

Elk Run Phase IV HOA

2013 Annual Members Meeting

2013 Meeting Call to Order 6:00 pm, December 10, 2013: The 2013 meeting was called to order at 6:00 pm. Count of homeowners: in attendance; 10, proxies in hand; 22, for a total homeowner count of 32. A quorum was reached, 26. The official business for 2014 was conducted. No Proxy / No Show fines will be sent to 7 homeowners.

2012 Meeting Minutes: The 2012 annual meeting minutes were emailed to all homeowners with the first quarter's dues invoice. An open forum discussion was held on the 2012 minutes. There were no questions, concerns, or changes. The minutes were accepted.

Summary of Budgets, Projects and Financial Decisions:

- A set of seventeen slides were presented and discussed in detail during the meeting and are included as part of the official meeting minutes.
- The reroofing project for all buildings in the association has been completed as of 2013. Siding replacement and building painting were part of the reroofing project. The roofs have 40 year shingles installed. The next reroofing should not start until 2046. See slides 8, 9, 10 for additional information.
- Shared driveway at addresses 3092, 3094, 3086 and 3088 will be replaced during summer of 2014 with no assessment. If there are remaining funds, shared driveway at 3031 and 3033 will also be replaced. Future driveway replacement will be evaluated each year. As of 2013 five driveways out of fourteen have been replaced. See slides 13 and 14 for additional information.
- An Elk Run Phase 4 web site will be created during 2014.
- The Board purposed that the basic dues remain at \$1000 per quarter for 2014. The total out of pocket expenses for the 2014 year will be \$4000. The proposal passed without objection. See slide 17 for dues and assessment payment breakout and schedule.
- Voting on year end residual funds: Unanimously approved that the funds remaining at year end from the "Recurring Expenses" will be deposited into various accounts as the Board deems necessary with the majority going into the "Driveway Reserve Account #403".
- Voting on funding the "Future Roofing Reserve Account #105": Unanimously approved that the "Future Roofing Reserve Account #105" will be funded to the extent of \$2000 as stated in the "Recurring Expenses" slide.
- Voting on the funding the "Driveway Reserve Account #403": Unanimously approved that the "Driveway Reserve Account #403" will be funded to the extent of \$10,000 as stated in the "Recurring Expenses" slide.
- Voting on the Emergence Reserves CD of \$15,000: Unanimously approved that the entire \$15,000 be deposited into the "Driveway Reserve Account #403" when the CD matures in February of 2014.
- Voting on the funding of the "Building Painting and Maintenance Reserve Account #217": Unanimously approved that the funding of the "Building Painting and Maintenance Reserve Account #217" will be funded less than the amount stated in the "Recurring Expenses" slide. The amount of funding to the account will be determined by the Board throughout the year.

2014 Board Member Nominees: The January 7, 2014 board meeting will take place at 3092 Elk Run at 7:00 pm. To be in compliance with the By-Laws the meeting will be specifically to verify nominees meet the board member requirements, and assign titles. The nominees are: Dave Lentz, Don Crim, Frank Geraci, Joan Ziter, Justin Larson, Skip Puckett

The 2013 Annual Members Meeting adjourned at 7:30 pm.

Important Note: The meeting minutes and presentation in its entirety is emailed to all homeowners. If any homeowner would like to attend the monthly Board meetings or would like to read the monthly meeting minutes please contact a Board member and provide your email address.

