

# Cottonwood Homeowner Association, Inc.

Board of Directors Meeting  
AGENDA – August 16, 2016  
Rosenberg Civic Center

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7:00 pm: Establish a Quorum (3 out of 5)

- I. Call to Order
- II. Treasury Report: June 30, 2016
- III. Old Business
  - a. Lighting for common areas
- IV. New Business
  - a. Reserve Study
  - b. Budget for 2017

V. Homeowner Forum

Homeowners may comment on agenda items, items of concern, and provide their input on a particular issue. Please stand and step forward when recognized and speak loudly and clearly for all to hear. The Board will listen and make note; no action will be taken during this meeting.

VI. Executive Session (To go over delinquency report and attorney report)

VII. Report Actions Taken during Executive Session

VIII. Adjournment

- a. Next Meeting Date

Board Members: Deborah Almazan, President  
Christine Johnson, Secretary

Neptali Sepulveda, Vice-President  
Kyle MacPherson, Treasurer  
James Bauernfeind, Director

PMG Management: Linda Le

# Financials

## Balance Sheet Report Cottonwood H.O.A.

As of June 30, 2016

	Balance Jun 30, 2016	Balance May 31, 2016	Change
<b>Assets</b>			
<b>Operating Funds</b>			
1000 - Pacific Premier Bank CK - 1655	114,885.43	131,197.59	(16,312.16)
1100 - Pacific Premier Bank MM - 1555	5,043.53	5,042.91	0.62
1650 - Due to / from Reserves	(3,537.00)	(2,947.00)	(590.00)
<b>Total Operating Funds</b>	<b>116,391.96</b>	<b>133,293.50</b>	<b>(16,901.54)</b>
<b>Reserve Funds</b>			
1651 - Due to / from Operating	3,537.00	2,947.00	590.00
<b>Total Reserve Funds</b>	<b>3,537.00</b>	<b>2,947.00</b>	<b>590.00</b>
<b>Accounts Receivable</b>			
1500 - Residential Assessments Receivable	44,653.61	49,222.55	(4,568.94)
<b>Total Accounts Receivable</b>	<b>44,653.61</b>	<b>49,222.55</b>	<b>(4,568.94)</b>
<b>Other Current Assets</b>			
1600 - Prepaid Insurance	8,232.29	8,781.09	(548.80)
1640 - Other Prepaid Expenses	0.00	43.69	(43.69)
<b>Total Other Current Assets</b>	<b>8,232.29</b>	<b>8,824.78</b>	<b>(592.49)</b>
<b>Total Assets</b>	<b>172,814.86</b>	<b>194,287.83</b>	<b>(21,472.97)</b>
<b>Liabilities</b>			
<b>Liabilities</b>			
2000 - Accounts Payable	0.00	9,878.69	(9,878.69)
2025 - Transfer Fee Payable	175.00	50.00	125.00
2036 - PMG Collections	6,813.93	7,808.93	(995.00)
2037 - Payment Plan Fees	1,040.00	1,140.00	(100.00)
2050 - Resident Refunds	0.00	425.47	(425.47)
2395 - Other Accrued Expenses	5,674.33	280.72	5,393.61
2550 - Prepaid Assessments	4,683.83	4,623.83	60.00

## Balance Sheet Report Cottonwood H.O.A.

As of June 30, 2016

	Balance Jun 30, 2016	Balance May 31, 2016	Change
<b><u>Liabilities</u></b>			
Liabilities			
2595 - Deferred Revenue	72,765.00	84,892.50	(12,127.50)
<b>Total Liabilities</b>	<b>91,152.09</b>	<b>109,100.14</b>	<b>(17,948.05)</b>
<b>Total Liabilities</b>	<b>91,152.09</b>	<b>109,100.14</b>	<b>(17,948.05)</b>
<b><u>Owners' Equity</u></b>			
Owners Equity - Prior Years	42,645.93	42,645.93	0.00
3000 - Operating Fund - Prior Year	42,645.93	42,645.93	0.00
<b>Total Owners Equity - Prior Years</b>	<b>42,645.93</b>	<b>42,645.93</b>	<b>0.00</b>
<b>Total Owners' Equity</b>	<b>42,645.93</b>	<b>42,645.93</b>	<b>0.00</b>
<b>Net Income / (Loss)</b>	<b>39,016.84</b>	<b>42,541.76</b>	<b>(3,524.92)</b>
<b>Total Liabilities and Equity</b>	<b>172,814.86</b>	<b>194,287.83</b>	<b>(21,472.97)</b>



