

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION

**2013 Annual Owners Meeting
10:00 am Saturday, August 24, 2013**

MINUTES

Call to Order

Chairman James “Buddy” Baker called the meeting to order at 10:04 am.

Officers in attendance were Buddy Baker (79A), Margaret Trimiew (74A), Peter Barber (30B), and Dave Hanson (75D).

Other Owners in attendance were Don Lund (22B), Jean and Joel White (22C), Gary and Leoletta Mayer (28A), Susan Barber (30B), George Rodriguez (44D), Stephen Dailey (63A), Christopher Klein (63B), Franklin Smilek (80A) and Gary Carlson (80C), Mark Wehrman (30A), Mike Harter (60B).

Also in attendance were Ty Moline of The Agency – Insurance Division; Marsha Culp and Rich Lindell of Lindell and Associates; Scott Hammond, Ryan Welch and Bethany Davies of Hammond Property Management (HPM).

All participants will be identified by their last names from hereafter in the minutes.

Determination of a Quorum

Fifty one percent of the membership votes are required to conduct the meeting; 85.86% of the membership votes were present from proxy and those present.

Approval of the 2012 Minutes

Carlson made a motion to approve the Minutes from the August 18, 2012 Annual Owners Meeting as written. Hansen seconded the motion. All were in favor. None opposed. The motion carried.

Board of Directors Report

Baker presented the Board of Directors Report (please see attachment). The following topics were discussed:

2013 Operating Budget

Substantial reductions to the operating budget have been made over the past three years. The Board is dedicated to efficiency with consistent quality services for Owners.

Reserve Fund

A Reserve Fund has been established separate from the Operating Budget strictly for capital improvement projects as needed and approved by Owners. An annual contribution of 15% of the Operating Budget will be deposited into the Reserve Fund.

Property and Liability Insurance

United Fire Group is the new insurance carrier for the Association. Ty Moline of The Agency-Insurance Division is the local agent servicing the new insurance coverage; he was at the meeting to answer questions. The policy does have earthquake coverage. There are no ordinances in Montana for new construction to maintain earthquake insurance. Unit Owner’s Insurance is also available through The Agency-Insurance Division. The Declarations state the owner is responsible for insuring anything and everything in the interior of the unit, from the studs-in. “Any of the condo betterments, improvements, drywall, finishing” must be considered when purchasing insurance for your unit. The Association’s insurance policy covers only from the studs-out.

Replacement of Laundry Equipment

A new washer and dryer have recently been installed in the laundry facility.

Renewal of Management Contract

The YCOA Board continues to be satisfied with HPM; they are always very responsive to the Association's needs.

Fractional Ownership

The Association amended the Declarations in 1983 to prohibit fractional ownership (Timesharing). The Board became aware that one condominium was set up fractional ownership in 1975 and was grandfathered in because it predates the 1983 Amendment.

New Owners

The Board welcomes four new owners: Mark and Janet Henning (74D), Mark and Ginger Wehrman (30A), Eric Schulz (44A), and Deborah Moore (30C).

Manager's Report

Hammond provided the Property Manager's Report (please see attachment). A painting and staining rotation will be established. HPM will monitor the areas that need painting the most and they will spot paint as needed prior to the start of the rotation. Original elevated decks will be painted and new gutters will be installed over them to prevent further rain damage.

Several questions were asked during the Manager's Report, the following answers were provided by HPM and the Board:

The current repairs and planned painting rotations will come out of operations not reserves; the reserve fund is only for larger priced repairs and replacements such as the replacement of the roofs.

The HOA has not expressed an interest in obtaining a thorough estimate for a new irrigation system. HPM will continue to make adjustments to irrigation heads as needed. Owners should understand that dry patches in the grass are normal in late July and August. Currently there is an irrigation expert on the HPM landscape crew that has been working to ensure the irrigation system performs to the best of its ability. Both the irrigation system and the pool use potable water and they are listed as separate line items on the budget.

The HPM landscaping crew will clear weeds and debris then spread river rock underneath all the raised entrances. If owners would like to have trees trimmed or removed, they are asked to contact HPM and send their request to the Board prior to personally trimming the trees.

Trimiew called HPM the "best in Big Sky" then HPM received applause for their work.