2013 Elk Run Phase IV HOA Annual Members Meeting

2014 Plan, Budget, and Projections

- Elk Run Phase IV HOA
 - Was Constructed Between
 - 1990 to 1992
 - Consists of
 - 11 Buildings
 - 9 – Fourplex Buildings
 - 2 – Duplex Buildings
 - 14 Driveways
 - 40 Individual Units Total



2013 Elk Run Phase IV HOA Annual Members Meeting Agenda

- **6:00 pm call to order**
- **Determination of Quorum**
- **2012 Minutes Approval**
- **Treasurer's Report 2013**
 - Balance sheet
- **Old Business 2013**
 - Recurring Annual Expenses
 - 2013 Budget vs. Actual
 - Major Projects for 2013
 - Budget vs. Actual
- **New Business for 2014**
 - Recurring Annual Expenses 2013 vs. 2014
 - Utah State Legislative Activity
 - Reserve Study Funding for 2014
- **Budget Plan & Projections for 2014 & Beyond**
 - Major Projects and Special Assessment
 - Driveways
 - Maintenance and Painting Plan
 - Existing Plan , Revised Plan
- **2014 Dues & Assessment Payment Schedule**
- **2014 HOA Meeting Schedule**
- **Election of New Board Members**
- **8:00 pm Open Forum and Adjournment**

2013 Elk Run Phase IV HOA Annual Members Meeting

Goals and Strategy

- Fund the Annual Recurring Expense Budget
 - Through Quarterly Dues
 - Use proceeds to pay recurring annual expenses
 - Continue to reserve \$43,300 +3% inflation adjustment per year for maintenance / paint cycle
 - Building maintenance and painting is on a six year cycle
 - Adjust paint cycle so that buildings are painted in groups, skipping a year between groups. I.e. paint 4 buildings, skip year, paint 4 buildings, skip year, paint 3 buildings skip year, start over
 - Recurring Expense Budget funds remaining at the end of the year are moved to reserve funds
 - Re-evaluate HOA dues requirements annually
- Fund Non-Recurring Expenses Through Special Assessments
 - Driveway Replacement will require specific future special assessments
 - Typically \$1000 per homeowner per driveway
 - Other upgrades or emergency one time events in the year they are to be repaired / replaced / upgraded
- Remain in Compliance with new Utah State Legislation
 - Funding of reserve accounts
 - Roofing
 - Driveways
 - Buildings
 - Fence

Elk Run Phase IV HOA

Annual Members Meeting 2013

Budget

2013 Elk Run Phase IV HOA Annual Members Meeting

Balance Sheet

Elk Run Phase IV H.O.A. Balance Sheet				
Assets	12/1/2012		12/10/2013	
Reserve Accounts				
Insurance Deductible (CD)	\$10,000		\$10,009	
Emergency Reserves (CD)	\$15,277		\$15,000	
Building. Maint. Paint # 217	\$84,000		\$127,491	
General Contributions	\$5,000		\$0	Closed
Future Roofing # 105	\$1,000		\$1,000	
Driveway # 403	\$1,000		\$11,006	
Fence # 1001	\$2,000		\$3,001	
Total Reserve Accounts		\$118,277		\$167,507
Operating Accounts				
Checking	\$5,152		\$9,818	
Savings	\$8,871	\$14,023	\$25,173	
Total Operating Funds				\$34,991
Total All Accounts		\$132,300		\$202,498
Accounts Receivable				
Dues, Assessments	\$1,300		\$1,500	
Total Accounts Receivable		(\$1,300)		\$0
Liabilities	\$0		\$0	
Total Liabilities		\$0		\$0
Total Year End Operating Funds				\$34,991
Results of 2012 Annual Meeting:				
Close General Contributions account, remove from Recurring Expenses, move funds to Driveway account				