# Income Statement Report

## Cottonwood H.O.A. Operating

June 01, 2016 thru June 30, 2016

	Current Period			Year to Date (6 months)			Annual Budget	Budget Remaining
	Actual	Budget	Variance	Actual	Budget	Variance		
<b>Income</b>								
4000 - Residential Assessments	13,687.47	11,165.00	2,522.47	89,889.22	66,990.00	22,899.22	133,980.00	44,090.78
4120 - Capitalization Fee	449.12	100.00	349.12	2,823.03	600.00	2,223.03	1,200.00	(1,623.03)
4250 - Pool Income	100.00	50.00	50.00	390.00	100.00	290.00	100.00	(290.00)
4710 - Late Fees & Interest	340.74	433.00	(92.26)	15,214.07	2,600.00	12,614.07	5,200.00	(10,014.07)
4720 - Legal Reimbursements	0.00	83.00	(83.00)	1,494.31	500.00	994.31	1,000.00	(494.31)
4810 - Compliance Fines	25.00	0.00	25.00	50.00	0.00	50.00	0.00	(50.00)
4900 - Interest Earned - Operating Accounts	0.62	0.00	0.62	3.76	0.00	3.76	0.00	(3.76)
<b>Total Income</b>	<b>14,602.95</b>	<b>11,831.00</b>	<b>2,771.95</b>	<b>109,864.39</b>	<b>70,790.00</b>	<b>39,074.39</b>	<b>141,480.00</b>	<b>31,615.61</b>
<b>Total Operating Income</b>	<b>14,602.95</b>	<b>11,831.00</b>	<b>2,771.95</b>	<b>109,864.39</b>	<b>70,790.00</b>	<b>39,074.39</b>	<b>141,480.00</b>	<b>31,615.61</b>
<b>Expense</b>								
<b>Administrative</b>								
5000 - General Administrative	164.27	37.00	127.27	262.94	225.00	37.94	450.00	187.06
5005 - Application/Processing	0.00	67.00	(67.00)	200.00	267.00	(67.00)	400.00	200.00
5010 - Bad Debt	294.35	108.00	186.35	694.98	650.00	44.98	1,300.00	605.02
5015 - Bank Charges	0.00	25.00	(25.00)	50.00	100.00	(50.00)	100.00	50.00
5025 - Billing/Collections	0.00	542.00	(542.00)	7,052.49	3,250.00	3,802.49	6,500.00	(552.49)
5030 - Coupon Costs	0.00	125.00	(125.00)	0.00	750.00	(750.00)	1,500.00	1,500.00
5075 - Meeting Room Rentals	0.00	0.00	0.00	0.00	0.00	0.00	180.00	180.00
5100 - Records Storage	280.83	28.00	252.83	473.08	163.00	310.08	325.00	(148.08)
5115 - Web Site Maintenance	0.00	60.00	(60.00)	0.00	360.00	(360.00)	720.00	720.00
5200 - Community Events	0.00	42.00	(42.00)	0.00	250.00	(250.00)	500.00	500.00
5210 - Copies	686.91	142.00	544.91	972.63	850.00	122.63	1,700.00	727.37
5215 - Postage	688.37	158.00	530.37	2,192.98	950.00	1,242.98	1,900.00	(292.98)
<b>Total Administrative</b>	<b>2,114.73</b>	<b>1,334.00</b>	<b>780.73</b>	<b>11,899.10</b>	<b>7,815.00</b>	<b>4,084.10</b>	<b>15,575.00</b>	<b>3,675.90</b>
<b>Insurance</b>								
5415 - D&O Insurance Premiums	164.42	160.00	4.42	972.82	958.00	14.82	1,916.00	943.18

# Income Statement Report Cottonwood H.O.A.

## Operating

June 01, 2016 thru June 30, 2016

Expense	Current Period			Year to Date (6 months)			Annual Budget	Budget Remaining
	Actual	Budget	Variance	Actual	Budget	Variance		
<b>Insurance</b>								
5460 - Property Insurance Premiums	293.66	339.00	(45.34)	1,730.96	2,030.00	(299.04)	4,059.00	2,328.04
5470 - Other Insurance Premiums	90.72	68.00	22.72	544.13	411.00	133.13	823.00	278.87
<b>Total Insurance</b>	<b>548.80</b>	<b>567.00</b>	<b>(18.20)</b>	<b>3,247.91</b>	<b>3,399.00</b>	<b>(151.09)</b>	<b>6,798.00</b>	<b>3,550.09</b>
<b>Utilities</b>								
6000 - Electric Service	(423.18)	475.00	(898.18)	4,944.61	2,850.00	2,094.61	5,700.00	755.39
6025 - Water Service	3,308.37	383.00	2,925.37	5,445.43	2,300.00	3,145.43	4,600.00	(845.43)
6050 - Telephone Service	52.66	53.00	(0.34)	316.09	318.00	(1.91)	636.00	319.91
<b>Total Utilities</b>	<b>2,937.85</b>	<b>911.00</b>	<b>2,026.85</b>	<b>10,706.13</b>	<b>5,468.00</b>	<b>5,238.13</b>	<b>10,936.00</b>	<b>229.87</b>
<b>Landscaping</b>								
6100 - Grounds & Landscaping - Contract	2,345.41	2,416.00	(70.59)	14,072.46	14,495.00	(422.54)	28,989.00	14,916.54
6110 - Landscape Replacement & Installation	0.00	0.00	0.00	0.00	1,600.00	(1,600.00)	3,200.00	3,200.00
6140 - Force Mow	0.00	60.00	(60.00)	0.00	180.00	(180.00)	300.00	300.00
6200 - Irrigation Repair & Maintenance	806.46	117.00	689.46	806.46	350.00	456.46	700.00	(106.46)
<b>Total Landscaping</b>	<b>3,151.87</b>	<b>2,593.00</b>	<b>558.87</b>	<b>14,878.92</b>	<b>16,625.00</b>	<b>(1,746.08)</b>	<b>33,189.00</b>	<b>18,310.08</b>
<b>Contracted Services</b>								
6438 - Pool Management	2,383.00	6,500.00	(4,117.00)	10,099.64	19,500.00	(9,400.36)	39,000.00	28,900.36
<b>Total Contracted Services</b>	<b>2,383.00</b>	<b>6,500.00</b>	<b>(4,117.00)</b>	<b>10,099.64</b>	<b>19,500.00</b>	<b>(9,400.36)</b>	<b>39,000.00</b>	<b>28,900.36</b>
<b>Repair &amp; Maintenance</b>								
6545 - Electrical Supplies/Repair & Maintenance	0.00	28.00	(28.00)	0.00	114.00	(114.00)	200.00	200.00
6560 - Fences & Gates Repair & Maintenance	0.00	167.00	(167.00)	0.00	500.00	(500.00)	1,000.00	1,000.00
6595 - Monument Repair & Maintenance	0.00	150.00	(150.00)	0.00	450.00	(450.00)	900.00	900.00
6600 - General Repair & Maintenance	4,927.25	528.00	4,399.25	5,636.61	2,114.00	3,522.61	3,700.00	(1,936.61)
6685 - Park Repair & Maintenance	468.24	500.00	(31.76)	468.24	2,000.00	(1,531.76)	4,000.00	3,531.76
6700 - Pool Supplies/Repair & Maintenance	333.42	437.00	(103.58)	926.64	1,750.00	(823.36)	3,500.00	2,573.36
6745 - Signage Repair & Maintenance	0.00	33.00	(33.00)	0.00	133.00	(133.00)	200.00	200.00
<b>Total Repair &amp; Maintenance</b>	<b>5,728.91</b>	<b>1,843.00</b>	<b>3,885.91</b>	<b>7,031.49</b>	<b>7,061.00</b>	<b>(29.51)</b>	<b>13,500.00</b>	<b>6,468.51</b>

