

Innsbrook Owners Association

For The Year Ended November 30, 2023

	Final	Budget
	2022-23	2023-24
Revenue		
Maintenance Assessment Income (1)	2,359,248	2,823,540
Security Department Income (2)	687,549	639,629
Activities Fee Income (3)	541,071	492,590
Facilities Capital Fund (4)	334,123	421,824
Reserve (5)	43,506	44,885
Miscellaneous Income (6)	112,437	104,000
Rental Income & Permits (7)	84,762	80,000
Total Revenue	\$4,162,696	\$4,606,468
Expenses		
<i>Operating Expenses</i>		
Payroll & Payroll Taxes (8)	464,835	834,447
Activities (9)	451,598	492,000
Insurance (10)	339,674	359,373
Road Maintenance (11)	463,881	423,000
Professional Fees (12)	53,000	60,000
Office (13)	130,075	137,552
Landscape Maintenance (14)	209,096	170,000
Lake Maintenance (15)	82,954	113,000
Security Department (16)	582,401	635,048
Utilities (17)	128,422	130,000
Vehicle Repairs & Maintenance (18)	74,775	70,000
Taxes and Licenses (19)	697	5,350
Recreation (20)	374,804	381,256
Management Fee (21)	166,300	173,600
<i>Other Expenses</i>		
Interest (22)	154,915	200,374
Extraordinary (23)	279,988	150,000
Total Expenses	\$3,957,415	\$4,335,000
Cash Available for Principal Payments Not on Above Statement	205,281	271,468
<i>Principal Payments Reducing Cash</i>		
Property Management Building	15,966	16,863
Charrette Creek Commons	165,006	169,198
Pickleball Courts	7,251	8,025
Tyrol Oasis Pool	0	26,694
Vehicles & Equipment	25,740	4,397
Total Principal Payments	\$213,963	\$225,177
Carryforward Funds Earmarked for future expenses (24)	182,438	0
Net Fund Difference	173,756	46,291
Fund Balance - Beginning of Year	707,116	880,872
Fund Balance - End of Year	\$880,872	\$927,163

Notes to November 30, 2023 Income Statement

1. **Maintenance:** These fees provide the basis for the general operating expenses of the Innsbrook Owner's Association. Two accounts from fiscal 2022/23 have unpaid assessments of \$4,945. Attorney's fees, filing fees and finance charges have been assessed and will accrue until paid in full. For fiscal 2023/24, there will be a \$216 Maintenance assessment increase.

2. **Security Department:** These fees provide for the operating expenses of the security department, excluding the central alarm monitoring system noted in the informational section below. In fiscal 2022/23, the Innsbrook Corporation paid \$50,004 to the Owners Association for their share of security related needs. There will be a \$36 decrease in the Security Department assessment for fiscal 2023/24.

3. **Activities:** These fees provide for the general operating expenses of the Innsbrook Activities department. Activities assessment generated \$351,511. Camps, workshops and other activities collected \$96,315 in revenue associated with the events. This year \$93,245 was received from property owners and advertising vendors for the Fireworks Display. There will be no change to the Activities assessment for 2023/24.

4. **The Facilities Capital Fund** which was established in the 2014/15 fiscal year, is used to pay the debt and debt service for capital expenditures such as the recreational complex, pickleball courts, bridges, buildings, and additional facilities for the use of Innsbrook property owners. All loans were refinanced in 2021 at lower rates. The 2023/2024 budget includes debt service for the new Tyrol pool. For fiscal 2023/24, there will be a \$43 increase to the Facilities Capital Fund assessment.

5. **Reserve:** Having been reestablished in the fiscal 2018/19 year with a \$25 Reserve assessment, these monies will be utilized for unexpected or extraordinary expenses not directly budgeted for and thus not covered by other assessment fees. For fiscal 2023/24, there will be no increase to the Reserve assessment.

6. **Miscellaneous:** Interest income is earned on the balance of money market accounts, as well as from finance charges paid on delinquent accounts. Other income streams include marina rental, boat storage and moving, internet services, and snow removal.

7. **Rental Income:** Income from renting Innsbrook Corporation and Sugarfire a portion of Charrette Creek Commons for the Summerhaus operations in 2022/23 is included at \$6,617 and \$6,800, respectively. The rental permit program established in 2021 generated \$66,825 and is also included in this total.

8. **Payroll & Payroll Taxes:** This expense represents the gross wages paid to employees who worked on the maintenance of all common areas such as roads, beaches, dams, nature trails, fences and grass cutting; as well as a portion of the Aspen Center guest service agent. Payroll taxes paid to the Innsbrook Corporation

for FICA, FUTA and Missouri unemployment tax on property management employees is also included.

