

Welcome

Panther Creek Homeowners Association, Inc.

Annual Meeting December 19, 2007

SBB Management Company, AAMC®
Betty Crudden, Community Manager
Adam Sabourin, Administrative Assistant

Panther Creek
Homeowners Association, Inc.

Agenda

Annual Meeting
Wednesday, December 19, 2007

The Order of Business is as follows:

- A. Call Meeting to Order
- B. Introductions / Overview
- C. Proof of Notice of Meeting or Waiver of Notice
- D. Approve Minutes of last Annual Meeting
- E. Updates and Old Business
- F. New Business
- G. Questions and Answers
- H. Contest and Drawing
- I. Adjourn Meeting

**Panther Creek Association
of Homeowners, Inc.**
Annual Meeting Minutes
October 18, 2006

Meeting was called to order by Amy Edwards of SBB Management Company at 7:06 p.m. A quorum was established and Amy thanked the homeowners for their attendance.

Amy called for a motion to accept the minutes from the recalled pre-transition meeting. Brad Nations made the motion. Eric Ciminski seconded the motion and it was approved unanimously.

Amy introduced Betty Crudden, Adam Sabourin, Linda Harness and Sherri Schmoekel from SBB Management Company to the attendees.

Amy thanked the girl scouts and volunteers for babysitting services. Amy then introduced the nominating committee and thanked them for their help.

Lee Myrben of the nominating committee welcomed everyone to the meeting and thanked everyone for their support.

Amy acknowledged the meeting notice that was mailed.

Amy then explained the Board election process and introduced the Board candidates. Candidates were allowed to stand and address the audience.

Nominations from the floor were requested and none were received. Charlotte Demori made a motion to close nominations and Victor Miller seconded. The motion passed unanimously.

Amy called for the vote.

The winners of the vote were announced – Jeanne Rubin, Jen Hampton and Lee Myrben. Jeanne asked members to meet with committee leaders while the Board held a brief business meeting.

The meeting adjourned at 7:34 p.m. then reconvened at 7:37 p.m.

Jeanne announced that the Board voted to increase the number of directors from three (3) to seven (7). The next four nominations to receive the highest number of votes were announced as the new Board members. They are: Brian Reinhardt, Bill Woodard, Eric Ciminski and Chris Showman.

Amy then reviewed the Association financial statements and announced that the Association has more than \$400,000 in the bank at transition and are, therefore, in very good financial shape. Amy informed members they may request further information from Betty if needed.

No unfinished business.

No new business.

Amy then opened the meeting for questions from the members. Topics included the PID, landscaping issues, and communication issues between the new Board of Directors and the Association's members.

The meeting adjourned at 8:08 p.m.

The Board of Directors of Panther Creek Estates Homeowners Association wishes to thank all the Committee Members for their hard work as well as our Community Manager Betty Crudden and all the contractors, builders and individuals who have helped make 2007 a successful and productive year at PCE!

Accomplishments since election

- Attended several meetings with City of Frisco officials and the PID Advisory Board to clarify the PCE Public Improvement District
- Attended City meetings regarding neighborhood parks, town hall meetings, Mayor/HOA President (Chair) meetings, SBB management training
- Reviewed and approved proposals for a financial Audit and a Reserve Study
- Reviewed results and approved actions, including the establishment of a healthy Reserve Fund and a policy for continued funding of Reserves
- Approved recommendations from Auditor
- Drafted and approved a Collection and Payment Application policy
- Investigated the use of Mortgage Company Notification letters for delinquent accounts as a precursor to foreclosure
- Opened a Petty Cash account at a local bank
- Created an HOA website, radio station and periodic newsletters
- Purchased five HOA dry erase board signs, used for communication of HOA activities and information
- Purchased an HOA banner, used at community events
- Trained Board members and Committee Chairs on website posting
- Approved and attended HOA social events
- Purchased community signage for the Granbury entrance
- Drafted and approved an ACC Rules and Regulations policy
- Created an ACC (Architectural Control Committee) Request Form, used to obtain approval for exterior modifications
- Created and acted upon a procedure to provide yard maintenance for vacant homes
- Created Yard of the Month program and purchased signs for monthly awards
- Worked with builders and developer regarding trash and maintenance of vacant lots
- Participated in Frisco Clean-Up Day
- Drafted and approved an Enforcement and Fining Policy
- Walked the community with the management company and the landscape maintenance firm to understand the common property history and issues
- Received bids and hired an electrician to repair and maintain community lighting
- Reviewed and signed a pond maintenance contract
- Researched, studied, met with fountain contractor, reviewed bids and approved installation of new fountains and pumps
- Approved common area improvements at the Greenhaven cul-de-sac and the Gardendale/Luckenbach eyebrow
- Reviewed and approved bids for several common area improvements: Hillsboro entry, Whitesboro entry, Hillcrest area north of Hillsboro, gas easement, and additional trees along the hike-and-bike trails

- Worked with the City and the developer for the clean-up and removal of construction-related items
- Approved Pool Rules and purchased sign for pool area stating same
- Reviewed best placement for and purchased new, permanent pool furniture
- Installed improvements to pool area designed to decrease unauthorized entry, including tamper-resistant boxes around gate handle, spikes on top of the wall and motion sensor lighting
- Installed a shed for storage of HOA equipment and materials
- Installed motion sensor lighting and new non-slip flooring treatment in the pool bathrooms
- Installed a table, trash can and grill at the HOA playground
- Approved the creation of several HOA committees
- Developed a priority list for Board projects