*Powerwash*

*Need Invoice Vendor*

# Income Statement Report

## Cottonwood H.O.A.

### Operating

June 01, 2016 thru June 30, 2016

	Current Period			Year to Date (6 months)			Annual Budget	Budget Remaining
	Actual	Budget	Variance	Actual	Budget	Variance		
<b>Expense</b>								
<b>Professional Services</b>								
7000 - Audit & Tax Services	0.00	0.00	0.00	250.00	400.00	(150.00)	400.00	150.00
7020 - Legal Services	0.00	83.00	(83.00)	0.00	250.00	(250.00)	500.00	500.00
7025 - Legal Services - Collections	35.50	333.00	(297.50)	5,628.65	2,000.00	3,628.65	4,000.00	(1,628.65)
7040 - Management Fees	1,227.21	855.00	372.21	7,105.71	5,130.00	1,975.71	10,259.00	3,153.29
<b>Total Professional Services</b>	<b>1,262.71</b>	<b>1,271.00</b>	<b>(8.29)</b>	<b>12,984.36</b>	<b>7,780.00</b>	<b>5,204.36</b>	<b>15,159.00</b>	<b>2,174.64</b>
<b>Taxes</b>								
9015 - Property/Real Estate Tax	0.00	0.00	0.00	0.00	0.00	0.00	250.00	250.00
<b>Total Taxes</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>250.00</b>	<b>250.00</b>
<b>Other Expenses</b>								
9105 - Reserve Contribution Expense	590.00	590.00	0.00	3,537.00	3,537.00	0.00	7,073.00	3,536.00
<b>Total Other Expenses</b>	<b>590.00</b>	<b>590.00</b>	<b>0.00</b>	<b>3,537.00</b>	<b>3,537.00</b>	<b>0.00</b>	<b>7,073.00</b>	<b>3,536.00</b>
<b>Total Operating Expense</b>	<b>18,717.87</b>	<b>15,609.00</b>	<b>3,108.87</b>	<b>74,384.55</b>	<b>71,185.00</b>	<b>3,199.55</b>	<b>141,480.00</b>	<b>67,095.45</b>
<b>Total Operating Income / (Loss)</b>	<b>(4,114.92)</b>	<b>(3,778.00)</b>	<b>(336.92)</b>	<b>35,479.84</b>	<b>(395.00)</b>	<b>35,874.84</b>	<b>0.00</b>	<b>(35,479.84)</b>

# Income Statement Report Cottonwood H.O.A.

## Reserves

June 01, 2016 thru June 30, 2016

	Current Period			Year to Date (6 months)			Annual Budget	Budget Remaining
	Actual	Budget	Variance	Actual	Budget	Variance		
<u>Income</u>								
4905 - Reserve Contribution Income	590.00	590.00	0.00	3,537.00	3,537.00	0.00	7,073.00	3,536.00
Total Income	590.00	590.00	0.00	3,537.00	3,537.00	0.00	7,073.00	3,536.00
Total Reserves Income	590.00	590.00	0.00	3,537.00	3,537.00	0.00	7,073.00	3,536.00
Total Reserves Income / (Loss)	590.00	590.00	0.00	3,537.00	3,537.00	0.00	7,073.00	3,536.00
Total Association Net Income / (Loss)	(3,524.92)	(3,188.00)	(336.92)	39,016.84	3,142.00	35,874.84	7,073.00	(31,943.84)

# Old Business

**Linda Le**

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**From:** Sherrie Cruz  
**Sent:** Friday, May 13, 2016 1:02 PM  
**To:** Linda Le  
**Subject:** Cottonwood Lighting REVISED  
**Attachments:** Cottonwood Park Lighting Project Estimate 02.16.pdf

Linda,

Below is the breakdown. There isn't enough room on my Proposal System to itemize everything. I hope this helps.

**\*\*\*Park Lights - Hawthorne Pasture Rd & Cotton Gum Lane\*\*\***

1. Trench from the clubhouse to (4) pole light locations.
2. Furnish and install conduit and wire for (4) new lights.
3. Furnish and install (4) 12' pole lights in the park.(one near each bench, 2 in the front of the gazebo).
4. Furnish and install (1) photocell to control the lights.

**Contract Work \$21,988.42**

**\*\*\*Park Lights - Wild Cotton Rd & Cotton Gum Ln\*\*\***

1. Coordinate with the resident of 535 Wild Cotton for access in their back yard.
2. Trench from the transformer at 535 to new electrical service location.
3. Trench from new service location to the right and left of the circle.
4. Furnish and install (1) 100A meter can & (1) 100A N3 Panel.
5. Furnish and install conduit and wire for (2) new pole lights.
6. Furnish and install (2) 12' Pole lights (one to the left of the circle and the other to the right)
7. Furnish and install (1) photocell to control the lights.

**Contract Work \$13,681.05**

*Tally numbers on website  
Budget 20k*

**\*\*\*Park Lights - Wild Cotton & Desert Willow\*\*\***

1. Trench from service location to (4) pole light locations.
2. Furnish and install conduit and wire for (4) new lights.
3. Furnish and install (4) 12' pole lights in the park.(one in each corner of the park).
4. Furnish and install (1) photocell to control the lights.

**Contract Work \$26,423.16**

**APPLICABLE SALES TAX**

**\$5122.64**

**TOTAL: \$67,215.27**

**Sherrie Cruz**  
Maintenance Service Coordinator



## Project Proposal

May 13, 2016

Cottonwood  
c/o Principal Management Group of Houston  
11000 Corporate Centre Dr. Ste #150  
Houston, TX 77041  
ATTN: Sonia LeCompte

Proposal For: Install park lighting in all three parks.