2013 Elk Run Phase IV HOA Annual Members Meeting

Annual Recurring Expenses for 2013 with Budget Plan Projections for 2014

Annual Expense Budget			
Recurring Annual Expense Items	2013	2013	2014
	Projected	Actual*	Projected
Grounds Maintenance Yearly Contract	\$ 33,000	\$ 31,275	\$ 33,000
Grounds, Lawn Sprinklers, Tree Spraying, Fertilization, etc.	\$ 5,300	\$ 6,566	\$ 6,500
General Grounds Improvements (Small Non Assessed Projects)	\$ 5,000	\$ 7,003	\$ 6,000
Grounds, Loader, Driveway Clearing Snow Season Only	\$ 3,000	\$ 551	\$ 3,000
Grounds Water and Electric	\$ 1,600	\$ 1,931	\$ 1,800
Tennis Court Grounds	\$ 600	\$ 500	\$ 600
Driveway Sealing	\$ 5,000	\$ 3,302	\$ 5,000
Professional and Legal Fees	\$ 5,000	\$ 2,672	\$ 5,000
Taxes, Federal & Local	\$ 750	\$ 512	\$ 750
Insurance Premium	\$ 10,500	\$ 8,887	\$ 10,000
*H.O.A. Operating Costs, Administration, Office, Management	\$ 12,000	\$ 10,251	\$ 12,000
State Required Expenses (Comply with Legislative Requirements)	\$ 3,000	\$ 2,279	\$ 3,000
Fire Sprinkler Systems	\$ 4,000	\$ 2,270	\$ 4,000
General Building Maintenance (Small Non Assessed Projects)	\$ 3,000	\$ 355	\$ 3,000
Contributions of Reserve Funds			
Roofing Reserve #105 Contributions	\$ 1,000	\$ 1,000	\$ 2,000
Driveway Reserve #403 Contributions	\$ 1,000	\$ 5,000	\$ 10,000
Building Painting Maintenance Reserve Contributions #217	\$ 42,000	\$ 43,300	\$ 44,600
Fence Along Pinebrook Blvd. Contributions	\$ 1,000	\$ 1,000	\$ 1,000
Non Recurring Expenses			
HOA Website Creation			\$ 2,500
New Grounds Sprinkler Clocks			\$ 3,500
Total Expenses	\$ 136,750	\$ 128,654	\$ 157,250
Yearly Income, Dues	\$ 160,000	\$ 160,000	\$ 160,000
Residual Funds	\$ 23,250	\$ 31,346	\$ 2,750
*Projected for month of December			

2013 Elk Run Phase IV HOA Annual Members Meeting

Major Projects Completed in 2013

Major Projects Proposed for 1014

Roof Replacement Project	**2013 Budget	** 2013 Actual
Roofing	\$50,000	\$49,665
Carpentry	\$12,000	\$11,452
Painting	\$30,000	\$31,618
Total	\$92,000	\$92,735

** Roofing, Carpentry and Painting Costs are for two buildings

2013, Completes all Roof Replacement for all of Elk Run Phase 4

Roofs have 40 year shingles installed

2046, will start the next re-roofing project

2013 Actual painting includes chimney caps (not previously included),
garage doors and pedestrian doors on driveway level