Work in progress

- Analyzing HOA finances, including proposed budget
- Researching feasibility of adding a Spray Park to the community and/or enlarging the current community pool
- Developing a management company Request for Proposal
- Developing a landscape/irrigation company Request for Proposal
- Researching permanent signage to display website and radio station information
- Researching feasibility of additional pool security options

Ongoing Board Activities

- Discuss, respond and take action as appropriate regarding homeowner requests
- Weekly postings to website
- Act as liaison and provide guidance to the HOA committees
- Review committee minutes and take action regarding recommendations
- Attend monthly Board and committee meetings
- Review and approve HOA monthly financial statements
- Review expenditures and investigate ways to ensure the HOA is receiving the best value in all areas
- Review and update Board priority list monthly
- Assist in preparation of and approve periodic newsletters to all homeowners
- Review guidelines and work with management company to see that issues are addressed
- Drive or walk the community frequently, noting areas or issues that require action
- Generate and/or respond to a dozen or more HOA-related emails each week

Balance Sheet Report Panther Creek Association

As of November 30, 2007

| | <u>Balance Nov 30, 2007</u> | <u>Balance Oct 31, 2007</u> | <u>Change</u> |
|---|---------------------------------|---------------------------------|--------------------|
| <u>Assets</u> | | | |
| Cash and Investments | | | |
| 1000 - Community Assoc. Bank-Operating | 6,542.89 | 21,656.75 | (15,113.86) |
| 1001 - Chase Bank-Petty Cash | 2,326.49 | 2,576.32 | (249.83) |
| 1002 - Community Assoc. Banc-PID | 50,489.33 | 55,861.58 | (5,372.25) |
| 1051 - First Horizon-9 mth CD-Rsv 2/2/08 | 91,750.04 | 91,750.04 | 0.00 |
| 1052 - Equity Bank-7 mth CD-12/07/07 | 77,052.96 | 76,703.20 | 349.76 |
| 1053 - Hillcrest Bank-9 mth CD-Rsv 2/7/08 | 91,404.83 | 91,404.83 | 0.00 |
| 1054 - First Nat'l SW-12 mth CD 5/10/08 | 92,670.00 | 92,670.00 | 0.00 |
| 1103 - Countrywide Bank-Money Market | 103,108.15 | 102,704.86 | 403.29 |
| 1104 - Texas Capital-Money Market | 34,922.45 | 34,803.05 | 119.40 |
| 1105 - Equity Bank-7 mth CD-Rsv 12/07/07 | 24,656.94 | 24,437.18 | 219.76 |
| 1106 - Texas Capital - MMI/Reserves | 51,182.36 | 51,007.37 | 174.99 |
| Total Cash and Investments | 626,106.44 | 645,575.18 | (19,468.74) |
| Receivables | | | |
| 1600 - Assessments Receivable | 40,049.08 | 40,518.88 | (469.80) |
| 1601 - Allowance for Doubtful Accounts | (33,124.33) | 0.00 | (33,124.33) |
| 1690 - A/R Other | 337.65 | 337.75 | (0.10) |
| Total Receivables | 7,262.40 | 40,856.63 | (33,594.23) |
| Other Assets | | | |
| 1901 - Prepaid Insurance | 9,207.56 | 10,339.96 | (1,132.40) |
| 1902 - Prepaid Expenses | 535.72 | 584.56 | (48.84) |
| 1921 - Tax Deposit | 300.00 | 300.00 | 0.00 |
| Total Other Assets | 10,043.28 | 11,224.52 | (1,181.24) |
| Total Assets | 643,412.12 | 697,656.33 | (54,244.21) |

Balance Sheet Report Panther Creek Association

As of November 30, 2007

| | <u>Balance Nov 30, 2007</u> | <u>Balance Oct 31, 2007</u> | <u>Change</u> |
|-------------------------------------|---------------------------------|---------------------------------|--------------------|
| <u>Liabilities</u> | | | |
| <u>Liabilities</u> | | | |
| 2000 - Accounts Payable | 2,648.84 | 862.38 | 1,786.46 |
| 2030 - Insurance Payable | 6,176.90 | 6,628.93 | (452.03) |
| 2050 - Prepaid Assessments | 9,972.00 | 8,802.92 | 1,169.08 |
| 2080 - Unearned Revenue | 35,945.50 | 71,891.00 | (35,945.50) |
| Total Liabilities | 54,743.24 | 88,185.23 | (33,441.99) |
| Total Liabilities | 54,743.24 | 88,185.23 | (33,441.99) |
| <u>Owners' Equity</u> | | | |
| <u>Equity</u> | | | |
| 3100 - Prior Year Revenue | (36,984.55) | (36,984.55) | 0.00 |
| 3200 - Owners Working Capital | 180,119.27 | 180,119.27 | 0.00 |
| 3300 - General Reserves | 250,000.00 | 250,000.00 | 0.00 |
| 3500 - Fund Balance Retained | 112,296.57 | 111,104.74 | 1,191.83 |
| Total Equity | 505,431.29 | 504,239.46 | 1,191.83 |
| Total Owners' Equity | 505,431.29 | 504,239.46 | 1,191.83 |
| Net Income / (Loss) | 83,237.59 | 105,231.64 | (21,994.05) |
| Total Liabilities and Equity | 643,412.12 | 697,656.33 | (54,244.21) |