### Original Work Requested:

*Please supply a quote to install lighting in all the parks.*

### Solution Proposed:

*\*Park Lights - Hawthorne Pasture Rd & Cotton Gum Lane\* 1. Trench from the clubhouse to (4) pole light locations. 2. Furnish and install conduit and wire for (4) new lights. 3. Furnish and install (4) 12' pole lights in the park.(one near each bench, 2 in the front of the gazebo). 4. Furnish and install (1) photocell to control the lights. \*Park Lights - Wild Cotton Rd & Cotton Gum Ln\* 1. Coordinate with the resident of 535 Wild Cotton for access in their back yard. 2. Trench from the transformer at 535 to new electrical service location. 3. Trench from new service location to the right and left of the circle. 4. Furnish and install (1) 100A meter can & (1) 100A N3 Panel. 5. Furnish and install conduit and wire for (2) new pole lights. 6. Furnish and install (2) 12' Pole lights (one to the left of the circle and the other to the right) 7. Furnish and install (1) photocell to control the lights. \*Park Lights - Wild Cotton & Desert Willow\* 1. Trench from service location to (4) pole light locations. 2. Furnish and install conduit and wire for (4) new lights. 3. Furnish and install (4) 12' pole lights in the park.(one in each corner of the park). 4. Furnish and install (1) photocell to control the lights. PLEASE NOTE: All lights to be LED dual headed fixtures.*

### Payment Terms

*Payment is due upon completion at the time of service. Sales Tax NOT included in price quote.*

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Total Price	\$ 67,215.00
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We look forward to the opportunity of providing services in your community. Please do not hesitate to contact us with any questions or concerns.

Sincerely,

Daniel Platz  
Estimator  
Associa OnCall  
713.447.0027

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102185 Georgibelle Dr. Ste. #700, Houston, TX 77043 - p 713.329.7124 f 713.329.7198

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[www.associaoncall.com](http://www.associaoncall.com) - [pmgmaintenance@pmghouston.com](mailto:pmgmaintenance@pmghouston.com)

Initial: \_\_\_\_\_ / \_\_\_\_\_



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## Terms & Conditions

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1. LICENSING: Contractor is duly licensed under the law and statutes of the State of .  
0
  
2. Exclusions & Qualifications: A reasonable allowance on all dimensions shall be allowed. Site will be received free of debris and ready to commence work. This contract provides for no import, export or movement of soil unless indicated here:  
N/A
  
3. TIME LIMIT: This proposal is valid for 60 days from the date herein above written. At which time the contractor reserves the right to resubmit an updated proposal to the client based on current market pricing and conditions.
  
4. ADDITIONAL WORK: Should Client or his agents direct or request additional work outside the scope of the attached plans and specifications, then Contractor shall perform that work and the cost of the additional work shall be added to the contract price in accordance with a signed change order and paid by the Client as agreed. Contractor shall be reimbursed for any unusual or unknown conditions such as rock and high water table, etc.
  
5. RIGHT TO STOP WORK: Contractor shall have the right to stop work if any payment shall not be made to him under this agreement. Such action by Contractor shall not, in any manner, be deemed a breach of this contract by Contractor.
  
6. DELAYS: Contractor shall be excused for any delays or defaults by him in the performance of this agreement caused by acts of the Client or Client's agents, acts of any governmental authority, acts of God, the elements, war conditions, commercial shortages of required labor or materials, litigation, labor disputes, extra work, failure of the Client to make payments when due promptly, or other contingencies unforeseeable by or beyond the control of the Contractor.
  
7. CONTRACTOR RESPONSIBILITIES:
  - a. LIENS: Contractor will be responsible for discharging all liens filed as a result of the work, providing the Contractor has been paid in full.
  - b. CONTRACTOR LIABILITY: Contractor assumes full responsibility for any payments to his employees and agents and subcontractors and subcontractors' employees and agents when acting under Contractors directions, so long as Contractor has been paid in full.
  - c. PERMITS: Contractor will NOT apply and pay for all construction permits as necessary unless itemized in an addendum.
  - d. WORKERS COMPENSATION AND LIABILITY INSURANCE: Contractor shall provide and maintain during the continuance of this agreement, a policy of workers' compensation and liability insurance for the protection of his employees and Client's property.
  
8. AGREEMENT, SPECIFICATIONS & PLANS: This agreement, the plans for the project, and the specifications for the project, are intended to supplement each other so that any work mentioned in one such instrument but not the others, shall be performed in the same manner as if mentioned in all such instruments. If a conflict arises between such instruments, the specifications shall control the plans and this agreement shall control both the plans and specifications.
  
9. PRIOR AGREEMENTS: This instrument constitutes the sole and only agreement of the parties hereto relating to the project and correctly sets forth the rights, duties and obligations of each to the other, as of this date. Any prior agreements, promises, negotiation, or representations not expressly set forth in this agreement are of no force and effect.





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## Terms & Conditions (Continued)

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- e. **MAINTENANCE RESPONSIBILITIES:** Unless specifically included in the scope of work, Client and not Contractor, is responsible for any existing conditions. In the event that any existing conditions are "illegal" or not in conformity with existing building code requirements, and Contractor is required by either Client, or anyone else, to repair, or bring those conditions up to code will be treated as additional work and so charged.
- 17. **ASBESTOS, TOXIC MATERIAL AND HAZARDOUS WASTE:** Unless the contract specifically calls for the removal, disturbance or transportation of asbestos, toxic material, or other hazardous substances, the parties acknowledge that such work requires special procedures, precautions, and/or licenses. Therefore, unless the contract specifically calls for same, if Contractor encounters such substances, Contractor shall immediately stop work and allow the Client to obtain a duly qualified asbestos and/or hazardous material Contractor to perform the work or do the work himself at Contractor's option. Said work will be treated as an extra under this contract.
- 18. **VALIDITY AND DAMAGES:** In case one or more of the provisions of this Agreement or any application thereof shall be invalid, unenforceable or illegal, the validity, enforceability and legality of the remaining provisions and any other application shall not in any way be impaired thereby any damages for which Contractor may be liable to Client shall not, in any event, exceed the cash price of this contract.
- 19. **CHOICE OF LAW:** This Agreement shall be construed in accordance with the laws of the state in which the Property is located.

**Attachments of other documents hereby made part of this agreement:**

Terms & Conditions  
 Plans  
 Other

Additional Scope of Work  
 Additional Specs  
 N/A

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By signing below, Customer and Contractor each acknowledges that it has read and understands the above and attached terms and conditions and that it accepts and agrees to be bound by such. IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first hereinabove written.

