

EDELWEISS HOMEOWNERS' ASSOCIATION

Annual Meeting

October 6, 2017 - 3:00 pm MST

In Person

David Cushing - E102, E114
Karl & Michelle Paulsen - E115
DeRay Culley - representing Marcia Price E118
Chris Timothy - E219
Karen Hill - E220
Carolyn Young & Kip Hard - E224
Shane & Meg Kemp - E307
Hillary Williams - E308
Gemma Lenard - E409
Diane Harrell - EWH
Dorothy Lawyer - EWL
Daimon Bushi - EWM

On Telephone

Patricia Tehrani - E222
Richard and Ellen McBride - E305
Greg & Katie Wiest - E306
Carol Silverman - E410
Greg Hagerman - E411
Susan Norgren - EWE
Wayne Best - EWG
Jon Kirsch - EWJ
Curtis & Susan Lightner - EWK
Chris Faris - EWN
Brad Carpenter - EWO

Via Proxy

Lynn Butterfield & Bob Merrill - E116 - assigned to Dave Cushing
Steven & Jana Brownell - E204 - assigned to Hilary Williams
Jeff & Karen Shabel - EWA - assigned to Carolyn Young
Timothy & Kim Ward - EWC - assigned to Hilary Williams
Bill & Michelle Grant - EWD - assigned to Hilary Williams
Patricia Harwood - EWF - assigned to Hilary Williams

Representing Park City Lodging

Rhonda Sideris - President
Jeanne Lehan - HOA Accounting
Brad Bowdle - Director of Maintenance
Jim Enochs - Maintenance

I. Roll Call was taken and a quorum was established. 30 owners are represented for a 66.67% representation.

II. Meeting was called to order at 3:10 pm

III. REVIEW AND APPROVAL OF 2016 MINUTES

The 2016 annual meeting minutes were sent out last year and posted to the owner's website: www.parkcitylodging.com/mgmt/owners-area/hoa-blog. A call was made for any comments or questions from the floor.

Hilary Williams made a motion to approve the 2016 annual meeting minutes. Diane Harrell seconded the motion. All in favor. Motion carries.

IV. OLD BUSINESS

a. Maintenance Recap - Brad Bowdle

- An electronic lock was installed on the ski locker room to allow 24 hour access. Each owner gets an individual code for tracking entries. The owner's code will be invalid when the property is sold.
- There was a ground water leak in Building C/unit D. The leak came up from the storage area between the foundation wall and the slab. Deck and some interior were damaged. This was repaired and is now sealed.
- The boiler pipes in Building C basement were insulated to mitigate the heat issues reported by unit A and others. Boiler pipes in building B were also insulated.
- There were several boiler issues where control boards and circulating pumps had to be replaced.
- Almost \$2,000 of repairs were done to the spa boiler. The control system was old and needed replacement.
- Six new chaise lounges for the pool were purchased.
- The leaking main water line in Building C, running from unit D down through C, B and into A has been replaced. Other units were inspected and it was found that it was just this one section that failed.
- Water leaks were found in the hallway ceiling of Building B first floor. The pipes have been repaired.
- The Building A culinary water circulation pump was repaired.
- Boiler repairs and pump replacements cost approximately \$6,000 to \$7,000.
- There were two roof leaks in unit F. One leak was in the kitchen area, which was the culinary water line. Another leak was in the master bedroom which was repaired in the spring.
- The common area restrooms were updated with new sinks, flooring and paint.
- New lights were installed in the conference room.

An attendee asked who pays for the roof repairs causing the leak into unit F. Rhonda Sideris reported that the HOA pays for these types of repairs due to a faulty roof jack.

b. Capital Project Update - Brad Bowdle

The replacement of the concrete stairs in Building C is the big project for this fall. All the stairs, including the mid-landings (the 4-foot x 6-foot sections) will be replaced. The treads are pre-cast concrete and will bolt in the brackets, so if one is damaged the stair tread can be taken out and replaced. The landing will be the same material as the tread, but will be in longer pieces stacked together to make the landings between the two stairwells. The contractor has started to put together the scope of work and is expected to begin the middle of November, the project is forecast to last about three weeks.

An attendee asked about replacing the railings. Brad Bowdle reported that the existing railings will be re-used, with the addition of a couple of pieces.

An attendee asked if this the same contractor that repaired Building A. Brad Bowdle reported that it is not the same contractor.

Jon Kirsch asked about a warranty on the wood stairway that was repaired several years ago because the wood is starting to deteriorate. He wondered if a metal strap could be placed in front to reduce wear and if stainless steel screws were used. Brad stated the contractor used stainless screws on the repairs that they did but that changes to the design of the stairs is not allowed by the City. The stairway is too narrow to meet code and all that can be done is repairs with like-kind materials. Brad noted that the structure underneath is in good shape and the wood will be an ongoing maintenance issue.

c. Board Update - Hilary Williams

HOA President, Hilary Williams noted that the Board and owner Karen Hill were heavily involved in sourcing materials and meeting with contractors for the restroom remodel. The original estimate was \$36,000. The Board budgeted \$13,000 based on taking a role in hiring contractors and buying some materials directly. The actual amount spent was \$10,000.

Security cameras were installed in the pool and courtyard. Recordings are triggered by motion sensors and there was one occasion that the tapes had to be reviewed last winter. Brad Bowdle stated that installation of a security camera in the office area is under consideration by the Board.