Income Statement Report Panther Creek Association

November 01, 2007 thru November 30, 2007

| | Current Period | | Year to Date (11 months) | | Annual Budget | Budget Remaining |
|---|------------------|-------------|--------------------------|-------------|-------------------|---------------------|
| | Actual | Budget | Actual | Budget | | |
| Income | | | | | | |
| 4100 - Semi-Annual Assessments | 26,964.49 | 0.00 | 296,811.75 | 0.00 | 296,811.75 | (296,811.75) |
| 4101 - Semi-Annual Assessments-PID | 8,981.01 | 0.00 | 98,607.36 | 0.00 | 98,607.36 | (98,607.36) |
| 4200 - Late Chgs / NSF Fee | 1,126.03 | 0.00 | 12,747.78 | 0.00 | 12,747.78 | (12,747.78) |
| 4345 - Social Committee Income | 400.00 | 0.00 | 625.00 | 0.00 | 625.00 | (625.00) |
| 4400 - Transfer Fee | 40.00 | 0.00 | 40.00 | 0.00 | 40.00 | (40.00) |
| 4410 - Demand Letter Income | 0.00 | 0.00 | 2,265.00 | 0.00 | 2,265.00 | (2,265.00) |
| 4500 - Interest Income | 890.34 | 0.00 | 12,272.41 | 0.00 | 12,272.41 | (12,272.41) |
| 4510 - Interest Income - Reserve Accounts | 394.75 | 0.00 | 2,813.13 | 0.00 | 2,813.13 | (2,813.13) |
| 4700 - Other Income/Refund | 0.00 | 0.00 | 1,572.77 | 0.00 | 1,572.77 | (1,572.77) |
| 4801 - Closing Revenue | 0.00 | 0.00 | 7,539.00 | 0.00 | 7,539.00 | (7,539.00) |
| 4810 - Fines | 400.00 | 0.00 | 1,050.00 | 0.00 | 1,050.00 | (1,050.00) |
| 4831 - Pool Key Revenue | 0.00 | 0.00 | 45.00 | 0.00 | 45.00 | (45.00) |
| 4842 - News Letter Income | 0.00 | 0.00 | 125.00 | 0.00 | 125.00 | (125.00) |
| 4843 - Web Site Income | 0.00 | 0.00 | 60.00 | 0.00 | 60.00 | (60.00) |
| Total Income | 39,196.62 | 0.00 | 436,574.20 | 0.00 | 436,574.20 | (436,574.20) |
| Total Income | 39,196.62 | 0.00 | 436,574.20 | 0.00 | 436,574.20 | (436,574.20) |
| Expense | | | | | | |
| General & Administrative | | | | | | |
| 5101 - Postage | 150.00 | 0.00 | 5,237.31 | 0.00 | 5,237.31 | (5,237.31) |
| 5102 - Office Supplies | 150.00 | 0.00 | 7,574.54 | 0.00 | 7,574.54 | (7,574.54) |
| 5103 - Newsletters | 0.00 | 0.00 | 422.18 | 0.00 | 422.18 | (422.18) |
| 5105 - Web Site Expenses | 0.00 | 0.00 | 142.49 | 0.00 | 142.49 | (142.49) |
| 5106 - Homeowner Functions | (78.99) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5107 - Social Events | 278.82 | 0.00 | 4,195.90 | 0.00 | 4,195.90 | (4,195.90) |
| 5108 - Committees | 50.00 | 0.00 | 3,140.39 | 0.00 | 3,140.39 | (3,140.39) |
| 5113 - Professional Management | 4,128.83 | 0.00 | 45,242.13 | 0.00 | 45,242.13 | (45,242.13) |
| 5160 - Write Off | 33,896.25 | 0.00 | 43,030.18 | 0.00 | 43,030.18 | (43,030.18) |
| 5170 - Bank Fees | 10.00 | 0.00 | 77.25 | 0.00 | 77.25 | (77.25) |
| 5176 - Legal Fees | 2,339.69 | 0.00 | 11,830.58 | 0.00 | 11,830.58 | (11,830.58) |

Income Statement Report Panther Creek Association

November 01, 2007 thru November 30, 2007

| | Current Period | | Year to Date (11 months) | | Annual Budget | Budget Remaining |
|---|------------------|-------------|--------------------------|-------------|-------------------|---------------------|
| | Actual | Budget | Actual | Budget | | |
| Expense | | | | | | |
| General & Administrative | | | | | | |
| 5177 - Legal Fees Billed Back | (2,604.15) | 0.00 | (10,378.25) | 0.00 | (10,378.25) | 10,378.25 |
| 5180 - Audit & Accounting | 1,800.00 | 0.00 | 1,800.00 | 0.00 | 1,800.00 | (1,800.00) |
| 5190 - Reserve Studies | 0.00 | 0.00 | 2,100.00 | 0.00 | 2,100.00 | (2,100.00) |
| 5193 - Radio Station Expense | 0.00 | 0.00 | 1,894.93 | 0.00 | 1,894.93 | (1,894.93) |
| 5195 - Demand Letter Expense | 170.00 | 0.00 | 3,980.00 | 0.00 | 3,980.00 | (3,980.00) |
| Total General & Administrative | 40,290.45 | 0.00 | 120,289.63 | 0.00 | 120,289.63 | (120,289.63) |
| Taxes | | | | | | |
| 5203 - Corporate Franchise Tax | 0.00 | 0.00 | 1,256.00 | 0.00 | 1,256.00 | (1,256.00) |
| 5204 - Corporate Income Tax | 0.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 | (1,000.00) |
| Total Taxes | 0.00 | 0.00 | 2,256.00 | 0.00 | 2,256.00 | (2,256.00) |
| Insurance | | | | | | |
| 5251 - General Liability-TX Comm Pck Policy | 1,047.32 | 0.00 | 10,381.01 | 0.00 | 10,381.01 | (10,381.01) |
| 5253 - Directors & Officers Liability | 99.82 | 0.00 | 1,410.61 | 0.00 | 1,410.61 | (1,410.61) |
| 5254 - Workers Comp | 22.86 | 0.00 | 22.86 | 0.00 | 22.86 | (22.86) |
| Total Insurance | 1,170.00 | 0.00 | 11,814.48 | 0.00 | 11,814.48 | (11,814.48) |
| Utilities | | | | | | |
| 5302 - Telephone | 48.84 | 0.00 | 636.55 | 0.00 | 636.55 | (636.55) |
| 5303 - Electric | 2,627.49 | 0.00 | 17,603.35 | 0.00 | 17,603.35 | (17,603.35) |
| 5305 - Water/Sewer | 8,719.16 | 0.00 | 47,647.14 | 0.00 | 47,647.14 | (47,647.14) |
| Total Utilities | 11,395.49 | 0.00 | 65,887.04 | 0.00 | 65,887.04 | (65,887.04) |
| Infrastructure & Maintenance | | | | | | |
| 5406 - Electrical Repairs & Maintenance | 153.75 | 0.00 | 4,541.75 | 0.00 | 4,541.75 | (4,541.75) |
| 5453 - Holiday Decor. | 1,364.00 | 0.00 | 1,364.00 | 0.00 | 1,364.00 | (1,364.00) |
| 5470 - Common Area Maintenance | (153.75) | 0.00 | 762.59 | 0.00 | 762.59 | (762.59) |
| 5472 - Amenity & Recreation | 0.00 | 0.00 | 2,053.52 | 0.00 | 2,053.52 | (2,053.52) |
| Total Infrastructure & Maintenance | 1,364.00 | 0.00 | 8,721.86 | 0.00 | 8,721.86 | (8,721.86) |