BY: \_\_\_\_\_  
For:PMG Houston Maintenance

BY: \_\_\_\_\_  
For:Cottonwood

102185 Georgibelle Dr. Ste. #700, Houston, TX 77043 - p 713.329.7124 f 713.329.7198

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Initial: \_\_\_\_\_ / \_\_\_\_\_

# New Business

2016 Draft Budget - No Increase

	2016 Operating Budget	2016 Jan - June Actuals	2016 July - Dec. Projected	2016 2016 Yearly Projected	2017 Proposed Budget	Budget with no Increase
<b>INCOME</b>						
Resident Assessment 436 @385.00	133,980	89,889	66,990	156,879	167,860	
Prorated Closing	0	0	0	0	0	
Capitalization Fee	1,200	2,823	600	3,423	600	
Pool Income	100	390	0	390	200	Purchase additional pool tags
Late Fees & Interest	5,200	15,214	2,600	17,814	5,200	
Legal Reimbursements	1,000	1,494	500	1,994	1,500	
Compliance Fines	0	50	0	50	0	Fines for Deed Restriction Violation
Interest Earned - Operating	0	4	4	8	8	
Force Mows	0	0	50	50	50	
<b>TOTAL</b>	<b>141,480</b>	<b>109,864</b>	<b>70,744</b>	<b>180,558</b>	<b>175,418</b>	
<b>ADMINISTRATIVE</b>						
General Admin	450	263	226	489	500	
Application/Processing	400	200	150	350	350	Increase to reflect postage 2016 Budget
Bad Debt	1,300	695	653	1,348	1,300	ACC application
Bank Charges	100	50	50	100	100	Varies by year
Billing/Collections	6,500	7,052	3,000	10,052	6,500	No change
Community Events	500	0	0	0	500	Varies by year
Coupon Cost	1,500	0	0	0	1,500	Contingency for National Night Out
Meeting Room Rental	180	0	60	60	180	Usually billed in December
Records Storage	325	473	190	663	240	Cost at Rosenberg Civic Center
Office Supply	0	0	0	0	600	Reduce amount and create a ledger with office supplies
Website Maintenance	0	0	420	420	0	Office supplies line item created to reflect the charge
Copies	1,700	973	845	1,818	1,700	Cottonwood no longer have a website
Postage	1,900	2,193	963	3,156	3,000	Increase to reflect postage for collection letters.
<b>Sub-total</b>	<b>14,855</b>	<b>11,899</b>	<b>6,557</b>	<b>18,456</b>	<b>17,190</b>	Increase to reflect postage for collection letters.
<b>INSURANCE</b>						
D & O Insurance	1,916	973	871	1,844	1,935	
Property Insurance	4,059	1,731	1,845	3,576	3,903	Line items are changed to reflect the charge. Total
Other Insurance Premiums	823	544	374	918	960	insurance budget did not change.
<b>Sub-total</b>	<b>6,798</b>	<b>3,248</b>	<b>3,090</b>	<b>6,338</b>	<b>6,798</b>	
<b>UTILITIES</b>						
Operating Budget	2016	2016	2016	2016	2017	
Electric Service	5,700	4,945	3,000	7,945	8,000	
Water Service	4,600	5,445	2,800	8,245	8,000	
Telephone Service	636	316	559	875	1,205	Added King's Ill emergency monitoring service
<b>Sub-total</b>	<b>10,936</b>	<b>10,706</b>	<b>6,359</b>	<b>17,065</b>	<b>17,205</b>	

x4 Busby  
x1 Annally

**2016 Draft Budget - No Increase**

	2017 Operating Budget	2016 Jan - June Actuals	2016 July - Dec. Projected	2016 Yearly Projected	2017 Proposed Budget	Description
<b>LANDSCAPING</b>						
Grounds & Landscaping - Contract	28,989	14,072	14,643	28,715	28,989	No change
Landscape Replacement	3,200	0	0	0	3,200	No change
Force Mow	300	0	300	300	300	No change
Irrigation Repair & Maintenance	700	806	500	1,306	1,500	Irrigation repair to reflect expenses in 2016
Other Landscaping	0	0	0	0	0	
<b>Sub-total</b>	<b>33,189</b>	<b>14,879</b>	<b>15,443</b>	<b>30,322</b>	<b>33,989</b>	
<b>CONTRACTED SERVICES</b>						
Pool Management	39,000	10,100	10,000	20,100	38,000	According to Swim Houston Contract
<b>Sub-total</b>	<b>39,000</b>	<b>10,100</b>	<b>10,000</b>	<b>20,100</b>	<b>38,000</b>	
<b>REPAIR &amp; MAINTENANCE</b>						
Electrical & Supplies/Repairs	200	0	100	100	200	Item has not been used. Add amount to general repairs
Fence Repair/Maintenance	1,000	0	0	0	1,000	
Monument Repairs	900	0	500	500	0	Added Monument Repairs budget to general repairs
General Repair /Maintenance	3,700	5,637	2,000	7,637	4,600	Reduce amount, minimal work has been done previously
Park Repair & Maint.	4,000	468	0	468	2,000	Reduce amount, minimal work has been done previously
Pool Supplies/ Repair/Maint.	3,500	927	6,000	6,927	2,500	Reduce amount, minimal work has been done previously
Signage Repair/ Maint.	200	0	200	200	200	No change, contingency
<b>Sub-total</b>	<b>13,500</b>	<b>7,031</b>	<b>8,800</b>	<b>15,831</b>	<b>10,500</b>	
<b>Professional Services</b>						
Audit & Taxes Service	400	250	0	250	400	No change
Legal Service	500	0	0	0	500	No change
Legal Service - Collections	4,000	5,629	2,000	7,629	4,000	Varies by year.
Management Fees	10,259	7,106	4,980	12,086	14,941	Management cost with all lots counted. No increase
<b>Sub-total</b>	<b>15,159</b>	<b>12,984</b>	<b>6,980</b>	<b>19,964</b>	<b>19,841</b>	
<b>TAXES</b>						
Operating Budget	250	Actuals	2016 July - Dec. Projected	2016 Yearly Projected	2017 Proposed Budget	Description
Property/ Real Estate Tax	250	0	250	250	250	Property & MUD Tax
<b>Sub-total</b>	<b>250</b>	<b>0</b>	<b>250</b>	<b>250</b>	<b>250</b>	
<b>Reserve Expense</b>						
Operating Budget	7,073	2016 Jan - June Actuals	2016 July - Dec. Projected	2016 Yearly Projected	2017 Proposed Budget	Description
Repair & Replacement Expenses	7,073	3,537	0	3,537	28,764	Recommended amount per reserve study
<b>Sub-total</b>	<b>7,073</b>	<b>3,537</b>	<b>23,260</b>	<b>3,537</b>	<b>28,764</b>	

