

**EAGLE POINT HOMEOWNERS, INC.  
ANNUAL BUDGET MEETING  
JANUARY 23, 2007**

The meeting was called to order by the President at 1:30pm. The purpose of the meeting is to adopt an annual budget for Eagle Point. When adopted it will become effective April 1, 2007 and extend to March 31, 2008.

Members present were Larry Stother, Larry Rhoades, Fred Slager, Ann Baillis, Charles Worden, and Verna Tromley. A quorum was present.

The affidavit of Mailing and Posting of Notices to Shareholders was read by the President. (copy attached)

Budget presented to the shareholders.

Questions from Shareholders addressed.

Motion made by Fred Slager to reduce our operating expenses from \$10.00 to \$5.00 per month for the rollover. Seconded by Charles Worden. Larry Strother stated that the motion was to adopt an amended budget with a rollover and to reduce monthly assessment by \$5.00 per month. Passed

(adopted budget)

Henry Wright stated that we need vote of Shareholders for approval, need vote for raising reserve fund.

Larry Strother said that we need to be self-insured. Reserve Fund is needed for this purpose.

Board of Directors must approve a budget. Shareholders can vote to change at shareholders meeting.

Motion to adjourn by Charles Worden, seconded by Verna Tromley and passed.

Meeting adjourned at 2:20pm.

(meeting recorded)

Respectfully submitted by,

Ann Baillis, Secretary

Attest:

\_\_\_\_\_  
DATE

\_\_\_\_\_  
ANN BAILLIS, SECRETARY

\_\_\_\_\_  
DATE

\_\_\_\_\_  
LARRY STROTHER, PRESIDENT

Copy of Adopted Budget:

**Eagle Point Homeowners, Inc**

**ADOPTED OPERATING BUDGET FOR 2007**

_____ Last Year 2006-2007	_____ This Year 2007-2008
---------------------------------	---------------------------------

**Ordinary Income/Expense**

<b>Operating Income</b>			
	<b>4100 - Homeowner Operating Assessment</b>	<b>\$ 395,041.40</b>	<b>\$ 399,946.40</b>
	<b>4200* - Other Operating Income</b>		
	4200.1 - Dock Rent & Lease	3,800.00	3,800.00
	4200.2 - Guest Fees	800.00	650.00
	4200.3 - Interest on Deposit Accounts	0.00	0.00
	4200.4 - Interest & Late Fees	0.00	0.00
	4200.5 - Laundry Machines	850.00	400.00
	4200.6 - Miscellaneous Income	50.00	50.00
	4200.7 - Mowing Charges	28,600.00	26,500.00
	4200.8 - Office Services	200.00	200.00
	4200.9 - Repairs & Services	2,100.00	2,400.00
	4210.1 - Rollover of Prior Year's Funds	0.00	15,000.00
	4210.2 - Social Committee Activities	9,000.00	7,200.00
	<b>Total 4200* - Other Operating Income</b>	<b>45,400.00</b>	<b>56,200.00</b>
	<b>Total 4000* - Operating Income</b>	<b>\$ 440,441.40</b>	<b>\$ 456,146.40</b>
	<b>Cost of Goods Sold</b>		
	<b>5000* - Cost of Goods Sold</b>		
	5200.1 - Private Dock Lease Payment	1,200.00	1,200.00
	5200.2 - Activities Expense	9,000.00	7,200.00
	5200.7 - Lot Mowing Expense	27,000.00	24,000.00
	<b>Total 5000* - Cost of Goods Sold</b>	<b>\$ 37,200.00</b>	<b>\$ 32,400.00</b>
	<b>Net Operating Income</b>	<b>\$ 403,241.40</b>	<b>\$ 423,746.40</b>
	<b>Expense</b>		
	<b>6000* - Operating Expense</b>		
	<b>6100* - Administrative &amp; Office Expense</b>		
	6100.1 - Accounting & Audit Fees	6,100.00	6,500.00
	6100.4 - Bank Service Charges	200.00	250.00
	6100.6 - Contracted Services	5,000.00	4,000.00
	6100.7 - Depreciation Expense	0.00	0.00
	6100.8 - Director's Reimbursibles	500.00	0.00
	6100.9 - Dues & Subscriptions	400.00	250.00
	6110.2 - Interest Expense		0.00
	6110.3 - Legal Expense	3,000.00	3,000.00
	6110.4 - Licenses & Permits	1,920.00	2,100.00
	6110.5 - Miscellaneous Admin. Expense	2,900.00	2,900.00
	6110.6 - Office Supplies	3,500.00	1,500.00
	6110.7 - Postage & Shipping	1,200.00	1,000.00
	6110.8 - Printing & Reproduction	1,000.00	500.00
	6110.9 - Telephone	2,500.00	2,750.00
	6120.7 - Taxes, Property	3,000.00	3,000.00
	6120.9 - Taxes, Other	250.00	275.00
	<b>Total 6100* - Administrative &amp; Office Expense</b>	<b>31,470.00</b>	<b>28,025.00</b>
	<b>6200* - Insurance Expense</b>		
	6200.1 - Casualty & Liability Policy	10,000.00	24,000.00
	6200.2 - Directors & Officers Policy	1,750.00	1,750.00
	6200.3 - Fidelity Bond	550.00	550.00
	6200.4 - Flood Insurance Policy	2,750.00	2,750.00
	6200.5 - Owned & Non-owned Vehicle Ins.	800.00	800.00
	6200.7 - Workman's Compensation Ins.	5,800.00	5,800.00
	<b>Total 6200* - Insurance Expense</b>	<b>21,650.00</b>	<b>35,650.00</b>