Income Statement Report Panther Creek Association

November 01, 2007 thru November 30, 2007

| Expense | Current Period | | Year to Date (11 months) | | Annual Budget | Budget Remaining |
|--|-----------------|-------------|--------------------------|-------------|------------------|--------------------|
| | Actual | Budget | Actual | Budget | | |
| Swimming Pool | | | | | | |
| 5501 - Pool Key Expense | 0.00 | 0.00 | 1,754.14 | 0.00 | 1,754.14 | (1,754.14) |
| 5502 - Pool Service | 438.41 | 0.00 | 12,349.28 | 0.00 | 12,349.28 | (12,349.28) |
| 5503 - Pool Supplies/Maintenance | 0.00 | 0.00 | 1,055.42 | 0.00 | 1,055.42 | (1,055.42) |
| 5504 - Pool Repairs | 0.00 | 0.00 | 326.54 | 0.00 | 326.54 | (326.54) |
| 5505 - Porter Service | 0.00 | 0.00 | 1,040.01 | 0.00 | 1,040.01 | (1,040.01) |
| 5507 - Pool Furniture & Fixtures | 0.00 | 0.00 | 9,400.38 | 0.00 | 9,400.38 | (9,400.38) |
| 5509 - Pool Misc Expenses | 81.19 | 0.00 | 5,287.37 | 0.00 | 5,287.37 | (5,287.37) |
| Total Swimming Pool | 519.60 | 0.00 | 31,213.14 | 0.00 | 31,213.14 | (31,213.14) |
| Landscape Maintenance | | | | | | |
| 5601 - Landscape Contract | 6,132.78 | 0.00 | 67,844.81 | 0.00 | 67,844.81 | (67,844.81) |
| Total Landscape Maintenance | 6,132.78 | 0.00 | 67,844.81 | 0.00 | 67,844.81 | (67,844.81) |
| Irrigation Maintenance | | | | | | |
| 5651 - Irrigation Repairs | 0.00 | 0.00 | 2,666.35 | 0.00 | 2,666.35 | (2,666.35) |
| 5660 - Lake Maintenance | 136.49 | 0.00 | 1,867.28 | 0.00 | 1,867.28 | (1,867.28) |
| 5665 - Fountain Maintenance | 181.86 | 0.00 | 22,476.36 | 0.00 | 22,476.36 | (22,476.36) |
| Total Irrigation Maintenance | 318.35 | 0.00 | 27,009.99 | 0.00 | 27,009.99 | (27,009.99) |
| Fountain & Lake Maintenance | | | | | | |
| 5684 - Pump & Fountain Maint | 0.00 | 0.00 | 181.86 | 0.00 | 181.86 | (181.86) |
| Total Fountain & Lake Maintenance | 0.00 | 0.00 | 181.86 | 0.00 | 181.86 | (181.86) |
| Special Projects | | | | | | |
| 5800 - Landscape Improvement Project | 0.00 | 0.00 | 12,272.30 | 0.00 | 12,272.30 | (12,272.30) |

Income Statement Report Panther Creek Association

November 01, 2007 thru November 30, 2007

| | Current Period | | Year to Date (11 months) | | Annual Budget | Budget Remaining |
|---------------------------------------|--------------------|-------------|--------------------------|-------------|-------------------|---------------------|
| | Actual | Budget | Actual | Budget | | |
| <u>Expense</u> | | | | | | |
| Special Projects | | | | | | |
| 5801 - Irrigation Improvement Project | 0.00 | 0.00 | 5,845.50 | 0.00 | 5,845.50 | (5,845.50) |
| Total Special Projects | 0.00 | 0.00 | 18,117.80 | 0.00 | 18,117.80 | (18,117.80) |
| Total Expense | 61,190.67 | 0.00 | 61,190.67 | 0.00 | 353,336.61 | (353,336.61) |
| Net Income / (Loss) | (21,994.05) | 0.00 | (21,994.05) | 0.00 | 83,237.59 | (83,237.59) |

