

QUAIL CROSSING HOMEOWNERS ASSOCIATION, INC.

NOTICE

**ANNUAL/BUDGET RATIFICATION MEETING
WEDNESDAY, NOVEMBER 19, 2008
7:00 PM – 8:30 PM
FIRE STATION #3 on PACE STREET**

As an incentive for homeowners to attend the Annual/Budget Ratification Meeting, which is scheduled to be held November 19th 2008 at 7:00pm at Fire Station #3 on Pace Street, a raffle will be held for those who attend or submit a valid proxy prior to the meeting.

1st PRIZE-THE PAYMENT OF YOUR HOA DUES FOR ONE QUARTER

Other prizes include gift certificates to Lowe’s, certificates to local restaurants, and a spring fertilization application.

Complete the proxy below and send it in to be included in the raffle drawing.

If you are unable to attend the Annual/Budget Ratification Meeting, please complete the following proxy and give it to the person you are authorizing to vote for you. You must designate a specific person and not leave the space blank or open-ended. The person you designate must be at the meeting in order for your vote to be cast. If you wish, you may designate the following Board Members to cast your vote: **Nathan Smith, Patrick Hughes, or Sara Kerlee**. The proxy must be signed and dated. Only those homeowners who are current in their assessments will be allowed to vote. **The Annual Meeting can only take place if a quorum (96 homes) is obtained, so please attend or send your proxy in. VALID PROXIES RECEIVED BY 11/15/09 WILL BE ENTERED INTO THE RAFFLE DRAWING.**

PLEASE DETACH AND RETURN TO FOSTER MANAGEMENT

**Quail Crossing HOA
C/O Foster Management
PO Box 6125
Longmont, CO 80501
PH:(303) 532-4148 FAX:(888) 697-8805**

I hereby authorize N. Smith, P. Hughes, or S. Kerlee as a Board Member or _____ to cast ballots and/or vote on my behalf at the 2008 Annual / Budget Ratification Meeting of Quail Crossing HOA. This proxy and appointment includes the right of the proxy to substitute a successor proxy and the right of the proxy to vote at all ad-journed meetings of the Annual/Budget Ratification Meeting as presently scheduled.

Unit Owner Name

Unit Owner Signature

Unit Address

Date

NOTE: THIS PROXY MUST BE SIGNED IN ORDER TO BE VALID

If you cannot attend this meeting and would like to have another represent your vote, please insert the name of the attending Homeowner or Board member you would like to represent your interests. Please mail or fax your completed proxy to the address listed above no later than 11/15/08.

NOTES TO 2009 Proposed Budget for Quail Crossing Residential Association

Uses of Reserves

Categories and Budgets

From Reserve Analysis

Landscape Replacement

\$5000 for 10 trees throughout community

Contingency/Miscellaneous

1% of budgeted costs from Reserve Analysis

Sources of Operating Cash

Beginning Balance

Amount is carried forward from previous year.

Association Dues

Revenue based on 381 homes paying dues on a quarterly basis. Receipt of 100% of dues.

Late Fee Income

Not Budgeted - Assume all payments received in time on a monthly basis.

Lien Fee Income

Not Budgeted - Cost of lien initially paid by association, but billed back to Homeowner (offsets corresponding expense)

Legal Fee Income

Not Budgeted - Cost of legal initially paid by association, but billed back to Homeowner (offsets corresponding expense)

Fine Income

Not Budgeted - Assume no fines will be assessed

Miscellaneous Revenue

Not Budgeted - Assume no miscellaneous revenues

Operating Expenses

Water / Sewer

Based upon prior year's expenditures

Insurance

Based upon prior year's expenditures

Landscape Maintenance Contract

Based upon current contract with CoCal Landscaping that expires in 10/2009.

Fert/Weed/Insect

Based upon current contract with CoCal Landscaping that expires in 10/2009.

Tree Repair & Maintenance

Replacement of 4 trees at a cost of \$500/tree

Fence Repair & Maintenance

Misc. Repairs to fence budgeted at \$2000/yr

Irrigation Repair & Maintenance

Based upon 2008 expenditures. Sprinkler system is 5+ years old and in need of continuous repairs.

Grounds Repairs & Improvements

\$200 budgeted for monument foliage in early spring.

Snow Removal

Based upon current contract with CoCal Landscaping that expires in 10/2009. No increase expected on next contract.

Pet Waste Cleanup

\$100 per month service, plus \$250 per quarter for purchase of bags

Community Events

Annual Association BBQ, Annual Meeting Incentive

Internet / Website Service

\$5/mo Domain Hosting Fee paid in November plus Domain Name Registration Fee

Legal Fees - Homeowner

Not Budgeted - Cost of collections billed back to homeowner resulting in no effect on association

Management Fee

Foster Management agreement renewed 10/08

A/R Processing Fee

Foster Management Processing fee of \$5/delinquent account per month not budgeted. Late fee of \$20/month covers cost of processing fee.

Neither the late fee or processing fee are budgeted.

Lien Fees

Not Budgeted - Cost of lien billed back to homeowner resulting in no effect on association

Legal Fees - General

\$500 Budgeted for general legal services throughout the year

Accounting / Tax Preparation

Based upon Foster Mgmt fee to prepare annual tax return plus Audit to be performed in 2009

Office Supplies

No Costs Expected for 2007

Postage

\$30/month postage plus \$150/qtr for newsletter (381 homes @ \$.42/newsletter = \$160.02 ~ \$150)

Bad Debt

Assume no bad debt will be incurred - All assessments billed will be 100% collectable

Miscellaneous Operating Expenses/Contingency

1% Contingency fee based upon monthly expenditures

Transfer to Reserves

\$3000 per quarter to be transferred to reserves to cover future capital replacement items