Chris Timothy inquired if there were any disturbances at the property during the July 4th holiday. Hilary reported there were no incidents. Additional signage about rules was posted around the pool and a notice was sent to owners before the holiday. Rhonda reported that the long term tenants that caused problems in the

past are no longer at the property. She reminded owners that illegal activities should be reported to the police.

Hilary Williams reported that several new wi-fi access points were installed to improve service. Carol Silverton thanked the board for this effort and stated that their wi-fi is much improved.

The property has received three notices from Comcast that someone is illegally downloading movies through the Edelweiss IP address and if this continues they will shut down service. Brad has been working with Blue Rim to identify the port being used. Blue Rim can monitor the access points to see where the most data is being drawn and they hope that it can be narrowed down.

Katie Wiest suggested changing the wi-fi password. Hilary Williams stated she thought changing the password on November 1 would be a good preventive measure. PCL will send a notice to owners when the password is changed.

Brad Carpenter asked if there is currently a restriction on other streaming services, like Netflix. Rhonda stated that there is no restriction on streaming but that there is a set amount of bandwidth shared at the property that slow down during times of peak occupancy. A discussion followed about increasing the bandwidth and Brad Bowdle stated that the limitation is the hardware.

d. Front Desk

Rhonda Sideris reported that since the beginning of the relationship with Edelweiss Haus, Park City Lodging has staffed the front desk at no cost to the HOA. PCL gave notice to the HOA Board last year that front desk staffing would be reduced to the 2016-17 winter season only. The number of nightly rentals managed by Park City Lodging has dropped to a point that paying for front desk staff no longer makes sense financially for the company.

Carolyn Young stated the board discussed staffing the front desk and found it would not be effective since it is rarely used. She noted that an electronic keypad could be installed to allow access for luggage storage and to use the computer. A security camera could also be installed.

Ellen McBride commented that the room to store luggage while waiting for transportation is a good idea and that a coin machine and soap machine could be added to the laundry room. She suggested that parking passes could be sent to owners for distribution to renters. She does feel that an on-site person is a good idea for at least a few hours each day.

Greg Hagerman asked about the cost to staff the front desk from Christmas through mid-March for 8 hours per day. Rhonda reported that it cost Park City Lodging approximately \$15,000 for staffing last winter season. Greg commented that if the HOA absorbs front desk staffing expense it would cost each owner

approximately \$30 per month. An attendee asked if staffing the front desk benefits Park City Lodging and Rhonda Sideris reported that they only manage seven nightly rentals and when they first took over they managed over half the project. When the economy changed, owners started renting themselves through VRBO or changed to long term rentals for guaranteed income.

Carolyn Young stated that she has been an owner for many years and in the past almost everyone used the property manager to rent until companies like AirBnB and VRBO became popular.

Gemma Lenard stated that she has owned an Edelweiss unit for 30+ years and her unit was in the rental pool but is now occupied long term. She wondered who will police the pool for glass if there is no on-site desk. An attendee stated that all owners must bear responsibility for keeping Edelweiss safe. Carolyn Young asked owners to provide plastic or paper cups in their condo for use at the pool.

Ellen McBride proposed that the HOA contract with Park City Lodging to provide front desk services for ski season, hours to be determined. The cost is approximately \$15,000 and Park City Lodging would staff the front desk until 5:00 or 6:00 pm.

A motion was made to contract Park City Lodging to staff the front desk for 90 days during ski season. Motion was seconded.

An attendee asked how many units are in rental. Jeanne reported that there are 10 long-term rentals and approximately five owners live at Edelweiss so that leaves about 30 units doing nightly rentals. Rhonda reported that staffing the front desk during the daytime is important to facilitate questions that arise during the check in/out process.

Chris Faris asked about the responsibilities of the front desk staff. Rhonda stated that the desk employee patrols the property at a different time than maintenance does, they distribute parking passes, and act as a concierge. An attendee added other responsibilities such as: providing change for the laundry, assistance with the lobby computer/printer and reporting maintenance issues to PCL. She asked if the staff assists renters of units that Park City Lodging does not manage. Rhonda clarified that they answer questions and provide concierge service for anyone who stops in.

The motion was tabled until after the financials are reviewed.

V. NEW BUSINESS

a. 2017 Financials/2018 Budget - Jeanne Lehan

As of 8/31/17 the HOA has \$99,000 cash in bank. The HOA will owe \$51,000 for the concrete stairway final payment, leaving \$20,000 in reserves at year end.

The 2017 forecast was presented. Fire Sprinkler maintenance is \$3,400 over budget due to \$2,000 repairs and the cost for responding to alarms. Property tax for the HOA owned apartment and office went up approximately 50% from 2016 to 2017. The increase is not a rate change but is based on increased property valuations from a large number of recent sales at the property.

The forecast for 2017 Net Ordinary Income is a (\$6,000) loss versus a budgeted (\$2,600) loss.

Due to the acceleration of the Building C stairway replacement, 2017 reserve expense is forecast to be \$110,000 versus budget of \$21,200. This project was on the reserve study for completion in 2018 so was done a year early.