Panther Creek Association

Professionally Managed by SBB Management Company

2008 Summary Budget

| INCOME | |
|--------------------------------|------------------|
| Total Income | \$458,786 |
| EXPENSES | |
| General and Administrative | \$119,280 |
| Taxes | \$1,225 |
| Insurance | \$17,136 |
| Utilities | \$62,148 |
| Infrastructure & Maintenance | \$8,800 |
| Swimming Pool | \$27,186 |
| Landscape Maintenance | \$94,548 |
| Irrigation Maintenance | \$12,400 |
| Special Projects & Contingency | \$105,383 |
| Reserves | \$10,680 |
| Total Expenses | \$458,786 |

The detailed approved Budget follows and will also be available on the community's website, panthercreekestates.org

RESERVE STUDY

One of the most important jobs of the Board of Directors for our homeowners association is to maintain, protect and improve the association's most valuable asset: its common areas such as pool, entry features and landscaping. In 2007, the Board contracted for a Reserve Study. The Reserve Study, conducted by engineers, reviewed the physical assets and provided estimates regarding costs over a twenty-year period for their repair and replacement. The Study also provided recommendations for adequately funding these requirements. The Board is happy to report that our association should be able to easily meet the funding recommendations without the necessity of any additional homeowner assessments.

Reminder: The financial statements for the Panther Creek Association of Homeowners, Inc. may be found on the community's website, panthercreekestates.org.

Budget - Summary Detail
Panther Creek Association
All Department Summary
2008 Budget - Approved

| Description | 2006 Actual | 2007 Budget | 2007 Projected | 2008 Budget | Budget % Change |
|--|-------------------|----------------|-------------------|-------------------|--------------------|
| Income | | | | | |
| 4100 -- Semi-Annual Assessments | 283,125.98 | 0.00 | 323,573.88 | 323,574.00 | 0.00% |
| 4101 -- Semi-Annual Assessments-PID | 0.00 | 0.00 | 107,742.12 | 107,772.00 | 0.00% |
| 4200 -- Late Chgs / NSF Fee | 4,185.47 | 0.00 | 13,800.09 | 12,000.00 | 0.00% |
| 4300 -- Misc Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 4400 -- Transfer Fee | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 4410 -- Demand Letter Income | 1,580.00 | 0.00 | 2,185.00 | 0.00 | 0.00% |
| 4500 -- Interest Income | 6,529.11 | 0.00 | 13,932.08 | 11,400.00 | 0.00% |
| 4510 -- Interest Income - Reserve Accounts | 0.00 | 0.00 | 2,447.60 | 800.00 | 0.00% |
| 4700 -- Other Income/Refund | 0.00 | 0.00 | 1,572.77 | 0.00 | 0.00% |
| 4801 -- Closing Revenue | 55,537.30 | 0.00 | 7,539.00 | 0.00 | 0.00% |
| 4810 -- Fines | 0.00 | 0.00 | 0.00 | 2,700.00 | 0.00% |
| 4831 -- Pool Key Revenue | 0.00 | 0.00 | 45.00 | 60.00 | 0.00% |
| 4842 -- News Letter Income | 0.00 | 0.00 | 125.00 | 240.00 | 0.00% |
| 4843 -- Web Site Income | 0.00 | 0.00 | 60.00 | 240.00 | 0.00% |
| Total Income | 350,957.86 | 0.00 | 473,022.54 | 458,786.00 | 0.00% |
| Total All Department Summary Income | 350,957.86 | 0.00 | 473,022.54 | 458,786.00 | 0.00% |
| General & Administrative | | | | | |
| 5101 -- Postage | 422.65 | 0.00 | 5,957.43 | 4,800.00 | 0.00% |
| 5102 -- Office Supplies | 11,795.83 | 0.00 | 9,619.91 | 10,800.00 | 0.00% |
| 5103 -- Newsletters | 0.00 | 0.00 | 562.91 | 1,310.00 | 0.00% |
| 5104 -- Administrative Expenses | 795.03 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5105 -- Web Site Expenses | 0.00 | 0.00 | 142.49 | 145.00 | 0.00% |
| 5106 -- Homeowner Functions | 414.26 | 0.00 | 1,150.00 | 1,150.00 | 0.00% |
| 5107 -- Social Events | 71.67 | 0.00 | 4,864.60 | 12,000.00 | 0.00% |
| 5108 -- Committees | 0.00 | 0.00 | 4,120.52 | 4,100.00 | 0.00% |
| 5109 -- Licenses, Permits & Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5110 -- Other Admins Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5113 -- Professional Management | 41,076.00 | 0.00 | 45,306.32 | 49,546.00 | 0.00% |
| 5160 -- Write Off | 1,300.70 | 0.00 | 9,511.61 | 11,100.00 | 0.00% |
| 5170 -- Bank Fees | 90.60 | 0.00 | 67.25 | 108.00 | 0.00% |
| 5176 -- Legal Fees | 42.94 | 0.00 | 11,745.61 | 16,400.00 | 0.00% |
| 5177 -- Legal Fees Billed Back | (141.57) | 0.00 | (9,781.43) | 10,000.00 | 0.00% |
| 5180 -- Audit & Accounting | 262.50 | 0.00 | 1,800.00 | 1,800.00 | 0.00% |
| 5190 -- Reserve Studies | 0.00 | 0.00 | 2,100.00 | 0.00 | 0.00% |
| 5193 -- Radio Station Expense | 0.00 | 0.00 | 1,894.93 | 500.00 | 0.00% |
| 5195 -- Demand Letter Expense | 510.00 | 0.00 | 3,540.00 | 0.00 | 0.00% |
| Total General & Administrative | 56,640.61 | 0.00 | 92,602.15 | 123,759.00 | 0.00% |
| Taxes | | | | | |
| 5201 -- Property Tax | 0.00 | 0.00 | 225.00 | 225.00 | 0.00% |
| 5203 -- Corporate Franchise Tax | 737.59 | 0.00 | 0.00 | 0.00 | 0.00% |