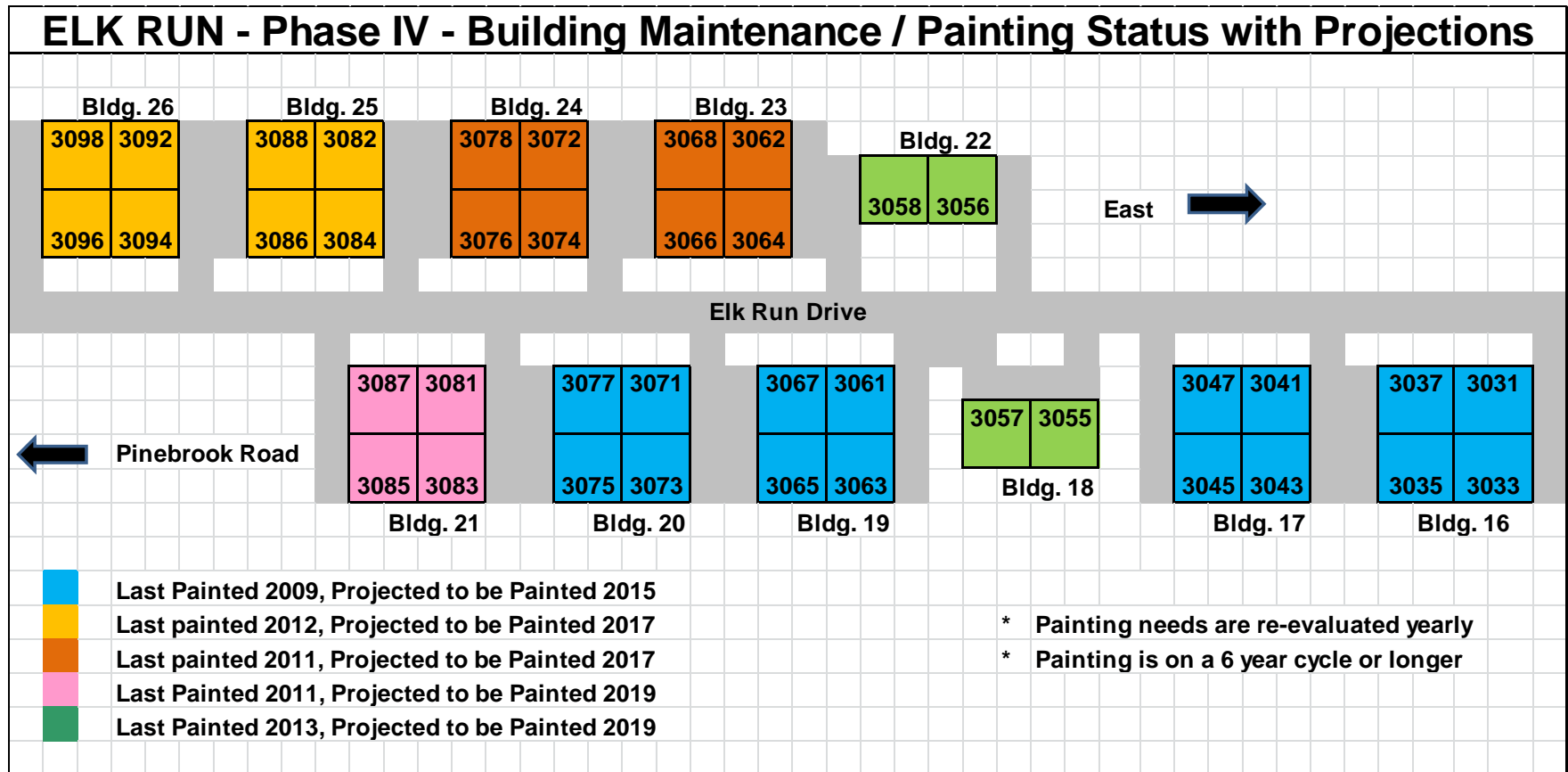
One Driveway Replacement With No Assessmant in 2014

Driveway Replacement Project	2014 Budget	2014 Actual
Concrete	\$40,000	
Grounds	\$3,000	
Total	\$43,000	\$0