2016 Draft Budget - No Increase

	<b>TOTAL</b>	<b>140,760</b>	<b>74,385</b>	<b>80,739</b>	<b>131,863</b>	<b>172,537</b>
Cash flow (+/-)	720	35,480	-9,995	48,695	2,881	

2016 Draft Budget with 4% Increase

	2016 Operating Budget	2016 Jan - June Actuals	2016 July - Dec. Projected	2016 Yearly Projected	2017 Proposed Budget	Description
<b>INCOME</b>						
Resident Assessment 436@400.00	133,980	89,889	66,990	156,879	174,400	Budget with a 4% increase
Priorated Charging	0	0	0	0	0	
Capitalization Fee	1,200	2,823	600	3,423	600	
Pool Income	100	390	0	390	200	
Late Fees & Interest	5,200	15,214	2,600	17,814	5,200	
Legal Reimbursements	1,000	1,494	500	1,994	1,500	
Compliance Fines	0	50	0	0	0	
Interest Earned- Operating	0	4	4	8	8	
Force Mows	0	0	50	50	50	
<b>TOTAL</b>	<b>141,480</b>	<b>109,864</b>	<b>70,744</b>	<b>180,558</b>	<b>181,958</b>	
<b>ADMINISTRATIVE</b>						
General Admin	450	263	226	489	500	Increase to reflect postage 2016 Budget
Application/Processing	400	200	150	350	350	ACC application
Bad Debt	1,300	695	653	1,348	1,300	Varies by year
Bank Charges	100	50	50	100	100	No change
Billing/ Collections	6,500	7,052	3,000	10,052	6,500	Varies by year
Community Events	500	0	0	0	500	Contingency for National Night Out
Coupon Cost	1,500	0	0	0	1,500	Usually billed in December
Meeting Room Rental	180	0	60	60	180	Cost at Rosenberg Civic Center
Records Storage	325	473	190	663	240	Reduce amount and create a ledger with office supplies
Office Supply	0	0	0	0	600	Office supplies line item created to reflect the charge
Website Maintenance	0	0	420	420	720	Cottonwood no longer have a website
Copies	1,700	973	845	1,818	1,700	Increase to reflect postage for collection letters.
Postage	1,900	2,193	963	3,156	3,000	Increase to reflect postage for collection letters.
<b>Sub-total</b>	<b>14,855</b>	<b>11,899</b>	<b>6,557</b>	<b>18,456</b>	<b>17,190</b>	
<b>INSURANCE</b>						
D & O Insurance	1,916	973	871	1,844	1,935	
Property Insurance	4,059	1,731	1,845	3,576	3,903	Line items are changed to reflect the charge. Total
Other Insurance Premiums	823	544	374	918	960	insurance budget did not change.
<b>Sub-total</b>	<b>6,798</b>	<b>3,248</b>	<b>3,090</b>	<b>6,338</b>	<b>6,798</b>	
<b>UTILITIES</b>						
Electric Service	5,700	4,945	3,000	7,945	8,000	Increase to reflect budget
Water Service	4,600	5,445	2,800	8,245	8,000	Increase to reflect budget
Telephone Service	636	316	559	875	1,205	Added King's III emergency monitoring service
<b>Sub-total</b>	<b>10,936</b>	<b>10,706</b>	<b>6,359</b>	<b>17,065</b>	<b>17,205</b>	



2017

2016 Draft Budget with 4% Increase

	2017 Operating Budget	2016 Actuals June	2016 Jan - June	2016 July - Dec. Projected	2016 Yearly Projected	2017 Proposed Budget	Description
<b>LANDSCAPING</b>							
Grounds & Landscaping - Contract	28,989	14,072	14,643	28,715	28,989	No change	
Landscaping Replacement	3,200	0	0	0	3,200	No change	
Force Mow	300	0	300	300	300	No change	
Irrigation Repair & Maintenance	700	806	500	1,306	1,500	Irrigation repair to reflect expenses in 2016	
Other Landscaping	0	0	0	0	0		
<b>Sub-total</b>	<b>33,189</b>	<b>14,879</b>	<b>15,443</b>	<b>30,322</b>	<b>33,989</b>		
<b>CONTRACTED SERVICES</b>							
Pool Management	39,000	10,100	10,000	20,100	20,100	38,000	According to Swim Houston Contract
<b>Sub-total</b>	<b>39,000</b>	<b>10,100</b>	<b>10,000</b>	<b>20,100</b>	<b>20,100</b>	<b>38,000</b>	
<b>REPAIR &amp; MAINTENANCE</b>							
Electrical & Supplies/Repairs	200	0	100	100	100	7,200	Add \$7,000 worth of light fixture
Fence Repair/Maintenance	1,000	0	0	0	0	1,000	0 item has not been used. Add amount to general repairs
Monument Repairs	900	0	500	500	500	4,600	Added Monument Repairs budget to general repairs
General Repair/Maintenance	3,700	5,637	2,000	7,637	7,637	2,000	Reduce amount, minimal work has been done previously
Park Repair & Maint	4,000	468	0	468	468	2,500	Reduce amount, minimal work has been done previously
Pool Supplies/ Repair/Maint.	3,500	927	6,000	6,927	200	200	No change, contingency
Signage Repair/ Maint	200	0	200	200	200	17,500	
<b>Sub-total</b>	<b>13,500</b>	<b>7,031</b>	<b>8,800</b>	<b>15,831</b>	<b>17,500</b>		
<b>Professional Services</b>							
Audit & Taxes Service	400	250	0	0	250	400	No change
Legal Service	500	0	0	0	0	500	No change
Legal Service - Collections	4,000	5,629	2,000	7,629	7,629	4,000	Varies by year.
Management Fees	10,259	7,106	4,980	12,086	12,086	14,941	Management cost with all lots counted. No increase
<b>Sub-total</b>	<b>15,159</b>	<b>12,984</b>	<b>6,980</b>	<b>19,964</b>	<b>19,964</b>	<b>19,841</b>	
<b>TAXES</b>							
Property/ Real Estate Tax	250	0	250	250	250	250	Property & MUD Tax
<b>Sub-total</b>	<b>250</b>	<b>0</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	
<b>Reserve Expense</b>							
Repair & Replacement Expenses	7,073	3,537	0	3,537	3,537	28,764	Recommended amount per reserve study
<b>Sub-total</b>	<b>7,073</b>	<b>3,537</b>	<b>23,260</b>	<b>3,537</b>	<b>3,537</b>	<b>28,764</b>	
<b>Cashflow (+/-)</b>							
<b>TOTAL</b>	<b>140,760</b>	<b>74,385</b>	<b>80,739</b>	<b>131,863</b>	<b>179,537</b>	<b>2,421</b>	
	720	35,480	-9,995	48,695			