<b>6300* - Maintenance &amp; Repairs</b>			
	6300.1 - Buildings, M&R	4,200.00	6,000.00
	6300.2 - Docks & Piers, M&R	2,000.00	2,000.00
	6300.3 - Equipment Rental	500.00	300.00
	6300.4 - Equipment Repairs & Replacement	3,000.00	3,000.00
	6300.5 - Laundry Equipment	300.00	300.00
	6300.6 - Miscellaneous Repairs Expense	1,000.00	1,000.00
	6300.7 - Sewerage System M&R	600.00	1,000.00
	6300.8 - Shuffleboard Courts	200.00	200.00
	6300.9 - Supplies, Buildings	3,000.00	3,500.00
	6310.1 - Pool Equipment M&R	3,500.00	3,500.00
	6310.2 - Pool Supplies	3,200.00	3,500.00
	6310.3 - Vehicle M&R	800.00	800.00
	6310.4 - Vehicle Gas & Oil	750.00	1,000.00
	6310.5 - Water System M&R	800.00	800.00
	<b>Total 6300* - Maintenance &amp; Repairs</b>	<b>23,850.00</b>	<b>26,900.00</b>
<b>6400* - Grounds Maintenance</b>			
	6400.1 - Landscaping Equip & Supplies	10,000.00	7,500.00
	6400.2 - Irrigation System M&R	1,500.00	1,500.00
	6400.3 - Miscellaneous Grounds Supplies		250.00
	6400.4 - Palm & Tree Trimming & Removal		4,500.00
	6400.5 - Pavement M&R	3,000.00	1,000.00
	6400.6 - Plants & Trees	8,000.00	4,750.00
	<b>Total 6400* - Grounds Maintenance</b>	<b>22,500.00</b>	<b>19,500.00</b>
<b>6500* - Utilities</b>			
	6500.1 - Electric	20,000.00	20,000.00
	6500.2 - Propane	1,000.00	2,400.00
	6500.3 - Trash Service	3,500.00	3,500.00
	6500.4 - Water & Sewer	140,000.00	140,000.00
	<b>Total 6500* - Utilities</b>	<b>164,500.00</b>	<b>165,900.00</b>
<b>6600* - Wages &amp; Salaries</b>			
	6600.1 - Salaries	103,602.82	110,000.00
	6600.2 - Salaries Expense	8,025.86	8,800.00
	6600.3 - Employer Provided Insurance	13,000.00	15,700.00
	<b>Total 6600* - Wages &amp; Salaries</b>	<b>124,628.68</b>	<b>134,500.00</b>
<b>6700 - Miscellaneous Expense</b>			
	8600 - Equipment Purchases Posting Act	14,642.72	13,271.40
<b>Total Operating Expense</b>		<b>\$ 403,241.40</b>	<b>\$ 423,746.40</b>

**Total Expense****Reserve Income**

Reserve Assessment	\$ 59,520.00	\$ 89,280.00
--------------------	--------------	--------------

**2007-2008 - Assessment Structure**

# Shares Owned	Net Monthly Assessment	Amount Payable Quarterly
1	\$ 293.48	\$ 880.45
2	\$ 285.57	\$ 856.70

3		\$ 277.65	\$ 832.95
4		\$ 269.73	\$ 809.20
5		\$ 261.82	\$ 785.45
6		\$ 253.90	\$ 761.70
7		\$ 245.98	\$ 737.95
8		\$ 238.07	\$ 714.20
9		\$ 230.15	\$ 690.45
10		\$ 222.23	\$ 666.70
11		\$ 214.32	\$ 642.95
12		\$ 206.40	\$ 619.20
13		\$ 198.48	\$ 595.45
14		\$ 190.57	\$ 571.70
15		\$ 182.65	\$ 547.95
16		\$ 174.73	\$ 524.20
17		\$ 166.82	\$ 500.45
18		\$ 158.90	\$ 476.70
19		\$ 150.98	\$ 452.95
20		\$ 143.07	\$ 429.20