Budget - Summary Detail
Panther Creek Association
All Department Summary
2008 Budget - Approved

| Description | 2006 Actual | 2007 Budget | 2007 Projected | 2008 Budget | Budget % Change |
|---|------------------|----------------|-------------------|------------------|--------------------|
| Taxes | | | | | |
| 5204 -- Corporate Income Tax | 0.00 | 0.00 | 1,000.00 | 1,000.00 | 0.00% |
| Total Taxes | 737.59 | 0.00 | 1,225.00 | 1,225.00 | 0.00% |
| Insurance | | | | | |
| 5251 -- General Liability-TX Comm Pck Polic | 2,359.02 | 0.00 | 9,946.15 | 14,136.00 | 0.00% |
| 5253 -- Directors & Officers Liability | 1,579.62 | 0.00 | 1,572.96 | 3,000.00 | 0.00% |
| 5254 -- Workers Comp | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| Total Insurance | 3,938.64 | 0.00 | 11,519.11 | 17,136.00 | 0.00% |
| Utilities | | | | | |
| 5302 -- Telephone | 1,586.52 | 0.00 | 718.49 | 740.00 | 0.00% |
| 5303 -- Electric | 21,561.64 | 0.00 | 17,394.43 | 21,544.00 | 0.00% |
| 5305 -- Water/Sewer | 49,446.36 | 0.00 | 35,747.82 | 39,864.00 | 0.00% |
| Total Utilities | 72,594.52 | 0.00 | 53,860.74 | 62,148.00 | 0.00% |
| Infrastructure & Maintenance | | | | | |
| 5401 -- Pest Control | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5406 -- Electrical Repairs & Maintenance | 196.88 | 0.00 | 5,850.67 | 5,900.00 | 0.00% |
| 5411 -- Fence/Gates/Wall Repair | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5453 -- Holiday Decor. | 2,625.96 | 0.00 | 0.00 | 3,000.00 | 0.00% |
| 5470 -- Common Area Maintenance | 18,172.30 | 0.00 | 968.19 | 2,900.00 | 0.00% |
| 5471 -- Natural Area Maintenance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5472 -- Amenity & Recreation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| Total Infrastructure & Maintenance | 20,995.14 | 0.00 | 6,818.86 | 11,800.00 | 0.00% |
| Swimming Pool | | | | | |
| 5501 -- Pool Key Expense | 0.00 | 0.00 | 1,754.14 | 1,700.00 | 0.00% |
| 5502 -- Pool Service | 14,772.07 | 0.00 | 15,296.61 | 11,400.00 | 0.00% |
| 5503 -- Pool Supplies/Maintenance | 7,827.52 | 0.00 | 1,407.23 | 1,800.00 | 0.00% |
| 5504 -- Pool Repairs | 0.00 | 0.00 | 326.54 | 500.00 | 0.00% |
| 5505 -- Porter Service | 0.00 | 0.00 | 1,386.68 | 3,986.00 | 0.00% |
| 5507 -- Pool Furniture & Fixtures | 800.00 | 0.00 | 9,400.38 | 3,000.00 | 0.00% |
| 5509 -- Pool Misc Expenses | 271.44 | 0.00 | 5,206.18 | 4,800.00 | 0.00% |
| Total Swimming Pool | 23,671.03 | 0.00 | 34,777.76 | 27,186.00 | 0.00% |
| Landscape Maintenance | | | | | |
| 5601 -- Landscape Contract | 56,644.70 | 0.00 | 73,835.67 | 94,548.00 | 0.00% |
| 5603 -- Landscape Improvements/color | 4,102.21 | 0.00 | 0.00 | 0.00 | 0.00% |
| 5605 -- Landscape/Lot mowing | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| Total Landscape Maintenance | 60,746.91 | 0.00 | 73,835.67 | 94,548.00 | 0.00% |
| Irrigation Maintenance | | | | | |
| 5651 -- Irrigation Repairs | 12,711.15 | 0.00 | 3,186.60 | 4,800.00 | 0.00% |
| 5660 -- Lake Maintenance | 0.00 | 0.00 | 2,490.95 | 2,600.00 | 0.00% |
| 5665 -- Fountain Maintenance | 0.00 | 0.00 | 21,427.40 | 5,000.00 | 0.00% |
| Total Irrigation Maintenance | 12,711.15 | 0.00 | 27,104.95 | 12,400.00 | 0.00% |

Budget - Summary Detail
Panther Creek Association
All Department Summary
2008 Budget - Approved

| Description | 2006 Actual | 2007 Budget | 2007 Projected | 2008 Budget | Budget % Change |
|---|-------------------|----------------|-------------------|-------------------|--------------------|
| Fountain & Lake Maintenance | | | | | |
| 5684 -- Pump & Fountain Maint | 0.00 | 0.00 | 181.86 | 0.00 | 0.00% |
| Total Fountain & Lake Maintenance | 0.00 | 0.00 | 181.86 | 0.00 | 0.00% |
| Special Projects | | | | | |
| 5800 -- Landscape Improvement Project | 0.00 | 0.00 | 12,272.30 | 0.00 | 0.00% |
| 5801 -- Irrigation Improvement Project | 0.00 | 0.00 | 5,845.50 | 0.00 | 0.00% |
| 5802 -- Special Projects - 3 | 0.00 | 0.00 | 0.00 | 44,174.00 | 0.00% |
| 5900 -- Contingencies | 0.00 | 0.00 | 0.00 | 53,730.00 | 0.00% |
| Total Special Projects | 0.00 | 0.00 | 18,117.80 | 97,904.00 | 0.00% |
| Reserves | | | | | |
| 6001 -- Reserve Contribution | 0.00 | 0.00 | 8,401.60 | 10,680.00 | 0.00% |
| Total Reserves | 0.00 | 0.00 | 8,401.60 | 10,680.00 | 0.00% |
| Total All Department Summary Expense | 252,035.59 | 0.00 | 328,445.50 | 458,786.00 | 0.00% |
| Total All Department Summary Net Income / (Loss) | 98,922.27 | 0.00 | 144,577.04 | 0.00 | 0.00% |
| Total Association Net Income / (Loss) | 98,922.27 | 0.00 | 144,577.04 | 0.00 | 0.00% |