Delinquency



## Delinquency Summary Report - 30 Days

### Cottonwood H.O.A.

As of: Tue Aug 16, 2016

Account Id	Name	Address	Delinq Date	31-60 day	61-90 day	91-120 day	120+ day	Total Balance
<b>Payment Plan</b>								
00403-4661			03/23/2016	21.52	3.65	5.49	124.12	154.78
00391-6829			06/01/2016	26.93	26.93	91.88	458.25	603.99
00398-7803			06/17/2016	7.36	151.55	64.95	219.47	443.33
00402-2725			06/17/2016	23.35	0.00	64.95	158.47	246.77
00292-1909			06/17/2016	7.50	151.55	64.95	125.45	349.45
			<b>Total Payment Plan:</b>	<b>86.66</b>	<b>333.68</b>	<b>292.22</b>	<b>1,085.76</b>	<b>1,798.32</b>
<b>Payment Plan - Management</b>								
00312-1096			07/09/2015	20.08	20.83	20.83	1,658.30	1,720.04
			<b>Total Payment Plan - Management:</b>	<b>20.08</b>	<b>20.83</b>	<b>20.83</b>	<b>1,658.30</b>	<b>1,720.04</b>
<b>Past Due</b>								
00386-6856			06/01/2016	30.05	181.60	112.73	517.72	842.10
00335-0317			07/14/2016	92.73	6.80	46.80	517.72	664.05
			<b>Total Past Due:</b>	<b>122.78</b>	<b>188.40</b>	<b>159.53</b>	<b>1,035.44</b>	<b>1,506.15</b>
<b>209/30 Day Cert Ltr</b>								
00413-1849			08/16/2016	207.79	0.00	0.00	0.00	207.79
			<b>Total 209/30 Day Cert Ltr:</b>	<b>207.79</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>207.79</b>
<b>Title Search</b>								
00271-8400			08/16/2016	26.94	15.73	6.80	558.72	608.19
			<b>Total Title Search:</b>	<b>26.94</b>	<b>15.73</b>	<b>6.80</b>	<b>558.72</b>	<b>608.19</b>
<b>Attorney - Collection</b>								
00389-3256			06/16/2016	30.05	206.60	112.73	517.72	867.10
00269-7712			04/27/2015	51.52	51.52	51.52	2,848.45	3,003.01
00300-6784			05/20/2016	34.88	59.88	119.83	1,259.51	1,474.10
00304-4144			05/20/2016	27.78	52.78	112.73	518.66	711.95
00233-9973			06/16/2016	30.05	206.60	112.73	517.72	867.10
00245-4502			06/30/2016	65.89	2,528.84	0.00	0.00	2,594.73
00316-6268			06/16/2016	30.05	206.60	112.73	517.72	867.10
00339-1790			06/16/2016	30.05	206.60	112.73	517.72	867.10
00403-9242			06/16/2016	30.05	206.60	112.73	517.72	867.10
00206-1717			08/26/2014	47.43	47.43	67.43	2,810.76	2,973.05

**Delinquency Summary Report - 30 Days**  
**Cottonwood H.O.A.**  
 As of: Tue Aug 16, 2016

Account Id	Name	Address	Delinq Date	31-60 day	61-90 day	91-120 day	120+ day	Total Balance
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Attorney - Collection								
00334-9755			06/16/2016	30.05	206.60	112.73	517.72	867.10
00214-7233			06/18/2014	43.78	49.03	53.68	5,349.56	5,496.05
00199-4212			06/16/2016	30.05	206.60	112.73	517.72	867.10
00335-0304			06/16/2016	30.76	207.31	113.44	685.08	1,036.59
<b>Total Attorney - Collection:</b>				<b>512.39</b>	<b>4,442.99</b>	<b>1,307.74</b>	<b>17,096.06</b>	<b>23,359.18</b>

<del>Attorney - Paid In Full Pending Invoices</del>								
00385-6918			02/12/2016	0.90	0.90	0.90	161.74	164.44
00323-0217			07/25/2016	10.05	0.00	0.00	0.00	10.05
00308-6173			02/25/2016	0.00	0.00	0.00	38.58	38.58
00218-1066			08/24/2015	0.00	0.00	0.00	30.06	30.06
<b>Total Attorney - Paid In Full Pending Invoices:</b>				<b>10.95</b>	<b>0.90</b>	<b>0.90</b>	<b>230.38</b>	<b>243.13</b>

Bankruptcy								
00283-2881			12/29/2015	0.00	0.00	0.00	1,174.83	1,174.83
<b>Total Bankruptcy:</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,174.83</b>	<b>1,174.83</b>

Pre-Bankruptcy								
00213-0596			04/07/2016	0.00	0.00	0.00	6,089.16	6,089.16
00218-1118			12/03/2013	0.00	0.00	0.00	410.60	410.60
<b>Total Pre-Bankruptcy:</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6,499.76</b>	<b>6,499.76</b>

Small Balance								
00294-7750			07/14/2016	1.63	1.63	1.63	108.47	113.36
00394-3876			07/14/2016	1.63	1.63	1.63	127.55	132.44
00320-0001			07/14/2016	1.63	1.63	1.63	127.55	132.44
00400-8011			07/14/2016	1.45	1.45	1.45	115.83	120.18
<b>Total Small Balance:</b>				<b>6.34</b>	<b>6.34</b>	<b>6.34</b>	<b>479.40</b>	<b>498.42</b>

Current								
00370-3566			03/21/2016	0.43	0.43	0.43	41.33	42.62
00377-4456			07/23/2014	0.00	0.00	0.00	5.77	5.77
00370-3579			05/16/2014	0.00	0.00	0.00	5.77	5.77
00341-3898			04/18/2016	0.00	0.00	0.00	6.80	6.80
00391-4339			03/17/2015	0.00	0.00	0.00	5.77	5.77

### Delinquency Summary Report - 30 Days

Cottonwood H.O.A.