The 2018 reserve contribution budget is \$33,439 which includes \$8,400 in expenditures with the balance going into reserve savings. Budgeted expenditures include: \$1,000 to complete asphalt seal coat and restriping; \$2,400 replacement of one pool pump; \$2,000 pool furniture (2 tables, 8 chairs); \$3,000 replacement two sauna heaters. Rhonda reported that Utah law requires an HOA reserve update every five years, and Park City Lodging reviews all assets annually to update the study.

Jeanne reported that with no dues increase or assessment the reserve balance will increase by \$25,000 during 2018. The goal is to have 20% of operating budget, about \$60,000, in the reserve account. The \$25/month dues increase and \$300 assessment options will increase reserves by \$39,000. The \$50/month and \$600 assessment options will increase reserves by \$52,000.

Carolyn stated that the board supports the \$600 assessment option. The assessment would be in two installments, \$300 on 1/31/18 and \$300 on 7/31/18. An attendee asked if there will be another assessment next year. Carolyn responded to this question stating that one of the reasons the board recommends the \$600 assessment is to bring the reserve account to a point where it is comfortable. The next major project the HOA anticipates is replacing the entry doors on the Buildings A and B and would eventually like to install keypads. The windows on south side need better insulation or tinting.

Ellen Carpenter proposed increasing the assessment to \$900 and allow owners to pay in two \$450 payments. A discussion followed about dues increase versus a one-time assessment.

Daimon Bushi suggested examining ways to save energy to reduce expenses. Rhonda reported that low flow shower heads and faucet aerators were purchased by another HOA and made available to owners at HOA expense. A discussion ensued about the placement and benefits of adding solar panels. Rhonda stated that she can solicit solar bids from the company that she worked with on Park

City Lodging's building. She is also not sure if the credits would apply to a multi-unit dwelling.

Ellen McBride made a motion that budget be adopted as presented and that the \$900 assessment of two payments be adopted, which would include the front desk. Carol Silverman seconded the motion.

Jeanne reported that there are 19 of 30 votes present in the room, including proxies.

A vote by show of hands was called. Motion failed.

Daimon Bushi made a motion for a \$50 per month dues increase. Shane Kemp seconded the motion. A vote by show of hands was called and each person on the phone provided their vote verbally. Motion failed.

Greg Hagerman made a motion to adopt a \$600 assessment, made in two payments. Carolyn Young seconded the motion. A vote by show of hands was called and each person on the phone provided their vote verbally. Motion carries.

b. Meeting Date

The 2018 meeting date will be held on Friday, October 5, 2018.

c. Board Election

All seats on the Board are for a one-year term. Chris Faris, Susan Norgren, David Cushing, Hilary Williams and Carolyn Young are the current board members. No applications for the Board were submitted.

Ellen Carpenter made a motion that the current board members be re-elected. The motion was seconded. All in favor. Motion carries.

d. Other

Ellen Carpenter made a motion that the front desk remain open during the ski season, hired by Park City Lodging at the HOA expense, of which \$15,000 is the estimated expense for 8-hours per day. The expense is \$333 per year, per owner. Carol Silverman seconded the motion. Motion failed.

A discussion followed regarding installation of an electronic lock for the office to allow guests use of this area while waiting for transportation and for luggage storage after check-out. Rhonda suggested signage that states the HOA is not responsible for lost or stolen items. It will be monitored by video camera.

Dorothy Lawyer expressed concerns about second hand smoke at the property and inside her condo. Rhonda explained that the property is smoke free per Utah law governing public buildings but a person can't be restricted in their own home. Rhonda Sideris reported that the last opinion they received from the HOA

attorney was that the HOA cannot dictate what happens inside a privately owned condo. One owner can sue another owner for damages but the HOA is not involved. Carolyn asked Rhonda to consult the attorney again to see if the law has been revised.

Wayne Best suggested that the hot tub remain open year-round. The Board approved extending the summer closing date from Labor Day to September 30th and based on cost to provide maintenance and open/close service during the slow season it is not an expense that is budgeted at this time.

Carol Silverman motioned to adjourn the meeting. Diana Hagerman seconded the motion. All in favor. Motion carries.

Meeting adjourned at 5:35 p.m.

