

Prairie Crossing Homeowners Association
Notes to Budget for 2018

- a) Homeowners Association Fees are the source of income for the Association.
- b) The Station Square Condo Association pays a license fee to our Association for the use of our amenities and common areas by condo owners. Payment is equivalent to the Association monthly assessment multiplied by the number of condos (36).
- c) Reimbursements to the Association for costs billed to other parties; principally collection costs.
- d) Contract with a property management firm, Premier Residential Management, to bill and collect assessments, provide complete accounting services, oversee maintenance contracts, pay bills, keep records, furnish information required for closing real estate transactions, and provide other management services.
- e) Cost of an arrangement with a secretarial service to prepare minutes of meetings and to provide other recordkeeping services to the Board and to Board Committees.
- f) Fee paid to an Independent Accountant for an annual review of Association accounts and financial records, and for preparation of the Association's tax returns.
- g) Cost of liability, property and fidelity bond insurance.
- h) Cost of compiling, editing, printing, and distributing monthly newsletter to Prairie Crossing homeowners.
- i) Contract with an environmental management consultant, Liberty Prairie Foundation, to assist the Board and our property manager in developing environmental management plans for the year. The plans, among other things, identify prairies to be burned, trees and plantings to be maintained, actions and precautions to be taken to maintain water quality in ponds and the lake, invasive weed control measures to be used, and provide for systematic evaluation of environmental measures taken. The consultant assists in drafting specifications for work to be done, evaluating proposals and work performed, and keeping environmental management related records. The consultant also contributes to educating interested homeowners about managing and maintaining our local environment.
- j) Beginning in 2017, beach security is being accounted for outside of the operations costs for the beach. In 2016 and earlier, all of those costs were charged to beach operations.
- k) An agreement with Liberty Prairie Foundation provides the Association and its members with services such as:
 - access to and use of the yellow farm house for meetings of the Board, the Architectural Review Committee, the Environmental Stewardship Committee, the PC Volunteer Corps, book clubs , and others
 - access to and occasional use of LPF owned facilities such as the Byron Colby Barn
 - access to farmland open areas for activities such as walking and skiing
 - access to the farm for educational opportunities
 - a destination for families, young children and guests to learn about farm animals, plants and plantings in a farm setting
 - up to two acres of farmland subdivided into garden plots for use by residents for growing flowers and vegetables

- a place to store composted piles of soil and woodchip mulch for the non-commercial use of residents
 - a place to dispose of kitchen-type compost, grass clippings and other yard waste
 - a permanently protected open space and landscape buffer
- l)** Cost of operating the Fitness Center includes regular cleaning, maintenance of equipment, and rent to Byron Colby Barn for the space occupied by the Center.
- m)** Cost of lake management such as monitoring lake water quality, fish and wild life management, and selected weed management in Lake Aldo Leopold and associated ponds.
- n)** Cost of environmental management services for projects such as control of invasive weeds and brush,, prescribed burns, selected mowing of restored prairies, and care for wetland areas.
- o)** Includes cost of a contract with a landscaping company (Landscape Concepts Mgmt.) for mowing, fertilization, weed control, etc. of turf in the Common Area, and for maintaining trees and plantings.
- p)** Cost of contract labor to perform a variety of small but important maintenance services such as, among other things, emergency watering of landscapes, maintenance of trails, playgrounds, and beach, selected mowing in native areas, and fence repair.
- q)** Annual money transfer to build or replenish reserve funds for the periodic restoration or replacement of Common Area features such as playgrounds, ornamental lighting, fences, trails, beach, and other Common Area features. The amounts transferred are determined by a reserve study prepared for the Association by Reserve Advisors Inc., a consultant to the Association. Last revision 2016.
- r)** Funds withdrawn from reserves to pay for periodic major replacement or repair projects of Association-owned common areas or facilities. Details about planned projects for 2018 are given in the section headed "Expenditures for Projects".
- s)** Interest, dividends and other earnings on the Association's reserves investment, and changes in the value of investments. Earnings and changes are added to reserves.
- t)** Based on the Bathymetric study performed in 2017, the decision was made to push off the project for the removal of sediment from Lake Leopold to 2019 (from 2018). Planning and, more importantly, permitting must take place in 2018.