

POTTER CREEK HOMEOWNERS' ASSOCIATION
2007 Approved Budget Notes

ROAD MAINTENANCE	
Street Plowing	Plowing of private streets within community. Potter Crest Circle, Potter Bluff Circle, Potter Glen Circle, and Potter Valley Road are Municipality owned and maintained, therefore do not contribute to this expense.
Street Sanding	Sanding of private streets within community.
Major Snow Removal	Hauling of private street snow storage sites.
Spring Sweeping	Sweeping of private streets within community.
Mailbox Area Maint	Grade, fill as necessary, mailbox area.
Patching/Sealing	Miscellaneous, minor private street repairs (potholes, crack sealing, etc).
STREET LIGHTING	
Light Maintenance	Maintenance of private street lighting.
Electricity	Electricity for private street lighting.
COMMON AREA MAINT	
Right of Way Maint	Maintenance of private street right of ways (brush clearing, street sign maintenance).
Retain Wall Maint	Miscellaneous, minor maintenance of common entry retaining wall (the two tract lots are excluded).
Main Entry Landscape	Maintenance of common entry landscaping (flowers, shrubs trees, mowing, liming, fertilizing, weeding, watering, etc). (The two tract lots are excluded).
ADMINISTRATIVE	
Management Fees	Professional management, newsletters, community inspections (the two tract lots included).
Supplies/Svcs	Misc supplies, record media transfer (two tract lots included).
Insurance	Common area liability, umbrella liability, Director's & Officer's, fidelity (two tract lots included)
Legal Fees	Covenant enforcement, delinquency collection (two tract lots included).
Income Taxes	Interest income tax (30% of interest earned). (Two tract lots included).
Tax Return, Audit	Independent CPA audit of financial records, income tax preparation (two tract lots included).
Web Page	Misc maintenance of Association's web page (two tract lots included).
Contingency	Miscellaneous, consulting costs, etc (private street \$1,000, all lots, including two tract lots, \$3,000).
RESERVES	
Streets	Future replacement of private streets, 1.2 miles, on average 28 feet wide, replacement cost of \$206,834, with remaining, useful life of five (5) years. Only private street lots contribute to this replacement reserve.
Street Lights	Future replacement of private street lighting, replacement cost of \$68,000, with remaining, useful life of twelve (12) years. Only private street lots contribute to this replacement reserve.
Retaining Wall	Future replacement of common entry retaining walls (north and south sides), at a replacement cost of \$100,000, and a remaining, useful life of thirty (30) years. The Association replaced the retaining wall (south side) and improved landscaping (north side) in 2005.

The reserve analysis assumed 2.3% inflation factor, 4% return on money, and 30% interest income tax.

Dues are \$140.20 quarterly per Crystal at Property Management Services, Inc.

Buyers to verify all information independently.