Treasurers Report

2010 BanBury Homeowners Association Annual Meeting

March 8, 2010

2009 Year End Account Balances

Reserve Account	$ 34,466.16
Operating Savings	$ 63,762.33
Operating Checking	$ 2,458.00
Total	$100,686.49

2009 Net Income $ 20,353.78

Accounts Receivable

- As of December 31, 2009, we have $9,417.69 that is older than 30 days. Liens have been filed to secure our rights to collect these amounts

Key Budget Differences in 2009

Lower insurance costs	$4,000	(change of insurance carrier)
Lower landscaping / planting costs	$ 5,000	(delayed entrance plantings)
Higher irrigation system maintenance	$ 3,700	
Increased electrical costs	$ 2,200	

- Amounts dedicated for entrance improvements were lower because only entrance planning and design expenses were incurred
- We were fortunate to collect a significant amount of what would otherwise have been a bad debt expense, resulting in an actual amount that was $4,500 less than budgeted
- Capital improvements were made to the filter systems on irrigation pumps that reduced the amounts in the reserve account from the expected budgeted levels

2010 Budget

- Key changes from 2009 expenses include:
  - Increased landscaping expense of because of a change in provider
  - Increased capital improvement expense of in anticipation of entrance improvement work. Additional amounts will be allocated from savings as deemed appropriate by the Board of Directors
- Other budgeted amounts are in line with historical expenses

- Continue to fund reserve account at rate of $6,000 per year ($500 per month) – target balance of $50,000 – in 2010, the balance of available operating income will be placed in the reserve account
- Expect to incur greater bad debt expense than is the historical norm because of the economy
- Result is a net income budgeted at $0 or breakeven for 2010

Summary

- Positive cash position versus annual operating expenses
- Dedicated reserve account is growing in line with expectations and allowing the HOA to address unexpected extraordinary repair and replacement expenses
- Your board has continued to work hard at maintaining and improving the quality of the subdivision within the existing homeowner dues structure
- The monthly treasurer's reports are posted on our website following the Board of Directors meetings. The annual treasurer's report will also be posted. If you have not done so, I would encourage you to view these and direct any questions to the board or your new treasurer
- Thank you for the opportunity to serve as an HOA Board member for the past 3 years, the last 2 as Treasurer. I wish the new Board members continued success managing the affairs of the Banbury community

………..Lyle