Financial Report

Rich Lindell provided the Financial Report (please see attachment). He began with the Statements of Assets, Liabilities & Fund Balances as of July 31st there was \$132,213 in cash, up from \$94,366 at year end. As of July 31st, the total funds were \$143,479 and the renovation loan was \$74,410. No owners are over 90 days delinquent on their assessments.

Next, Lindell moved on to the statement of Revenues Expenses and Changes in Fund Balances. Across the top you can see the assessments by category for a total of \$108,927. Down the left hand side the expenses by category are listed through July 31, 2013. The deficit of \$808 in the Laundry Income category is due to the new washer and dryer purchase. The HOA has expended \$67,511 in operating. Across the bottom is the fund balances in each account for a total of \$143,479.

Lastly, Lindell reviewed the Schedule 1. This schedule shows the budget to actual expenses comparing the current 2013 year with the prior 2012 year. The first three columns are the current year through July 31st and the far right columns show prior year information. The HOA is currently half way through the fiscal year. The funds are trending well.

Owners asked questions about the financial report, Lindell provided the following answers: Assessments are collected from owners and then loan payments are sent to the bank quarterly. The Association operates on a zero based budget; it is not trying to make money so the operating budget should equal what is expected to be spent. The Yellowstone Condominium Association has a very stable ownership, the budget is very low compared to other associations and the reserves are above adequate.

Carlson made a motion to receive the Financial Report. Mayer seconded the motion. All were in favor. None opposed. The motion carried.

Exterior Modifications Discussion

Baker presented the Background for Discussion of Exterior Modifications. On April 25, 2013 owners Joel and Jean White presented a proposal to “construct a larger upstairs deck on the south facing side” of their unit. Exterior renovations of this magnitude have not been made in the past. The Board found it important to gather owner input, establish a design covenant and a policy that all future exterior renovations will be required to follow. They are looking for a consistent format that would be approved by the Architectural Review committee of the Big Sky Owners Association (BSOA). It must include an application process that will lead to a sound design, construction must be done by qualified contractors, and the materials used must be consistent with the materials currently in the building.

The floor was open for discussion: Owners agreed the design of the first deck would set the standard for future projects and would be discussed with BSOA prior to approval by the Board. There are elevated entrances and the construction to the back deck could mimic these front entrances, minus the steps. Owners debated whether the new larger elevated decks would be the same size or if the new standard would provide the option for different sizes up to a certain size. Another obstacle owners interested in exterior renovation may encounter is that each individual unit may have different limitations with the county; so to avoid building on property owned by someone else, the individual owner will have to work with the county as well. One owner suggested looking at the construction of the new decks at Park Condominiums; they were built with a slight slope to easily drain water and the rails are slightly pitched to reduce sun damage.

The construction of any exterior renovation will be at the cost of the owner and any future upkeep including maintenance, painting and staining will be done at the expense of the owner. They would be made of the same materials and painted to match all other existing decks. One owner suggested the HOA paint any new decks that have not been maintained by an owner, and then assess the owner the cost to repaint or maintain the deck.

Baker thanks the owners for their input and ideas. The board will work diligently to make sure there is a procedure and policy by the next building season.

Owner Discussion

The issue of Association provided firewood was brought up. The Board has discussed the firewood issue at length. If the HOA does not continue to supply firewood, owners may stack wood and store it around their units in an unsightly fashion and raise the risk of fire breaking out across the complex. Baker provided examples of complexes that do not provide firewood for the association. The firewood shed was re-keyed last year and that has helped to minimize problems with poachers. The Board does not want to restrict renters from accessing the firewood shed key because the owner of that unit is paying for the firewood.

An owner requested having satellite dishes consolidated on the buildings. The Board will consider setting a standard for satellite dishes. Owners and renters need to contact HPM in advance of installing satellite dishes.

Every owner is responsible for providing their renters with the Yellowstone Condominium Rules and Regulations. It is suggested that every year following the annual meeting a copy of the Rules and Regulations and a census form is sent out to all owners to update contact information.

Owner Lund thanks the Board of Directors for all their involvement. Rodriguez appreciates the Board and HPM for their help. Smilek thanks Baker for the work he does to save money. These comments are followed by a round of applause.

Nominations for Board of Directors

The five current Board members submitted their names for re-election. Mark Wehrman was nominated by Jean White. Mike Harter was nominated by Gary Carlson.