Respectfully submitted,

Beth Kapp
435-640-7462

Balance Sheet Comparison

2012-Current 2017

	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	YEAR TO DATE 8/31/2017
CURRENT ASSETS						
1020 Checking Account	\$ 23,706	\$ 10,626	\$ 2,434	\$ 5,931	\$ 11,734	\$ 16,779
1025 Savings Account	\$ 39,720	\$ 9,761	\$ 41,772	\$ 116,808	\$ 16,821	\$ 8,823
1030 Reserve Checking	\$ 23,354	\$ 51,248	\$ 60,530	\$ 66,090	\$ 103,909	\$ 73,478
Subtotal Cash On-Hand	\$ 86,781	\$ 71,634	\$ 104,736	\$ 188,830	\$ 132,463	\$ 99,081
1500 Accounts Receivable	\$ 5,267	\$ 981	\$ (2,232)	\$ 89,861	\$ 6,573	\$ 2,016
1501 Accounts Receivable-Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12000 Undeposited Funds	\$ 478	\$ 577	\$ -	\$ -	\$ 1,170	\$ -
SUBTOTAL Current Assets	\$ 92,525	\$ 73,192	\$ 102,504	\$ 278,691	\$ 140,206	\$ 101,096
FIXED ASSETS						
1701 Leased Wi-Fi Equipment	\$ 11,372	\$ 11,372	\$ 11,372	\$ 11,372	\$ 11,372	\$ 11,372
1820 Common Area & Condominium #200	\$ 225,888	\$ 225,888	\$ 225,888	\$ 225,888	\$ 231,406	\$ 231,406
1821 Internet Routers	\$ -	\$ -	\$ -	\$ -	\$ 3,691	\$ 3,691
1825 Accumulated Depreciation	\$ (125,667)	\$ (125,667)	\$ (125,667)	\$ (161,689)	\$ (170,844)	\$ (170,844)
SUBTOTAL Fixed Assets	\$ 111,593	\$ 111,593	\$ 111,593	\$ 75,571	\$ 75,626	\$ 75,626
OTHER ASSETS						
1805 Prepaid Expenses	\$ 1,339	\$ 1,568	\$ 1,484	\$ 1,722	\$ 1,871	\$ 1,863
1810 Prepaid Insurance	\$ 1,184	\$ 3,242	\$ 785	\$ 785	\$ 794	\$ 1,232
SUBTOTAL Other Assets	\$ 2,523	\$ 4,810	\$ 2,269	\$ 2,507	\$ 2,665	\$ 3,095
TOTAL ASSETS	\$ 206,641	\$ 189,595	\$ 216,367	\$ 356,769	\$ 218,497	\$ 179,817
LIABILITIES						
2000 Accounts Payable	\$ 17,097	\$ 25,907	\$ 65,045	\$ 69,591	\$ 32,485	\$ 11,138
2005 Accrued Expenses	\$ 4,377	\$ 5,211	\$ 5,936	\$ 5,638	\$ 5,916	\$ -
2010 Prepaid Dues/Special Assessment		\$ 1,700				
2012 Insurance Deductible Reserve				\$ -	\$ 10,000	\$ 10,000
LONG TERM LIABILITIES						
Capital Lease Obligation Wi-Fi	\$ 5,104	\$ 1,098	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 26,578	\$ 33,917	\$ 70,981	\$ 75,229	\$ 48,401	\$ 21,138
OWNERS EQUITY						
3000 Fund Balance - Current Year	\$ 23,154	\$ (24,385)	\$ (10,293)	\$ 141,672	\$ (116,962)	\$ (11,416)
3100 Fund Balance - Previous Years	\$ 156,910	\$ 180,063	\$ 155,679	\$ 145,386	\$ 287,058	\$ 170,096
TOTAL EQUITY	\$ 180,063	\$ 155,679	\$ 145,386	\$ 287,058	\$ 170,096	\$ 158,679
TOTAL LIABILITIES & EQUITY	\$ 206,641	\$ 189,595	\$ 216,367	\$ 362,287	\$ 218,497	\$ 179,817