9. Activity Expense: Includes the Memorial Day Party, the fireworks displays, movies, workshops, Camp Innsbrook, Summer Breeze concerts, and much more. The payroll, payroll taxes, and benefits for all activity related staff, including Camp Innsbrook workers, is also included.

10. Insurance: Insurance includes General Liability on roads, facilities used during events and common grounds; Property Insurance; Group Health Insurance; Vehicle Collision and Comprehensive; Worker's Compensation; Equipment Coverage; Accounting Errors; and Fraud Coverage.

11. Road Maintenance: Expenses include asphalt overlay and repairs, replacement gravel, grading, ditching, culvert repairs, dust control, winter supplies, and street signs. For 2022/23, replacement gravel expenses totaled \$78,436 and dust control totaled \$36,676 while snow removal/salt totaled \$4,849.

12. Professional Fees: Legal fees of \$13,000 and Accounting expenses of \$40,000 were paid. For 2022/23, the accounting expenses included independent accounting services provided by DNI Properties, Inc of \$40,000.

13. Office Expense: Expenses for marketing publications; as well as general office expenses such as paper, supplies, check and statement stock, postage machine rental, and postage are included. Additionally, \$89,369 of IT payroll and payroll taxes are included in office expense.

14. Landscape Maintenance: Landscape Maintenance includes all expenses for landscaping, plant beds, mowing and general upkeep of the development's appearance.

15. Lake Maintenance: Silt projects were conducted at locations within the following lakes: Foxtail, Wanderfern, Cardinal, Trinity, and Lucern.

16. Security Department Expense: This includes the payroll and payroll taxes for our security director, gate and patrol officers; general gatehouse supplies and expense; access control; security vehicle gas and maintenance; and animal control expenses.

17. Utilities: Includes trash hauling and all utilities for the Innsbrook Owners Association's Property Management Department (PMD) building, green house, Charrette Creek Commons, security entrances and facilities.

18. Vehicle Repairs & Maintenance: This includes the maintenance of the fleet of trucks, tractors, and specialty equipment used to maintain the common grounds of the development. This also includes fuel and oil.

19. Taxes & Licenses: The association must pay property tax, as well as income taxes on all earned income such as interest and rental. Both tax types, as well as business registrations, are paid annually.

20. Recreation: Expenses include payroll and payroll taxes for the complex office and cleaning staff, and fitness instructors; as well as fixtures, supplies, pool attendants and chemicals, and maintenance of the entire complex.

21. Management Fee: There is a \$100 per lot management fee paid to Innsbrook Corporation each December.

22. Principal/Interest: The current loan balances are as follows: Property Management Building \$237,789; Charrette Creek Commons \$2,892,322; Pickleball Court \$191,697; and Vehicles \$4,351. There was \$154,915 total paid in interest debt service in 2022/23 for the loans.

23. Extraordinary: For fiscal year 2022/23, these costs are primarily for the entrance gate renovation project and related security enhancements.

24. Income Carryforward: For fiscal year 2022/23, there is \$182,438 of income carried forward for the completion of future construction projects such as two low water crossings/bridges and additional asphalt overlay as well as large equipment purchases. This amount includes the reserve assessment which has been added to the fund balance.

For Informational Purposes Only:

A. Water: Property Owners paid \$700,793 in water fees; which included collection and payment of prior years' water fees. Of the funds, \$317,343 was disbursed to the Public Water Supply District No. 2 for its water supply system, and \$383,450 was paid to the Innsbrook Corporation for its water supply system. There will be a \$46 Water assessment increase for fiscal 2023/24.

B. Security: This fee is for the central alarm monitoring system. Including collection and payment of prior years' assessments, \$510,126 was paid to the Innsbrook Corporation, which maintains the monitoring system and pays the CenturyLink lease line charges. There will be a \$7 Security System increase for fiscal 2023/24.

C. Sewer: These fees are paid to Innsbrook Corporation for the operation and maintenance of the wastewater treatment facility and infrastructure. Including collection and payment of prior years' assessments, \$641,284 was paid for this utility. For fiscal 2023/24, there will be a \$24 Sewer assessment increase.

D. Sewer, Security System, Security Department, and Water availability fees are associated with undeveloped lots only. Amounts collected are included in the respective utilities noted above. For fiscal 2023/24, these assessments will each remain the same.

E. In fiscal year 2014/15 all association assets, along with their corresponding depreciation, were added to the balance sheet. It was later determined that due to the nature of a home owners association's assets, depreciation is not applicable thus not recorded. In fiscal year 2015/16 to offset the addition of the assets with depreciation, the amount previously shown as accumulated depreciation on the balance sheet was adjusted to the fund balance thus indicating a larger than actual fund balance on the system-generated balance sheet. Please note, the difference in system generated versus reported fund amounts are not liquid monies, but rather an internal bookkeeping entry over two years.