Ballot for Board Election

Owners filled out and submitted their ballots. The following votes are based on percentage of ownership and proxies:

<u>Mark Wehrman</u>	<u>23%</u>
<u>Mike Harter</u>	<u>19%</u>

<u>James “Buddy” Baker</u>	<u>88%</u>
<u>Maggie Trimiew</u>	<u>92%</u>
<u>Diane Doss</u>	<u>90%</u>
<u>Peter Barber</u>	<u>95%</u>
<u>Dave Hanson</u>	<u>80%</u>

2014 Board of Directors

Buddy Baker, Maggie Trimiew, Diane Doss, Peter Barber, and Dave Hanson were elected to the Yellowstone Condominium Association Board of Directors for 2014.

2014 Meeting Date

The next meeting is scheduled for the latter half of August in 2014. There was a suggestion to schedule an optional campus wide walk through prior to the Annual meeting for next year.

Adjournment

Hanson made a motion to adjourn the meeting at 12:22pm. Mayer seconded the motion. All were in favor. The motion carried. The meeting adjourned.

These minuets were transcribed by Bethany Davies, HOA Accounts Manager, Hammond Property Management

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION
ANNUAL OWNERS MEETING
BOARD OF DIRECTORS REPORT
August 24, 2013

MATTERS OF INTEREST:

1. **2013 Operating Budget:** The first order of business for the Board each year is the adoption of an Operating Budget for the Association. The Budget is the basis for the quarterly assessments to Owners. Assessments are based on a unit's *interior* square footage as a percentage of the total square footage of the entire complex. Ownership interest ranges from 1.6378% for the smallest unit to 3.0507% for the largest unit. The Board and Managers have been successful in achieving substantial reductions in the Operating Budget over the past three years:

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$165,000	\$141,140	\$129,415	\$126,465

This decrease in budgeted Operating Expenses (-\$38,535) will save Owners from \$631.12 to \$1,351.42, depending the size of their unit, in 2013 as compared to 2010. The savings for the three year period (-\$97,980) ranges from \$1,604.72 for the smallest unit to \$2,989.07 for the largest unit. It will be a great challenge to adopt an Operating Budget for 2014 that will continue this trend. However, the Board is committed to effectively managing the costs of operating our Association and will continue to look for prudent options to do so while maintaining consistent quality services for the Owners and the financial viability of our Association.

2. **Reserve Fund:** Immediately after the 2012 Annual Owners meeting, the Board adopted a Corporate Resolution establishing a Reserve Fund separate from the Association's Operating account at Big Sky Western Bank. The initial contribution to the Reserve Fund was \$58,000. These funds are restricted for use for future capital improvements such as roof replacement and other major building improvements as needed and approved by the Owners. In addition, the Board established an annual Reserve contribution of 15% of the Operating Budget. As a result, we anticipate making an additional deposit to the Reserve Fund of \$40,000 this year. Along with interest earned, the Reserve Fund balance will be approximately \$99,106.
3. **Property & Liability Insurance:** The Association's Insurance Carrier changed effective November 2012. The new Carrier is United Fire Group and is serviced by Ty Moline in Big Sky, MT. The policy provides \$5,206,000 in building coverage (\$847,900 more than the old policy), \$1M/\$2M Liability, \$3M/\$3M Umbrella, and \$1M/\$2M in D&O at an annual premium savings of \$2,498.
4. **Replacement of Laundry Equipment:** One washer and one dryer was replaced during the year. The old machines were inefficient and undependable. Rising maintenance costs made replacement a cost effective solution. The cost of the new machines was paid from revenue from the laundry facility. Interestingly, the effect of this upgrade on laundry revenue is still unclear. This is because patrons of the facility do not have to run as many cycles in the dryers to get their clothes dry. Feedback from users has been positive.