less \$51K final stairs

2013 Actual - 2017 Forecast

Income	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual Jan-Aug	2017 Estimated Sept-Dec	2017 Forecast Total	2017 Budget Total	Forecast to Budget Var	2017
4000 Association Dues	\$ 256,202	\$ 256,202	\$ 307,443	\$ 307,443	\$ 208,251	\$ 104,626	\$ 313,877	\$ 313,851	\$ 26	44 condos * \$585.1 * \$416.38, 2% dues increase from 2016
4001 Reserve Fund Contribution	\$ (31,856)	\$ (25,458)	\$ (48,303)	\$ (48,521)	\$ (30,891)	\$ (15,446)	\$ (46,337)	\$ (46,337)	\$ -	(0) \$3,861.42/month
4005 Special Assessment	\$ -	\$ 76,500	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(370)
4006 Finance Charge Income	\$ 89	\$ 410	\$ 2,032	\$ 3,806	\$ 90	\$ 40	\$ 130	\$ 500	\$ (370)	(15)
4007 Interest Income - Savings	\$ 40	\$ 11	\$ 29	\$ 12	\$ 3	\$ 2	\$ 5	\$ 20	\$ (15)	
4010 Rental Income/Condo #200	\$ 13,200	\$ 13,600	\$ 13,800	\$ 14,200	\$ 9,800	\$ 5,000	\$ 14,800	\$ 14,400	\$ 400	Long term rental \$1250/month
4012 Rental Income/Storage	\$ 4,250	\$ 4,350	\$ 4,870	\$ 4,870	\$ 3,760	\$ 1,880	\$ 5,640	\$ 7,800	\$ (2,160)	8 closets: 1@\$100/mo, 6@\$50/mo, 1@\$70/mo
4013 Rental Income/Meeting Room	\$ -	\$ 500	\$ 2,000	\$ 400	\$ -	\$ -	\$ -	\$ 2,000	\$ (2,000)	
4014 Laundry/Vending Income	\$ 4,519	\$ 4,213	\$ 5,872	\$ 5,338	\$ 4,028	\$ 2,000	\$ 6,028	\$ 5,200	\$ 828	approx \$500/month
4400 Miscellaneous Income	\$ 150	\$ 500	\$ 182	\$ 475	\$ 120	\$ 120	\$ 120	\$ 100	\$ 20	Garage door openers, owner fines
Total Income	\$ 246,594	\$ 330,817	\$ 737,529	\$ 268,023	\$ 186,160	\$ 98,102	\$ 294,262	\$ 297,534	\$ (3,272)	
Expenses										
5000 Management Fee	\$ 45,510	\$ 45,510	\$ 45,510	\$ 45,510	\$ 30,340	\$ 15,277	\$ 45,617	\$ 45,510	\$ 107	Contract \$3792 50/month, Revised \$3846/mo Nov & Dec
5005 Building Maintenance & Repair	\$ 20,336	\$ 16,685	\$ 23,868	\$ 34,856	\$ 17,456	\$ 11,500	\$ 28,956	\$ 28,000	\$ 956	BBQ it bulbs, \$2250 windows, carp cln, roof repair, fire inspt
5008 Window Rebate-owners	\$ -	\$ -	\$ -	\$ 11,191	\$ -	\$ -	\$ -	\$ -	\$ -	Windows purchased by owners in 2015
5010 Boiler Maintenance & Repair	\$ 21,796	\$ 23,223	\$ 10,225	\$ 11,171	\$ 2,766	\$ 5,000	\$ 7,766	\$ 10,000	\$ (2,234)	Inspection \$1300; Fall start/spring close, repairs
5015 Snow Removal	\$ 7,560	\$ 7,560	\$ 7,598	\$ 8,685	\$ 8,452	\$ 2,520	\$ 10,972	\$ 9,500	\$ 1,472	Contract \$7560/yr + \$1K roof + \$1K hauling
5020 Landscaping	\$ 6,746	\$ 4,848	\$ 5,294	\$ 7,697	\$ 1,315	\$ 5,000	\$ 6,315	\$ 9,000	\$ (2,685)	Weeding/cleanup, sprinkler/tree maintenance, Xmas lights
5025 Pool/Spa Maintenance	\$ 20,163	\$ 19,895	\$ 15,657	\$ 22,004	\$ 14,578	\$ 6,240	\$ 20,818	\$ 18,000	\$ 2,818	Contract \$800/mo, Revised \$1220 Nov/Dec, \$1200 Sept chg, \$1K repr
5030 Office Expense	\$ 170	\$ 182	\$ 1,692	\$ 600	\$ 362	\$ 1,000	\$ 1,362	\$ 1,500	\$ (118)	PO box rent, checks, parking passes, conf calls
5035 Capital Improvement	\$ -	\$ 78,258	\$ 329,625	\$ 112,374	\$ -	\$ -	\$ -	\$ -	\$ -	2015 windows/fire system
5041 Security	\$ -	\$ -	\$ -	\$ 2,903	\$ 151	\$ 100	\$ 251	\$ 3,000	\$ (2,749)	Security camera maintenance
5042 Fire Sprinkler	\$ -	\$ -	\$ 181	\$ 2,763	\$ 4,584	\$ 500	\$ 5,084	\$ 1,700	\$ 3,384	Cert Fire monitor \$60/month, Jan inspect \$1600, repair/respond
5045 Natural Gas	\$ 38,040	\$ 38,749	\$ 35,373	\$ 35,019	\$ 21,518	\$ 13,500	\$ 35,018	\$ 35,856	\$ (838)	Sep-Dec LY \$12,625 + 7%
5050 Electricity	\$ 25,925	\$ 26,028	\$ 24,820	\$ 26,636	\$ 15,876	\$ 10,316	\$ 25,992	\$ 28,404	\$ (2,412)	Sep-Dec LY \$9,825 + 5%
5055 Water	\$ 15,608	\$ 16,712	\$ 18,495	\$ 21,512	\$ 18,329	\$ 8,700	\$ 25,029	\$ 25,115	\$ (86)	Sep-Dec LY \$8251 + 5%
5060 Trash/Recycling	\$ 648	\$ 1,000	\$ 1,378	\$ 2,743	\$ 2,072	\$ 700	\$ 2,772	\$ 1,300	\$ 1,472	Recycle \$25/pickup, Trash added 2016 \$1152/yr pd July
5065 Sewer	\$ 18,359	\$ 18,927	\$ 20,183	\$ 20,681	\$ 14,026	\$ 6,912	\$ 20,938	\$ 20,725	\$ 213	\$1728/month, increase July
5070 Cable	\$ 13,034	\$ 13,711	\$ 14,320	\$ 15,032	\$ 10,337	\$ 5,900	\$ 16,237	\$ 16,275	\$ (38)	Comcast \$1310/month + repairs
5075 Telephone	\$ 2,749	\$ 2,838	\$ 2,976	\$ 3,111	\$ 2,106	\$ 1,072	\$ 3,178	\$ 3,120	\$ 58	Phone & Fax \$268/month
5076 Internet	\$ 4,061	\$ 6,396	\$ 9,458	\$ 8,535	\$ 5,567	\$ 3,144	\$ 8,711	\$ 8,814	\$ (103)	Comcast + Blue Rim + FO internet \$686/month + \$400 repairs
5080 Laundry/Vending Expense	\$ 1,265	\$ 2,043	\$ 210	\$ 447	\$ 178	\$ 200	\$ 378	\$ 500	\$ (122)	Equipment repairs, coin collection
5085 Board of Director Compensation	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ -	
5090 Insurance	\$ 13,716	\$ 13,319	\$ 12,973	\$ 13,263	\$ 9,138	\$ 4,576	\$ 13,714	\$ 14,046	\$ (332)	\$1,144/mo start Aug 2017
5092 Insurance - Deductible	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	2016 - Xfer to balance sheet NON CASH
5095 Bank Charges	\$ 120	\$ 30	\$ -	\$ 164	\$ 6	\$ (6)	\$ -	\$ -	\$ -	
5113 Meeting Room Expense	\$ -	\$ 291	\$ 1,000	\$ 231	\$ 21	\$ 20	\$ 41	\$ 1,000	\$ (959)	Mgmt commission, e locks batteries
6000 Legal/Professional Fees	\$ 4,759	\$ 6,774	\$ 3,438	\$ 4,041	\$ 350	\$ 2,850	\$ 3,200	\$ 3,850	\$ (650)	Tax prep/legal, \$2K bedbug inspection
6010 Property Taxes	\$ 1,543	\$ 2,001	\$ 2,628	\$ 2,489	\$ -	\$ 3,919	\$ 3,919	\$ 2,500	\$ 1,419	2017 estimated from County
6020 State Taxes	\$ 200	\$ 100	\$ 100	\$ 100	\$ -	\$ 100	\$ 100	\$ 100	\$ -	
6025 Misc Expense/Condo #200	\$ 1,422	\$ 2,741	\$ 2,110	\$ 2,581	\$ 2,040	\$ 500	\$ 2,540	\$ 1,940	\$ 600	Mgmt commission + repairs
6030 Depreciation Expense	\$ -	\$ -	\$ 36,022	\$ 9,155	\$ -	\$ 9,155	\$ 8,155	\$ 8,234	\$ 821	NON-CASH EXPENSE
6040 Miscellaneous Expense	\$ 660	\$ 582	\$ 12	\$ 19	\$ 12	\$ 200	\$ 212	\$ 220	\$ (8)	Office biz license, HOA corp renewal
Total Expenses	\$ 265,381	\$ 350,392	\$ 627,147	\$ 437,513	\$ 179,411	\$ 120,895	\$ 300,306	\$ 300,209	\$ 97	
Net Ordinary Income	\$ (19,797)	\$ (19,575)	\$ 110,382	\$ (149,490)	\$ 16,749	\$ (22,793)	\$ (6,044)	\$ (2,675)	\$ (3,369)	
Other Income/Expense										
Other Income										
10000 Reserve Fund Contributions	\$ 31,856	\$ 25,468	\$ 48,303	\$ 48,521	\$ 30,891	\$ 15,446	\$ 46,337	\$ 46,337	\$ 0	
10007 Reserve Fund Interest Earned	\$ 56	\$ 26	\$ 38	\$ 49	\$ 35	\$ 16	\$ 51	\$ 50	\$ 1	
Total Other Income	\$ 31,912	\$ 25,494	\$ 48,339	\$ 48,570	\$ 30,926	\$ 15,462	\$ 46,388	\$ 46,387	\$ 1	
Other Expense										
11000 Reserve Fund Expenses	\$ 36,500	\$ 16,212	\$ 17,056	\$ 16,042	\$ 59,092	\$ 51,000	\$ 110,092	\$ 21,200	\$ 88,892	Budget Pool chairs, Bldg A doors/windows, Pool pump
Net Other Income	\$ (4,588)	\$ 9,282	\$ 31,283	\$ 32,528	\$ (28,165)	\$ (35,538)	\$ (63,704)	\$ 25,187	\$ (88,891)	Actual: Finish bathrooms, Pool chairs, C stairs (from 2018)
Net Total Income	\$ (24,385)	\$ (10,293)	\$ 141,665	\$ (116,962)	\$ (11,417)	\$ (58,331)	\$ (69,748)	\$ 22,512	\$ (92,260)	