RECOMMENDED CHANGES TO
BYLAWS OF
PANTHER CREEK ASSOCIATION OF HOMEOWNERS, INC.

The following changes are recommendations from the review conducted by the Panther Creek Estates Covenants Committee.

- 1) ARTICLE III: CORPORATION, Paragraph 3.03, First sentence: change “thirty days (30)” to “ninety days (90)”.
- 2) ARTICLE III: CORPORATION, Paragraph 3.06, Second sentence: replace the misspelled word “supercede” with the correct spelling “supersede”.
- 3) Replace “Eldorado Ranch” with “Panther Creek Estates” in the following locations:
 - a) ARTICLE IV: DIRECTORS, paragraph 4.02, Second sentence.
 - b) ARTICLE IX: RIGHTS OF THE ASSOCIATION, paragraph 9.01, Second sentence.
 - c) ARTICLE XV: OTHER PROVISIONS, paragraph 15.04, Books and Records, (a) Second sentence.
- 4) ARTICLE X: HEARING AND FORECLOSURE PROCEDURES, Paragraph 10.02, Third sentence: replace “the Greyhawk Subdivision” with “Panther Creek Estates”.

Panther Creek Estates

Questions & Answers

1. How Do I obtain a pool key?

SBB Management disperses the pool keys. To obtain your pool key, please fill out and return the pool key request form via email or fax. Instructions are on the document. The form is available on the community's website.

2. What is the Panther Creek Estates PID?

The Panther Creek Estates Public Improvement District (PID) was established by the City of Frisco in response to a proposal by developer Intermandeco to expedite the building of two city parks, Bob White and Mourning Dove, and to enhance the entrances and green spaces in our neighborhood. The initial funds for the installation of these amenities were financed through the city bond process. Each home was assessed \$2500 to be paid at closing or over 20 years billed in installments annually directly by the city of Frisco.

The Maintenance and Operation of these PID areas (with the exception of the city parks) was then turned over to the Panther Creek Estates Homeowners Association through a 20-year lease with the City of Frisco and fees were set in combination with the HOA assessments to be collected semi-annually. Originally these funds were billed separately (PID); however, after meeting with the city, the board of directors was able to consolidate this process thereby saving the HOA in printing, postage and accounting.

The HOA board is in ongoing negotiations with the City of Frisco to assess the viability of the PID. For specific details on the formation and operation of the Panther Creek Estates Public Improvement District see the documents on our documents page.

3. How much are HOA dues?

PCE HOA dues (assessments) are \$402.00, billed semi-annually and due on January 1 and July 1.

4. How do I get involved in the neighborhood?

We have 7 active committees and a myriad of ways to get involved. (You can do as much or as little as you are able.) Check out the Committee pages on the community's website for specific information. You can email the Chair directly or the Board. Panther Creek Estates is lucky to have a terrific group of dedicated volunteers that represent hundreds of hours donated each month. Come join us, meet your fabulous neighbors, and help us keep PCE great!

5. When will Preston Road and the intersection of Eldorado in particular, be expanded?

Per a September 2007 update from the city, the design is about 90% complete, and right of way acquisition is about 75% complete. The State (Preston is a state, not city road) plans to start construction sometime in 2008. The estimated completion time from Main to 380 is about 30 months. This means we're not likely to have much improvement in traffic on Preston for 3-4 more years. The board has discussed this issue with the city leaders, as have many other associations. We've also been talking to the city about finishing Coit from Main to Eldorado so we would have an alternative North/South route.

As a community we can continue to voice our concerns to the city management and council members. For the latest updates on this and other road projects visit the City of Frisco website Engineering Department or Q & A Board.

6. Does the Board know anything about the planned retail spaces in the neighborhood?

The only developer the board has heard from is for the NW corner of Eldorado & Coit. We met with and received blue prints from this developer. West of the ATT property will be a one story, residential looking mini-storage with one entrance. East of the ATT property will be what the developer calls "neighborhood retail" with no anchor store, something like a sandwich shop or dry cleaners. The plans were submitted to City of Frisco Planning & Zoning in March 2007. Construction would begin in 3-6 months with completion probably closer to the end of the year. There will be a school across Coit which will limit the types of businesses allowed.

7. Does Panther Creek Estates have a community message board on the website. If not why?

We do not currently have a community message board. There are several reasons for this. First, community message boards must be constantly monitored for content to ensure no "offending" posts are created. Second, there is a potential for liability against the Homeowners Association should "offending" content be placed on a community message board, even if it is subsequently taken down. At this time the board feels these reasons outweigh the potential positives of such a site. We do encourage homeowner questions and feedback by asking that you email the board, or one of the committees with questions. If we see questions everyone is interested in we will post them in this FAQ section.

8. A street light is out or flickers on and off. How do I get it repaired?

Report the problem to the City of Frisco at 972-335-5520. Supply the address and electric provider (CoServ) for the neighborhood and the city will notify the correct company for repairs. The majority of street lights in Frisco are owned and maintained by either CoServ Electric or TXU Electric Delivery.