5. **Renewal of Management Contract:** The Board of Directors approved renewal of the Management Contract with Hammond Property Management for 2013. We continue to be very satisfied with their performance since assuming responsibility November 1, 2010.
6. **Fractional Ownership (Timeshare) Issue:** The Board was confronted with an unusual issue early during the year. It was brought to our attention that one of the Yellowstone Condo units was listed with a local Realtor as “1/10th fractional ownership for sale”. In the process of evaluating this issue, the Board was made aware that the Association’s Declaration was amended in 1983, (and properly filed with the Clerk of Gallatin County). The amendment prohibits Ownership of condo units based on time units (timesharing). We speculate that this change to our documents was made because the Association recognized that Timeshares are very difficult to manage due to the large number of potential Owners who might have a “fractional share” of a condo unit. As a result of the Board’s inquiry, the majority Owners of this unit provided documentation that the unit was established with “fractional ownership” in 1975, which pre-dates the Declaration Amendment. Therefore, the Board’s conclusion was that this one condo unit’s ownership structure did not violate the Declaration as Amended and its ownership structure should be grandfathered. We are not aware of any other such ownership arrangements. The Declaration Amendment is available on the HPM website.
7. **New Owners:** We are pleased to welcome four new Owners since the last Owners Meeting:

Unit 74D	Mike and Janet Henning
Unit 30A	Mark and Ginger Wehrman
Unit 44A	Eric Schulz
Unit 30C	Deborah Moore

Respectfully submitted,

2012-2013 YCOA Board of Directors

James “Buddy” Baker
Diane Doss
Margaret Trimiew
Peter Barber
Dave Hanson



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**Yellowstone Condominium Owners Association
2013 Annual Owners Meeting
Manager's Report**

Year Round

- Replaced the exterior and common area lights throughout campus.
- Deposited laundry coins at Big Sky Western Bank.
- Cleaned the dumpster areas and picked up trash around the complex.

August – November 2012

- Painted the door and removed the decaying concrete wall divider in the pool mechanical room. Installed a new spa pump seal. Then drained, cleaned and refilled the spa.
- Hired Williams Plumbing to remove the old water heater from the pool mechanical room and to install a new back flow preventer.
- Installed a new NO SMOKING sign and a NO GLASS ALLOWED sign in the pool area.
- Obtained the pool license from the Gallatin Health Department.
- Appointed Bozeman Safe and Lock to re-key the doors to the wood storage, pool, and laundry room.
- Contacted Tyler Electric to honor a warranty by installing a brand new heater in the laundry room.
- Repaired the jammed coin operator, and then hired Ducelo's to replace the pulley on the dryer.
- Replaced three irrigation heads behind building 30 because they failed to rotate, fixed the broken irrigation pipe behind building 80C, and winterized the irrigation system.
- Replaced the broken screen door window on unit 30-D that was damaged by a golf ball.
- Communicated with Big Sky Water and Sewer regarding the water and sewer bill.
- Met with Burning Stoves and Stuff, and the White's to rectify issues with their fireplace insert.
- Placed the protective glass that shields the windows of units that are prone to golf ball abuse in winter storage.
- Installed the delineators to mark the outlet posts in the parking areas.
- Issued repeated violation notices for storage of kayaks on the deck of 22A.
- Removed the wood left in front of the wood shed



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December 2012 – March 2013

- Removed the snow pack from the parking areas with a front end loader. Chipped the ice throughout the complex. Swept the snow off of the satellite dishes. And shoveled snow from the entry roof of unit 80A.
- Scheduled an extra garbage pick-up for the holiday season.
- Installed a new thermostat for the women's bathroom heater.
- Turned the water off and turned up the heat to unthaw the frozen water lines in the clubhouse, then monitored the pipes to prevent cracking from cold temperatures that caused the waterlines to freeze.
- Ordered and posted an EMERGENCY EXIT sign for the pool door.
- Installed a new spa timer and replaced pump reals on the spa pumps.
- Replaced the cold water hose bib in the laundry room.
- Cleaned out the dryer exhaust vents and tested the dryer elements to make sure it was heating properly.
- Hired Jonny's Appliance to replace a coin operated washing machine.
- Posted a violation notice on the VW Fox and a car requesting they be moved more regularly. Also displayed a violation notice to unit 74B regarding a boat in the parking lot.