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CATEGORY	ID	NAME	U/L*	RU/L**	AVG. COST	2018	2019	2020	2021	2022
ROOFING	104	Flat Roof - TPO - Bldg A Replace	25	14	19,475	1,298	1,298	1,298	1,298	1,298
	104	Flat Roof - TPO - Bldg Alphabet - Replace	25	14	36,100	2,407	2,407	2,407	2,407	2,407
	104	Flat Roof - TPO - Bldg B Replace	25	18	33,725	1,775	1,775	1,775	1,775	1,775
PAINTED SURFACES	201	Stucco &Concrete Surfaces-Repaint	12	3	71,225	17,806	17,806	17,806	17,806	5,479
	201	Stucco Wall Surfaces-Repaint	12	3	7,875	1,969	1,969	1,969	1,969	606
	215	Interior Surfaces-Apartment-Repaint	10	3	960	240	240	240	240	87
	216	Bldg A&B Interior (inc. rails & bsmt doors)	10	7	32,993	4,124	4,124	4,124	4,124	4,124 Complete 2014; cap improvement, Satori
DRIVE/PARKING LOT	401	Asphalt Lower Overlay	25	16	6,000	353	353	353	353	353
	401	Asphalt Upper Overlay	25	5	11,750	1,958	1,958	1,958	1,958	1,958
	402	Asphalt Seal Coat & Restripe	5	0	2,000	1,000	333	333	333	333 50% complete 2016; 50% scheduled 2018
PROPERTY ACCESS	502	Garage Doors Replace (2 @ \$1000 each)	20	11	2,000	167	167	167	167	167
	503	Ext. Entry Doors & window-Bldg B-Courtyd Side	20	1	10,000	5,000	5,000	476	476	476 Added in 2013
	504	Ext. Entry Doors & Stairwell windows -Bldg A	20	1	16,800	8,400	8,400	800	800	800 Added in 2016; CDR bid
STAIRS, DECKS & FENCES	604	Balcony Resurface	20	11	31,000	2,583	2,583	2,583	2,583	2,583
	605	Stairway - Replace ABC Bldg Courtyard	30	30	51,000	1,645	1,645	1,613	1,613	1,613 Complete 2017
	606	Stairway - Replace ABC Bldg South Side	30	30	51,000	1,645	1,645	1,645	1,645	1,645 Complete 2017
	607	Wood Stairway & Railing - Replace								Cannot be replaced;annual R&M expense in operations
MECHANICAL EQUIP.	701a	Boiler Replace - Building A (2 of 5)	20	16	36,500	2,147	2,147	2,147	2,147	2,147 Complete 2013 \$36,500
	701b	Boiler Replace - Building A (3 of 5)	20	2	30,000	10,000	10,000	1,429	1,429	1,429 Split from #701 2016
	702	Boiler Replace - Building B (5)	20	2	50,000	16,667	16,667	16,667	2,381	2,381 Split from #701 2016
	703	Boiler Replace - Building C (4)	20	2	36,500	12,167	12,167	12,167	1,738	1,738 Split from #701 2016
	705	Furnace Flu Pipe - Replace; 6 total	30	28	13,900	479	479	479	479	479 Complete 2015 \$13,900
	790	Hot Water Storage Tank-Replace	30	9	21,000	2,100	2,100	2,100	2,100	2,100
	790	Water Expansion Tank- replace	25	4	10,500	2,100	2,100	2,100	2,100	2,100
PROPERTY IDENTIFICATION	801	Community Signs-Refurbish Monument signs	18	9	2,250	225	225	225	225	225
		Community Signs - Refurbish Location signs	18	17	1,200	67	67	67	67	67 Added in 2016 \$1200
POOL/SPA	1101	Pool - resurface + tile trim	12	10	8,000	727	727	727	727	727 Complete 2015 \$7033
	1102	Spa - resurface + tile trim	10	8	4,000	444	444	444	444	444 Complete 2015 \$3135
	1103	Boiler Replace, Pool	20	2	5,000	1,667	1,667	1,667	238	238 Split from #701 2016
	1104	Boiler Replace, Spa	20	2	5,000	1,667	1,667	1,667	238	238 Split from #701 2016
	1105	Concrete pool deck - replace	30	28	30,000	1,034	1,034	1,034	1,034	1,034 Complete 2015
	1107	Pool/Spa Filter-Replace 2 total	12	5	1,700	283	283	283	283	283
	1110	Pool/Spa Pumps - Replace 4 total	3	0	9,600	2,400	2,400	2,400	2,400	2,400 (1) replaced in 2014 \$2310; assume 1/year
	1111	Pool/Spa Chlorinators - Replace 2 total	8	7	4,102	513	513	513	513	513 Complete 2016
	1112	Pool Cover/Replace mechanical & cover	10	8	14,000	1,556	1,556	1,556	1,556	1,556 Complete 2015 \$14,000
1121a	Pool & Patio Furniture - 6 chaise lounges	5	5	4,000	667	667	667	667	667 Complete 2017: add 6 pool chaise lounges \$3155	
1121b	Pool & Patio Furniture - 2 tables, 8 chairs	5	0	2,000	2,000	333	333	333	333	
RECREATION EQUIPMENT	1104	Barbeque-Replace	n/a	Paid operations						
INTERIORS	1401	Laundry Equipment-2 washer/2 dryer	12	9	4,766	477	477	477	477	477 Complete 2014 \$4766, cap improvement
	1405	Lobby Furniture - Replace	10	5	5,000	833	833	833	833	833
	1409	Sauna Interiors - Refurbish	20	2	6,000	2,000	2,000	2,000	2,000	2,000
	1410	Sauna Heater-Replace 2	12	0	3,000	3,000	231	231	231	231

