

I would like to address the increase in the subdivision dues from \$110 to \$150 a year. When Karen, JJ and myself reviewed calendar year 2004, we discovered that our receipts are no longer able to cover our yearly expenditures.

A
detailed report follows for calendar year 2004:

Electric expense:	\$4013.00
Collection fee to City & Village:	\$1074.00
Liability insurance:	\$3007.00
General office supplies:	\$ 150.00
Common ground maintenance:	\$6594.00 (grass cutting, drainage basin, etc)

	\$14823.00

The electric, collection fee, insurance, and general supplies are primarily fixed expenses totaling \$8244.00. We bring in \$10738.00. That gives us \$2494.00 a year to work with. In 2004, we tried to clean up the cul-de-sacs, we cut down trees in the common ground that were threatening homeowners' property, and improved the front entrance (new shrubs, sign and fence repair). Just maintaining the drainage basin twice a year is very costly. It requires special equipment to do the job.

We had an ending balance in 2004 of \$11100.00. We are having terrible erosion problems with the drainage basin area causing huge holes to form and not allowing the water to reach the basin properly. We are anticipating that we will incur added expenses to resolve this problem. This problem was the main reason that we felt an increase was necessary in order to preserve a decent surplus. If you do the math, you can see that we seem to be slowly eating away at the surplus each year just to cover our general expenses.

Any questions, please feel free to call us.

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