April – July 2013

- Swept the gravel from the parking lot.
- Asked Jonny's Appliance to look at a broken dryer and then ordered a new dryer with a 3 year warranty.
- Installed a new sauna heating element.
- Reinstalled the protective glass window panes to protect the windows from golf ball damage.
- Replaced the metal curb stop covers and repaired the damage to the asphalt from Big Sky Water and Sewer, when a section was cut out of the sidewalk to obtain access to the water shutoff valve.
- Hired Gallatin Valley Gutters to install a new gutter to unit 30A.
- Hired Canyon Chimney Sweeps to clean the chimneys and document the findings.
- Inspected the chimneys of unit's 20A/B and 30A. Also caulked the chimney cap of unit 30C/D and 80A/B to prevent water damage.
- Inspected the irrigation system, replacing 6 irrigation heads and then started the system.
- Planted flowers in the whiskey barrels and the planters.
- Contacted American Seal Coating to apply asphalt to seal the concrete pads in the parking lot (at no charge).
- Communicated the pet policy with some new renters to ensure they comply with the rules and regulations.
- Cleaned up an oil spill in the parking lot near unit 80A with oil dry.
- Completed the Yellowstone Condominium Inspection Report and walked the property with the President to discuss areas of concern.

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION
FINANCIAL STATEMENTS
As of July 31, 2013 and December 31, 2012
and
SUPPLEMENTARY INFORMATION

Lindell & Associates PC

certified public accountant

Accountant's Compilation Report

To the Board of Directors of Yellowstone Condominium Association:

We have compiled the accompanying statement of assets, liabilities and fund balance of Yellowstone Condominium Association as of July 31, 2013 and December 31, 2012, and the related statements of revenues, expenses, and changes in fund balance for the seven months ended July 31, 2013 and the accompanying supplementary information contained in Schedule I for the periods ending December 31, 2013, July 31, 2013, and December 31, 2012 which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Management (the board of directors) has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Yellowstone Condominium Association financial position and results of operations. Accordingly, these financial statements are intended solely for the information and use by Yellowstone Condominium Association members and their Board of Directors, and should not be used by others who are not informed about such matters.

The American Institute of Certified Public Accountants has determined that supplementary information about the future major repairs and replacements of common property is required to supplement, but not required to be a part of, the basic financial statements. The Yellowstone Condominium Association has not presented this supplementary information.

We are not independent with respect to Yellowstone Condominium Association.

Lindell & Associates, P.C.

Big Sky, Montana
August 22, 2013

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION
Statement of Assets, Liabilities & Fund Balances

	<u>July 31, 2013</u>			<u>12/31/2012</u>
	<u>Operating Fund</u>	<u>Reserve Funds</u>	<u>Total Funds</u>	<u>Total Funds</u>
ASSETS				
Cash and cash equivalents	\$ 74,153	\$ 58,060	\$ 132,213	\$ 94,366
Due (to) from other funds	(36,902)	36,902	-	-
Assessments receivable	7,815	4,779	12,594	14,644
Prepaid expenses	5,242	-	5,242	1,751
Long Term Assets			-	-
Renovation Loan-Owners	-	69,027	69,027	85,340
Total Assets	<u>\$ 50,308</u>	<u>\$ 168,768</u>	<u>\$ 219,076</u>	<u>\$ 196,101</u>
LIABILITIES				
Accounts payable	\$ 1,187	\$ -	\$ 1,187	\$ 4,548
Prepaid Assessments	-	-	-	3,837
Long Term Liabilities				
Renovation Loan - BSWB	-	74,410	74,410	85,340
Total Liabilities	<u>\$ 1,187</u>	<u>\$ 74,410</u>	<u>\$ 75,597</u>	<u>\$ 93,725</u>
FUND BALANCE	<u>49,121</u>	<u>94,358</u>	<u>143,479</u>	<u>102,376</u>
Total Liabilities & Fund Balance	<u>\$ 50,308</u>	<u>\$ 168,768</u>	<u>\$ 219,076</u>	<u>\$ 196,101</u>

SEE ACCOUNTANT'S COMPILATION REPORT

YELLOWSTONE CONDOMINIUM ASSOCIATION
Statement of Revenues, Expenses and Changes in Fund Balance
January 1, 2013 through July 31, 2013