PAGE 3 B

- Useful Life
- Remaining Useful Life

Edelweiss Haus HOA

DRAFT 2018 BUDGET

Income

4000 Monthly Association Dues	\$ 313,877
4001 Reserve Fund Contribution	\$ (46,337)
4005 Special Assessment	\$ -
4006 Finance Charge Income	\$ 130
4007 Interest Income/Savings	\$ 5
4010 Rental Income/Condominium #200	\$ 14,800
4012 Rental Income/Storage	\$ 5,640
4013 Rental Income/Meeting Room	\$ -
4014 Laundry Machine Income	\$ 6,028
4400 Miscellaneous Income	\$ 120
Total Income	\$ 294,262

Forecast

	\$ 327,372
	(46,349)
	0
	100
	5
	15,400
	7,800
	0
	6,000
	120
	\$ 309,948

+5% dues = 5%

	\$340,872
	(46,349)
	0
	100
	5
	15,400
	7,800
	0
	6,000
	120
	\$ 309,948

+50/mo dues = 9%

	\$340,872
	(46,349)
	0
	100
	5
	15,400
	7,800
	0
	6,000
	120
	\$ 309,948

\$300 assessment

	\$313,877
	(46,349)
	0
	13,500
	100
	5
	15,400
	7,800
	0
	6,000
	120
	\$ 309,953

\$600 assessment

	\$313,877
	(46,349)
	0
	27,000
	100
	5
	15,400
	7,800
	0
	6,000
	120
	\$ 309,953

2017 dues \$585/mo. 5% increase \$610. 9% increase \$635

Long term rental \$1250/month Increase to \$1300 5/1/18

Garage closets: 10 @ \$100/mo. 6 @ \$50/mo. Bldg C: 1 @ \$70.6 @ \$30 Assume all rented