2013 Elk Run Phase IV HOA Annual Members Meeting

2014 Plan Budget and Projections

Building Maintenance/Painting



2013 Elk Run Phase IV HOA Annual Members Meeting

2014 Plan, Budget and Projections

Building Maintenance and Painting

Building Major Maintenance Schedule	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual Deposit Reserve Account # 217	\$44,600	\$45,938	\$47,316	\$48,736	\$50,198	\$51,704	\$53,255	\$54,852	\$56,498	\$58,193	\$59,939	\$61,737
Balance from Previous End of Year	\$127,300	\$171,900	\$113,838	\$161,154	\$97,890	\$148,087	\$106,791	\$160,046	\$82,898	\$139,396	\$65,589	\$125,528
Total Working Yearly Balance	\$171,900	\$217,838	\$161,154	\$209,890	\$148,087	\$199,791	\$160,046	\$214,898	\$139,396	\$197,589	\$125,528	\$187,265
Building 16												
Painting		(\$21,000)						(\$25,000)				
Carpentry		(\$5,000)						(\$8,000)				
Building 17												
Painting		(\$21,000)						(\$25,000)				
Carpentry		(\$5,000)						(\$8,000)				
Building 18 Duplex												
Painting						(\$24,000)						(\$25,000)
Carpentry						(\$7,000)						(\$8,000)
Building 19												
Painting		(\$21,000)						(\$25,000)				
Carpentry		(\$5,000)						(\$8,000)				
Building 20												
Painting		(\$21,000)						(\$25,000)				
Carpentry		(\$5,000)						(\$8,000)				
Building 21												
Painting						(\$24,000)						(\$25,000)
Carpentry						(\$7,000)						(\$8,000)
Building 22 Duplex												
Painting						(\$24,000)						(\$25,000)
Carpentry						(\$7,000)						(\$8,000)
Building 23												
Painting				(\$22,000)						(\$25,000)		
Carpentry				(\$6,000)						(\$8,000)		
Building 24												
Painting				(\$22,000)						(\$25,000)		
Carpentry				(\$6,000)						(\$8,000)		
Building 25												
Painting				(\$22,000)						(\$25,000)		
Carpentry				(\$6,000)						(\$8,000)		
Building 26												
Painting				(\$22,000)						(\$25,000)		
Carpentry				(\$6,000)						(\$8,000)		
End of Year Balance	\$171,900	\$113,838	\$161,154	\$97,890	\$148,087	\$106,791	\$160,046	\$82,898	\$139,396	\$65,589	\$125,528	\$88,265

Painting includes garage and pedestrian doors on driveway level along with chimney caps

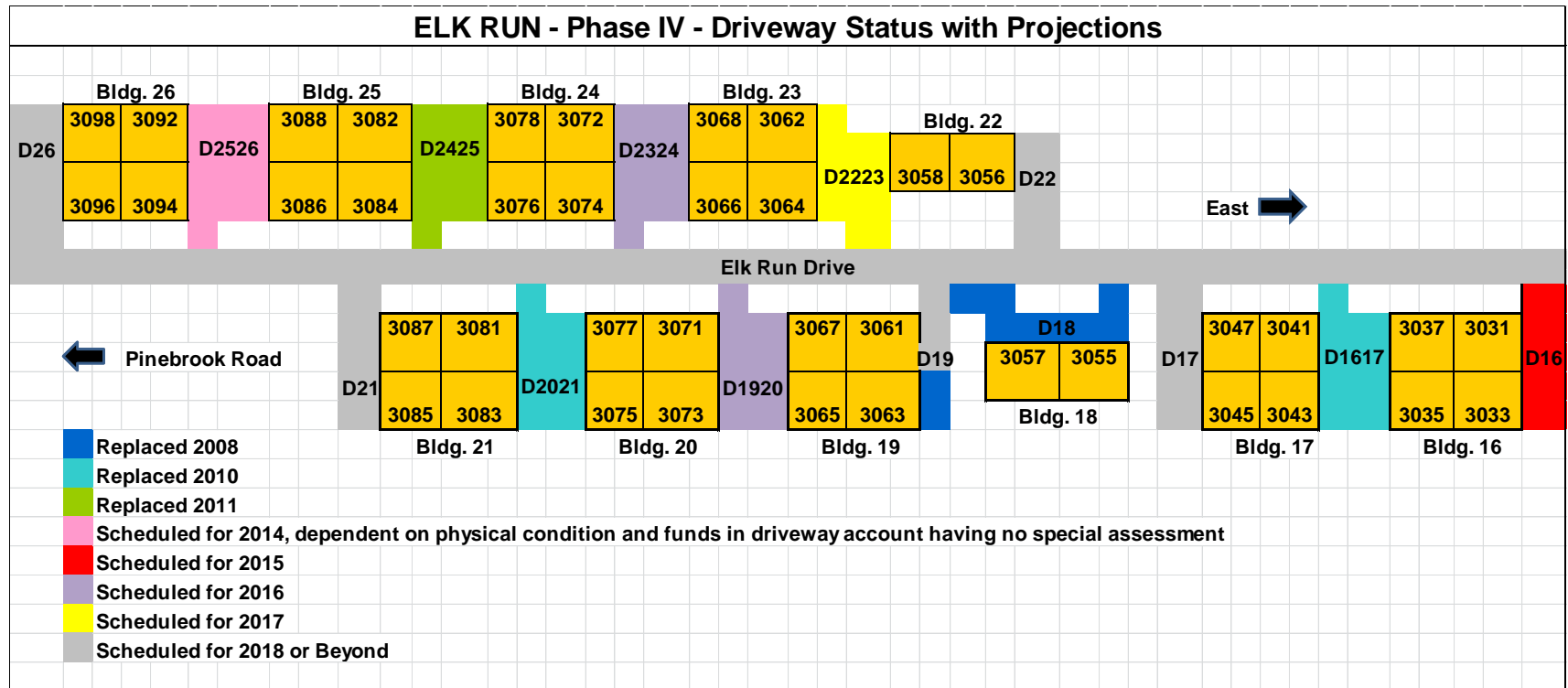
Paint and Maintenance Costs are Inflation Adjusted by 3% compounded annually to be in harmony with 2012 Reserve Study