9. What are the plans for the Lighted Athletic Field in the Northeast section of our community?

The field at Tyler & Honey Grove is owned by the City of Frisco and will be a large “Community Park” similar to Warren Park on Eldorado west of Preston. It will have soccer and ball fields, tracks, basketball courts, parking and lots of green space. There will be several city meetings when they are ready to build to solicit homeowner input for the design stage. According to Parks & Rec it will not be built for several years. Visit

http://www.ci.frisco.tx.us/departments/Parks_Recreation/index.aspx?id=334

for updates.

The “Neighborhood Park” behind SEM Elementary School is scheduled for construction in 2008 and will be similar to Mourning Dove and Bob White with lots of green space, trees, benches and a natural water feature. Several meetings were held by the city to discuss design with residents of PCE.

10. Is there any direct financial burden on the HOA for the development of the new parks?

No. These are city parks and any impact fees required were paid by the developer long ago.

11. When can we get more picnic type furniture at both parks, especially the pavilion at the main park?

Bob White and Mourning Dove Parks are City of Frisco parks. As such, any improvements to the parks would be handled and paid for by the City.

12. How can we get more street lights around the neighborhood?

Street lights are installed in the subdivision by the City of Frisco and it is not likely that they will agree to add more lights.

13. Will there be a home built on the empty lot on Gardendale behind the pool?

There is a green space at the eyebrow of Gardendale and Luckenbach. This is not a house lot and no house will be built here. During 2007, the HOA had this area improved with turf grass and a few trees.

14. Do we have to get HOA approval and City permit to replace the fence? Do we need both for landscape changes or a pool?

HOA approval is required for any exterior modification to your property, including fence replacement or staining, pools, patio covers, landscape borders, major landscape changes, etc. The City requires a permit for many modifications, including fences and pools. Your contractor should take care of the City permitting for you; the HOA approval may be obtained by sending in the ACC Request Form (found on the community’s website).

Do you have a Question regarding Panther Creek Estates Homeowners Association?

Send to board@panthercreekestates.org

Be sure to include your contact information so we can add you to our database.



THE ROLE OF SBB MANAGEMENT

Community association management is a specialized field. SBB Management Company (SBB) is a professional management firm with over thirty (30) years experience in the field, currently managing over one hundred fifty (150) communities in the Dallas-Ft. Worth Metroplex. A management team that usually includes a community manager, administrative assistant/assistant manager and an accounting representative serves each community.

The day-to-day activities of your community's team include many different tasks, but most will fall under the following general headings:

- Advise and provide administrative, managerial and operational counsel to the Board of Directors in order to assist the Board in decision making and operating the business affairs of the Association
- Perform site inspections of the community and individual homes for resale certificates
- Direct the enforcement of the restrictive covenants
- Solicit, evaluate and assist in acquiring insurance consistent with the requirements of the Declaration of Covenants, Conditions and Restrictions and in accordance with instructions from The Board of Directors
- Solicit and evaluate bids for all association services
- Supervise maintenance activities and contractor performance
- Provide and explain association financial reports, which are kept in accordance with GAAP (Generally Accepted Accounting Principles)
- Financial collections and disbursements (including the collection of delinquent accounts and working with title companies prior to the selling of a home)
- Help develop association budgets
- Work with an independent CPA firm selected by the Board of Directors to audit the associations books and records
- Serve as a receiving center for association related homeowner and vendor telephone calls
- Provide privacy to homeowners by having a third party involved in cases of dispute

SBB team members keep current with changes in Federal, State, County and City legislation that effects planned communities. They regularly attend seminars and in-house training sessions and Community Associations Institute (CAI) courses especially formatted for community association management. SBB works closely with a network of independent attorneys, CPA'S, insurance agents and others who specialize in their particular field as it applies to non-profit planned communities. As a result, if you have a legal or professional question that SBB can't answer, we will have ready access to someone who knows the answer.

SBB

MANAGEMENT C O M P A N Y

DATE: December 19, 2007
TO: Panther Creek Association of Homeowners, Inc.
FROM: SBB Management Company
RE: Management Services

For your convenience and quick reference, the following is a list of the SBB Management Company personnel and their responsibilities.

Our office hours are 8:30 a.m. to 5:30 p.m., Monday through Thursday and until 5:00 p.m. on Friday's. After business hours and weekends, the calls are directed to an answering service. If you have an emergency, you may contact the answering service at (972) 960-8500. Please give the answering service your name, community, address and phone number. The answering service has been instructed to contact our staff in case of emergency.

| | |
|---------------------------|--|
| Community Manager | Betty Crudden Extension 316 b.crudden@sbbmanagement.com |
| Administrative Assistant | Adam Sabourin Extension 338 a.sabourin@sbbmanagement.com |
| Accounting Representative | Angela Armstrong Extension 320 a.armstrong@sbbmanagement.com |
| Chief Operating Officer | Sherri Schmoekel, PCAM® Extension 312 s.schmoekel@sbbmanagement.com |
| Owner | Fred Shapiro, PCAM® Extension 311 f.shapiro@sbbmanagement.com |

SBB Management Company, AAMC
Community Association Management & Consultation

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1858 Keller Parkway, Suite C
Keller, Texas 76248
(817) 482-1547
Fax (817) 431-6412

Main Office
8360 LBJ Freeway, Suite 300
Dallas, Texas 75243
(972) 960-2800
Fax (972) 991-6642

Frisco Office
2611 Internet Blvd., Suite 124
Frisco, Texas 75034
(972) 960-2800
Fax (214) 705-1527