Garage door openers \$80/each; owner fines

Expense

5000 Management Fee	\$ 45,617	\$ 46,152	\$ 46,152	\$ 46,152	\$ 46,152
5005 Building Maintenance and Repairs	\$ 28,956	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
5010 Boiler Maintenance and Repairs	\$ 7,766	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
5015 Snow Removal	\$ 10,972	\$ 9,500	\$ 9,500	\$ 9,500	\$ 9,500
5020 Landscaping	\$ 6,315	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
5025 Pool/Spa Maintenance	\$ 20,818	\$ 24,340	\$ 24,340	\$ 24,340	\$ 24,340
5030 Office Expense	\$ 1,382	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
5041 Security	\$ 251	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
5042 Fire Sprinkler	\$ 5,094	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
5045 Natural Gas	\$ 35,018	\$ 35,718	\$ 35,718	\$ 35,718	\$ 35,718
5050 Electricity	\$ 25,992	\$ 27,292	\$ 27,292	\$ 27,292	\$ 27,292
5055 Water	\$ 25,029	\$ 26,280	\$ 26,280	\$ 26,280	\$ 26,280
5060 Trash/Recycling	\$ 2,772	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800
5065 Sewer	\$ 20,938	\$ 20,946	\$ 20,946	\$ 20,946	\$ 20,946
5070 Cable	\$ 16,237	\$ 16,500	\$ 16,500	\$ 16,500	\$ 16,500
5075 Telephone	\$ 3,178	\$ 3,216	\$ 3,216	\$ 3,216	\$ 3,216
5076 Internet	\$ 8,711	\$ 9,232	\$ 9,232	\$ 9,232	\$ 9,232
5080 Laundry Machine Expense	\$ 378	\$ 500	\$ 500	\$ 500	\$ 500
5085 Board Of Directors/Reimbursement	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
5090 Insurance	\$ 13,714	\$ 13,958	\$ 13,958	\$ 13,958	\$ 13,958
5113 Meeting Room Expense	\$ 41	\$ 0	\$ 0	\$ 0	\$ 0
6000 Legal/Professional Fees	\$ 3,200	\$ 3,850	\$ 3,850	\$ 3,850	\$ 3,850
6010 Property Taxes	\$ 3,919	\$ 3,919	\$ 3,919	\$ 3,919	\$ 3,919
6020 State Taxes	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
6025 Condominium 200 Expense	\$ 2,540	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550
6030 Depreciation	\$ 9,155	\$ 9,155	\$ 9,155	\$ 9,155	\$ 9,155
6040 Miscellaneous Expense	\$ 212	\$ 220	\$ 220	\$ 220	\$ 220
Total Operating Expense	\$ 300,306	\$ 309,228	\$ 309,228	\$ 309,228	\$ 309,228
Net Operating Income	\$ (6,044)	\$ 720	\$ 720	\$ 725	\$ 725

Revised contract \$3846/mo

Repr stucco front wall, lighting, wndw wash BBO, carpet clean, roof inspect/repr

Annual inspection & repairs

Driveways/sidewalks removal & salt + \$2000 roof & hauling

Weeding/cleanup, sprinkler/tree maintenance, \$4K Xmas lights

Revised contract dates \$1220/mo; Chem \$200/mo; Inspected \$300; Repairs \$5K; Extra ch \$2K

Printing (checks, parking passes), conference calls, PO box rental

Add lobby camera and keypad, maintenance

Annual inspection \$1600; monitoring \$60/month; Repair/respond alarms

Questar: 2017 forecast + 2%

RMP: 2016 forecast + 5%

PCMC: 2016 forecast + 5%

Annual fee \$1152; \$25/recycle pickup, 6x/month peak; 4x non peak

SBWRC: \$1728/mo; 2% increase in July

Concast \$1310/mo + 250 repairs

Phones - \$268/month

Concast + Blue Rim + FO internet \$686/month + \$1000 repairs

Washer/dryer repairs, coin collection

\$400/year per trustee

\$1144/mo; 4% increase in Aug

Tax prep \$850, Bed Bug inspection \$2K, Legal \$1000

Mgmt commission + repairs

NON-CASH EXPENSE

Office business license, HOA corp renewal

Other Income/Expenses

Other Income	\$ 46,337
10000 Reserve Fund Contribution-Checking	\$ 51
10007 Reserve Fund Interest Earned	\$ 46,388
Total Other Income	\$ 92,776

Other Expenses

11000 Reserve Fund Expenses	\$ 110,092
Net Other Income	\$ (63,704)
Total Net Income	\$ (69,748)

	\$ 46,849	\$ 60,349	\$ 46,849	\$ 60,349
	50	50	50	50
	\$ 46,899	\$ 60,399	\$ 46,899	\$ 60,399

	\$ 8,400	\$ 8,400	\$ 8,400	\$ 8,400
	\$ 38,499	\$ 51,999	\$ 38,499	\$ 51,999

	\$ 39,219	\$ 62,719	\$ 39,224	\$ 62,724
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Pool pump; patio table/chairs; sauna heaters