At year end of 2014 the Building Painting / Maintenance Reserve Contributions #217 will be reevaluated and possibility reduced.

Excess funds after reevaluation of Building Painting / Maintenance Contributions will be deposited into the Driveway Reserves Fund #403

2013 Elk Run Phase IV HOA Annual Members Meeting

2014 Plan, Budget and Projections for Driveways



Driveway replacement costs are the sum of concrete replacement, grounds repairs and sprinkler repairs / restoration

Driveway replacement costs are placeholder projections and are not modified for out years labor and materials changes

Selection of driveway replacement is dependent on physical condition

Driveways replacement schedule is re-evaluated yearly

Building 26 driveway may be replaced in 2014. Decision dependent if it can be done with existing funds and no assessment.

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2014 Plan, Budget and Projections for Driveways

Driveway Replacement Projections	2013	2014	2015	2016	2017	2018	2019	2020
Balance from Previous End of Year	\$6,000	\$11,000	\$2,000	\$9,000	\$13,000	\$20,000	\$0	\$0
Annual Deposit Reserve Account # 403 *RC	\$5,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$1,000
Deposit of residual working funds **RC		\$9,000						
Deposit of excess funds from other accounts								
Deposit of CD- Funds Available 2/10/14, one time only		\$15,000						
Total Working Balance	\$11,000	\$45,000	\$12,000	\$19,000	\$23,000	\$30,000	\$10,000	\$1,000
Building 16, Driveway D16			(\$43,000)					
Building 16/17, Driveway D1617, Replaced								
Building 17, Driveway D17						(\$45,000)		
Building 18 Duplex, Driveway D18, Replaced								
Building 19, Driveway D19, Replaced								
Building 19/20, Driveway D1920				(\$43,000)				
Building 20/21, Driveway D2021, Replaced								
Building 21, Driveway D21						(\$45,000)		
Building 22 Duplex, Driveway D22							(\$45,000)	
Building 22/23, Driveway D2223					(\$43,000)			
Building 23/24, Driveway D2324				(\$43,000)				
Building 24/25, Driveway D2425, Replaced								
Building 25/26, Driveway D2526		(\$43,000)						
Building 26, Driveway D26							(\$45,000)	
Possible Special Assessment Needed			\$40,000	\$80,000	\$40,000	\$60,000	\$80,000	
End of Year Balance	\$11,000	\$2,000	\$9,000	\$13,000	\$20,000	\$0	\$0	\$1,000

Driveway replacement costs are the sum of concrete replacement, grounds repairs and sprinkler repairs / restoration

Driveway replacement costs are placeholder projections and are not modified for out years labor and materials changes