	<u>Operating</u>	<u>Deferred Maintenance</u>	<u>Total</u>
Revenues			
Assessments	94,699	14,228	108,927
Laundry Income	(808)		(808)
Renovation Repayments	0		0
Penalties	455		455
Investment Interest		40	40
Total Revenues	<u>94,346</u>	<u>14,268</u>	<u>108,614</u>
Operating Expenses			
Administrative:			
Accounting	3,500		3,500
Annual Meeting	0		0
Legal	0		0
Corporate Fee	15		15
Insurance	6,990		6,990
Office and Postage	262		262
Maintenance:			
Building	709		709
Building Stain	0		0
Chimney Maintenance	2,325		2,325
Landscape	513		513
Manager Contract	25,375		25,375
Recreation Area:			
Health License	0		0
Pool Electricity	12,785		12,785
Pool Building Repair	512		512
Pool Water/Sewer	800		800
Pool Supplies	940		940
Services:			
Electricity	399		399
Firewood	2,100		2,100
Garbage	5,157		5,157
Snowplowing	1,575		1,575
Telephone	298		298
Water -Variable/Irrig.	3,256		3,256
Total Operating Expenses	<u>67,511</u>	<u>0</u>	<u>67,511</u>
Reserve Expenses		<u>0</u>	<u>0</u>
Total Expenses	<u>67,511</u>	<u>0</u>	<u>67,511</u>
Excess Revenues Over Expenses	<u>26,835</u>	<u>14,268</u>	<u>41,103</u>
Fund Balance Beginning	22,286	80,090	102,376
Fund Balance Ending	<u><u>49,121</u></u>	<u><u>94,358</u></u>	<u><u>143,479</u></u>

SEE ACCOUNTANT'S COMPILATION REPORT

SUPPLEMENTARY INFORMATION

YELLOWSTONE CONDOMINIUM OWNERS ASSOCIATION

Schedule I - Budget, Actual Expense, Actual Comparison & Prior Actual Expense

	Current Year as of July 31, 2013				Prior Year		
	12 Month Budget	Actual YTD	(Over) Under		12 Month Budget	Actual 12 Month	(Over) Under
Operating Expenses							
Administrative:							
Accounting	6,000	3,500	2,500		6,000	6,000	0
Annual Meeting	50	0	50		200	0	200
Corporation Fee	15	15	0		15	15	0
Insurance	14,000	6,990	7,010		16,500	16,118	382
Legal	500	0	500		500	0	500
Office Expenses/Postage	500	262	238		500	1,169	(669)
	<u>21,065</u>	<u>10,767</u>	<u>10,298</u>	51%	<u>23,715</u>	<u>23,302</u>	<u>413</u>
Maintenance:							
General Maintenance	2,000	709	1,291		2,500	2,584	(84)
Building Stain/Decks	0	0	0		500	0	500
Chimney Cleaning/Repair	2,500	2,325	175		2,500	2,200	300
Landscape	2,500	513	1,987		2,500	2,160	340
Manager Contract	43,500	25,375	18,125		43,500	42,450	1,050
	<u>50,500</u>	<u>28,922</u>	<u>21,578</u>	57%	<u>51,500</u>	<u>49,394</u>	<u>2,106</u>
Pool Area:							
Health License	275	0	275		275	275	0
Pool Electricity	20,000	12,785	7,215		21,000	20,349	651
Pool Building Repair	5,000	512	4,488		5,000	1,293	3,707
Pool Water/Sewer	3,000	800	2,200		2,000	0	2,000
Pool Supplies	2,000	940	1,060		1,025	1,999	(974)
	<u>30,275</u>	<u>15,037</u>	<u>15,238</u>	50%	<u>29,300</u>	<u>23,916</u>	<u>5,384</u>
Services:							
Electricity-Outside Lights	600	399	201		675	405	270
Firewood	6,000	2,100	3,900		6,000	6,000	0
Garbage	8,000	5,157	2,843		7,200	8,110	(910)
Snowplowing	3,500	1,575	1,925		3,500	1,575	1,925
Telephone	525	298	227		525	519	6
Water and Irrig/Variable	6,000	3,256	2,744		7,000	6,236	764
	<u>24,625</u>	<u>12,785</u>	<u>11,840</u>	52%	<u>24,900</u>	<u>22,845</u>	<u>2,055</u>
Total Operating Expenses	126,465	67,511	58,954		129,415	119,457	9,958
Reserves							
Deferred Maintenance Reserve	18,970	0	18,970		10,000	0	10,000
Exterior Renovation**	0	0	0		0	619	(619)
Total Budget	145,435	67,511	77,924	46%	139,415	120,076	19,339
Owner Loan - Renovation	21,260	21,260	0		21,260	21,260	0
Only owners financing							

SEE ACCOUNTANT'S COMPILATION REPORT