association General Information and Policies" Booklet.

Revised: May, 2010

Valley Pond Townhome Association
Process for Handling an Insurance Claim

1. Damage occurs:

- a. Damage occurs to an owner's home that is covered by the Association's Master Policy with Auto Owners Insurance and will likely exceed the deductible, currently \$5000 per claim.

2. Initiating a Claim:

- a. The Owner alerts the building representative that he/she intends to make an insurance claim.
- b. The Owner is responsible for collecting the proceeds from the insurance company. The Owner contacts Auto Owners Insurance, Cannon Falls, MN, (507) 263-2020 to provide them with all necessary information.
- c. Auto Owners Insurance Company reviews the claim information to see if the damages are covered and will exceed the deductible.
- d. Auto Owners sends an adjuster to review the damage. The Owner must coordinate a time for this review. The owner may be requested to get estimates for this work to assist the insurance adjuster.
- e. If the damages are covered and exceed the deductible, Auto Owners makes payment to Association, less the deductible.

3. Restoring the Damage and Distribution of the Insurance Proceeds:

- a. The Association deposits the insurance proceeds with a title insurance company.
- b. Within 30 days the Owner enters into a contract to restore the damaged unit. The Owner may not contract for work that costs more than the insurance proceeds until additional funds have been deposited with the title insurance company. In addition, if the Owner intends to make changes to the exterior of the unit, the changes must be reviewed and approved by the Architectural Control committee of the Association.
- c. The work to correct the damage must be completed within 180 days.
- d. The title insurance company is responsible for disbursement of the insurance proceeds and all requests for payment must be made to them.

Prepared by Matt Kerschbaum and Earl Crow

Reviewed by Attorney Mike Hero

February 22, 2001

Updated with new insurer information May 11, 2010

Valley Pond Townhome Association
Architectural Control Policy

The Association's Board of Directors appoints an Architectural Control Committee consisting of three or more members.

No changes to the exterior of units or to the grounds can take place without approval of this committee. Written plans for the change must be submitted. It is recommended that the written plan be submitted to a member of this committee by the first Tuesday of the month so the committee can review the request and make recommendations to the Board at the monthly Board meeting. A form has been prepared and should be used to make this process as simple and complete as possible for the membership.

The Architectural Control Committee and the Board of Directors have a thirty-day period to review the plans. During this period of time the Architectural Control Committee will review the project and provide the Board of Directors with their recommendation to approve or deny. The Board makes the decision and responds to the member. Members who submit plans must receive a response within thirty (30) days from the date of their submission or the plan is considered approved. If you proceed without this Committee's approval, there is a possibility that you will be required to remove your addition/change at your own expense.

The Architectural Control Committee completed an inventory list of items that were present on the ground as of April 1, 1997. Items existing on that date were "grandfathered" and considered approved.

References:

Bylaws: Article VII
Declaration of Covenants, Conditions, Easements and Restrictions; Article IX.

A Reminder from the Architectural Control Committee:

Being a part of a Townhome Association has many advantages and benefits. Freedom from exterior maintenance is a major benefit and a consistent architecture and design throughout the association not only adds visual appeal, but also helps to maintain the property values of the association members.

However, when a homeowner wants to make changes to the exterior of their building unit, a Request for Approval should be submitted to the Architectural Control Committee. This can be seen as bothersome to the individual owner, but is necessary and required by the covenants of the association.

If you are not familiar with the procedures for requesting approval for changes, it may be frustrating or confusing. In order to make this process easier for members of the association, the ACC has created a form for requesting a review. A sample of this form is attached.

Since changes to the exterior of units can impact your neighbors the form has places for your neighbors' endorsement. This step helps assure that your neighbors are aware of your request. Statements of support or concern provided by neighbors directly on the form, will be very helpful to the committee. The neighbor can also voice support or concerns directly to any member of the Architectural Control Committee.

Some additional reminders:

1. While not required, using the form will help the committee evaluate your request. Provide enough information so that the committee can make an informed judgment, in a timely manner. Drawings and plans are helpful. Incomplete or unclear requests may be returned to the homeowner for additional information.
2. Plan ahead. It takes time to get the approval. The committee tries to act promptly, but obtaining board approval can take as long as 30 days from receipt of your request.
3. Don't schedule work to start before approval is received. In the event a request is denied, you may be required to remove the addition or change at your own expense.
4. If you have questions or concerns, either as a member making a request or about another member's request, please contact a member of the ACC or your building representative.

Thanks for your cooperation.

Valley Pond Townhome Association
Request for Review by Architectural Control Committee

VPTA Member:		Date of Request:
Address:		Phone:
Is this addition, change or modification, permanent or temporary?		
<p>General Description</p> <p>Note: Plans or drawings outlining complete nature of changes, additions or modifications must be attached to this form.</p>		
When do you plan to start this project?	What is the expected completion date?	
<p>Endorsement by neighbor:</p> <p>Address:</p> <p>Neighbor comments:</p>	<p>Endorsement by neighbor:</p> <p>Address:</p> <p>Neighbor comments:</p>	
Date received by ACC:	Date Reviewed by ACC:	
Decision or Action by ACC:		