Selection of driveway replacement is dependent on physical condition

Driveways replacement schedule is re-evaluated yearly

Driveway replacement costs are approximately \$40,000 and funded through special assessment of \$1000 per homeowner if necessary

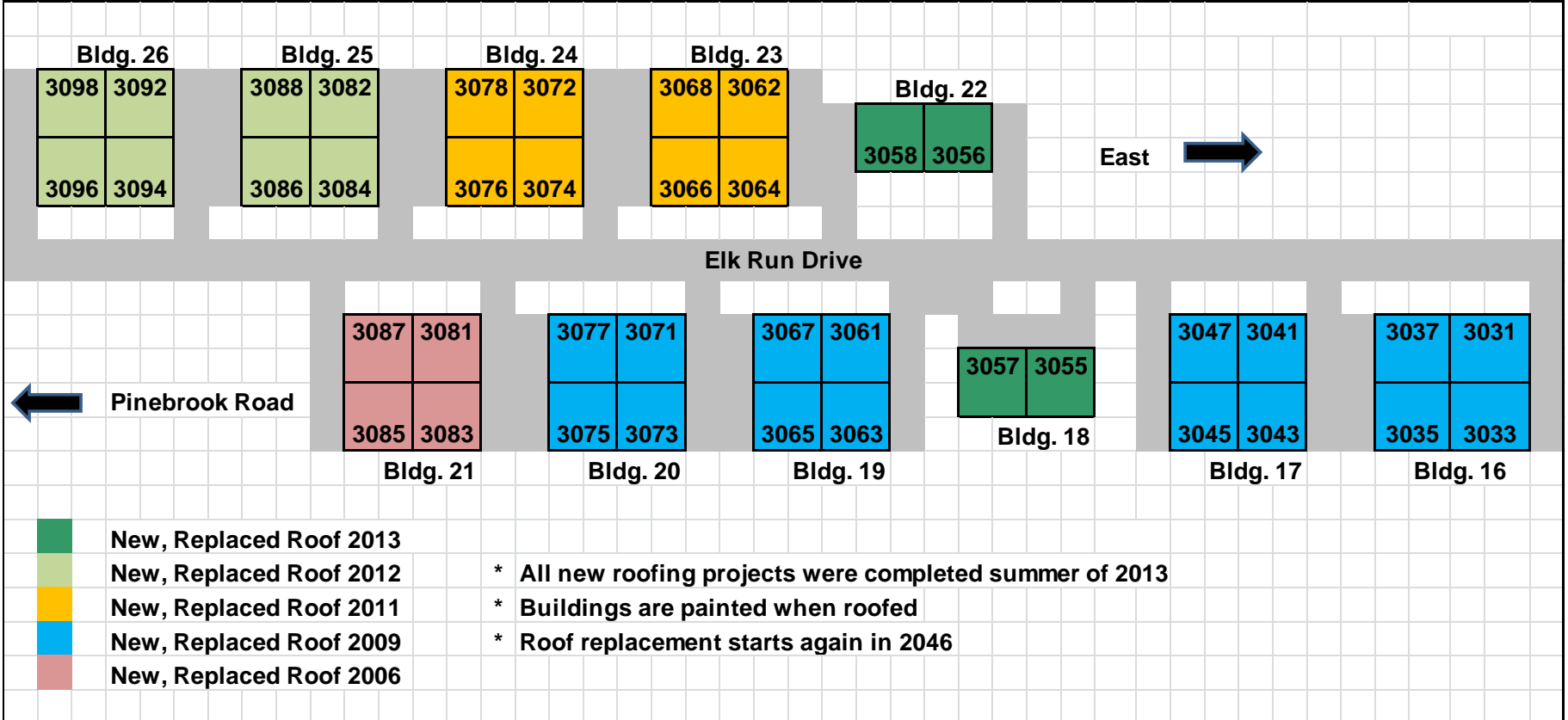
*RC = Recurring Expenses Budget, Driveway Reserve #403 Contributions