As of: Tue Aug 16, 2016

*Approved + 126 day  
 - \$1500*

Account Id	Name	Address	Delinq Date	31-60 day	61-90 day	91-120 day	120+ day	Total Balance
<b>Current</b>								
00384-9585			11/12/2014	0.00	0.00	0.00	5.77	5.77
00334-6198			08/26/2014	0.00	0.00	0.00	5.77	5.77
00206-1571			01/07/2016	0.00	0.00	0.00	2.61	2.61
00196-2765			06/19/2013	0.00	0.00	0.00	5.77	5.77
00283-2991			05/12/2008	0.00	0.00	0.00	5.77	5.77
00321-3315			02/03/2012	0.00	0.00	0.00	5.77	5.77
00283-5972			04/18/2016	0.00	0.00	0.00	6.80	6.80
00398-8349			08/03/2015	0.00	0.00	0.00	0.38	0.38
00332-3166			02/27/2013	0.00	0.00	0.00	5.77	5.77
00279-8695			03/03/2008	0.00	0.00	0.00	5.77	5.77
00322-7262			11/11/2013	0.00	0.00	0.00	5.77	5.77
00323-5911			04/18/2016	1.02	1.02	1.02	86.47	89.53
00398-5368			04/18/2016	1.02	1.02	1.02	92.25	95.31
00277-2491			03/17/2015	0.00	0.00	0.00	5.77	5.77
00279-8815			03/21/2016	0.51	0.51	0.51	46.49	48.02
00318-1311			03/19/2013	0.00	0.00	0.00	5.77	5.77
00341-3115			10/28/2013	0.00	0.00	0.00	5.77	5.77
00288-1832			05/17/2016	1.01	1.01	65.96	26.80	94.78
00296-2159			07/02/2009	0.00	0.00	0.00	5.77	5.77
00303-9874			03/17/2015	0.00	0.00	0.00	5.77	5.77
00283-5846			04/10/2012	0.00	0.00	0.00	5.77	5.77
00227-8966			07/17/2006	0.00	0.00	0.00	5.77	5.77
00222-3377			05/04/2012	0.00	0.00	0.00	5.77	5.77
00231-9935			03/21/2016	0.43	0.43	0.43	41.33	42.62
00412-9592			06/29/2016	5.00	0.00	0.00	0.00	5.00
00317-7383			04/18/2016	0.00	0.00	0.00	6.80	6.80
00328-4687			09/06/2012	0.00	0.00	0.00	5.77	5.77
00327-0086			03/19/2013	0.00	0.00	0.00	5.77	5.77
00206-1759			03/18/2011	0.00	0.00	0.00	5.77	5.77
00213-0583			04/10/2012	0.00	0.00	0.00	5.77	5.77
00218-1079			04/10/2012	0.00	0.00	0.00	5.77	5.77
00398-4440			07/24/2015	0.00	0.00	0.00	5.77	5.77
00218-1095			10/15/2014	0.00	0.00	0.00	5.77	5.77
00316-6349			06/02/2011	0.00	0.00	0.00	5.77	5.77

**Delinquency Summary Report - 30 Days**  
**Cottonwood H.O.A.**  
 As of: Tue Aug 16, 2016

Account Id	Name	Address	Delinq Date	31-60 day	61-90 day	91-120 day	120+ day	Total Balance
<b>Current</b>								
00313-9253			03/21/2016	0.43	0.43	0.43	41.33	42.62
00328-4700			03/21/2016	0.00	0.00	0.00	5.88	5.88
00316-9016			03/17/2015	0.00	0.00	0.00	11.54	11.54
00400-5098			09/17/2015	0.00	0.00	5.77	0.00	5.77
00400-4044			09/17/2015	0.00	0.00	0.00	5.77	5.77
00350-3504			08/26/2014	1.04	1.04	1.04	93.34	96.46
00329-8576			11/02/2012	0.00	0.00	0.00	5.77	5.77
00341-2886			09/26/2013	0.00	0.00	0.00	5.77	5.77
00335-9282			06/16/2015	0.00	0.00	0.00	5.77	5.77
00335-0320			06/11/2013	0.00	0.00	5.77	0.00	5.77
00398-9636			03/21/2016	0.00	0.00	0.00	5.91	5.91
00404-6837			03/21/2016	0.00	0.00	0.00	5.91	5.91
00220-8211			03/21/2016	0.00	0.00	0.00	5.91	5.91
00294-4083			05/11/2011	0.00	0.00	0.00	1.27	1.27
00297-1933			03/21/2016	0.00	0.00	0.00	28.93	28.93
00370-3537			03/17/2015	0.00	0.00	0.00	5.77	5.77
00328-9404			03/17/2015	0.00	25.00	0.00	5.77	30.77
<b>Total Current:</b>				<b>10.89</b>	<b>30.89</b>	<b>82.38</b>	<b>748.49</b>	<b>872.65</b>
<b>Settled Account</b>								
00377-4579			10/16/2015	0.00	0.00	0.00	240.00	240.00
<b>Total Settled Account:</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>240.00</b>	<b>240.00</b>
<b>CAM Hold</b>								
00367-2626			05/03/2016	0.00	0.00	84.95	517.72	602.67
00399-6917			04/29/2016	0.00	0.00	64.95	195.05	260.00
00220-8253			05/11/2016	0.00	0.00	64.95	85.05	150.00
<b>Total CAM Hold:</b>				<b>0.00</b>	<b>0.00</b>	<b>214.85</b>	<b>797.82</b>	<b>1,012.67</b>
<b>Total Association:</b>				<b>1,004.82</b>	<b>5,039.76</b>	<b>2,091.59</b>	<b>31,604.96</b>	<b>39,741.13</b>