**RC = Recurring Expenses Budget, Residual Funds

2013 Elk Run Phase IV HOA Annual Members Meeting

All Roofs Replaced as of 2013

ELK RUN - Phase IV - All Roofs Replaced as of 2013



2013 Elk Run Phase IV HOA Annual Members Meeting

7 Year Cost Analysis

Roofing Replacement Project 2006 - 2013						Special Assessment Verses Actual Project Spending						Average Building / Unit Owner Cost								
	2006		2007		2008		2009		2010		2011		2012		2013					
	Special Assessment	Actual Spending	Special Assessment	Actual Spending	Special Assessment	Actual Spending	Special Assessment	Actual Spending	Special Assessment	Actual Spending	Special Assessment	Actual Spending	Special Assessment	Actual Spending	Special Assessment	Actual Spending				
Totals Roofs	\$28,385	\$28,385					\$136,000	\$164,841			\$40,000	\$117,670	\$40,000	\$113,329	\$80,000	\$92,000				
Special Assessment Per Unit	\$950		\$600		\$0		\$3,400		\$1,000		\$1,000		\$1,000		\$2,000					
Buildings		21						16, 17, 18, 20				24, 26		23, 25		18, 22				
Roofed																				
Paint/Maint	\$9,615	\$54,959	\$24,000	\$85,130																
Buildings		18, 22, 23		24, 25, 26						Driveway										
Special Assessment	\$38,000		\$24,000						\$40,000											

	Totals			Average	Average
	Special Assessment	Actual Spending	Residual Expense Budget Funds	Per Building Cost	Unit Owner Cost
Totals Roofs	\$364,385	\$516,225	\$151,840	\$46,930	\$12,906

It costs an average of ~\$47,000 to roof, repair/replace siding, and paint each building.

It costs each unit owner ~\$13,000 to roof, repair/replace siding, and paint their unit.

Comparatively it costs ~\$6500 per unit owner to repair the siding and paint their unit over ~ the same period of time.

Elk Run Phase IV HOA

Annual Members Meeting 2013

Utah State Legislation

2013 Elk Run Phase IV HOA Annual Members Meeting

Utah State Legislative Activity

- Utah State Legislature has been creating new laws for HOA's
 - These are known as the Utah Condominium and Community Association Acts
 - Elk Run Phase IV is in compliance with all new legislation
 - UCA 57: Real Estate Act: Legal descriptions for all real estate, private, commercial, HOA's and farms.
 - UCA 57-8: Specifically for HOA's, both condominiums and PUD's: Deals with all aspects of CC&R's ,bylaws, articles of incorporation.
 - UCA 57-8A: Specifics of: Collections , funds, reserve studies, dues, spending money, insurance, rules, policy, management, etc.
 - Insurance
 - HOA insurance is primary insurance
 - Reserve studies, savings of funds, spending of funds
 - Requires the board to include a reserve fund line item in the annual budget in the amount the board determines based on the reserve analysis and based on what “the board determines is prudent under the circumstances” . As of this meeting date there is no requirement that the amount be higher than \$1.00.
 - A reserve study can updated every 3 years and redone every 6 years.

2013 Elk Run Phase IV HOA Annual Members Dues and Assessment Payment Schedule for 2014

2014 Dues and Assessment Payment Schedule				
Payment	Due Date	Dues	Assessment	Payment Amount
1st. Qtr.	1-Jan	\$1,000	\$0	\$1,000
2nd. Qtr	1-Apr	\$1,000	\$0	\$1,000
3rd. Qtr	1-Jul	\$1,000	\$0	\$1,000
4th. Qtr	1-Oct	\$1,000	\$0	\$1,000
Totals		\$4,000	\$0	\$4,000

2013 Elk Run Phase IV HOA Annual Members Board Member Requirements and Meeting Schedule

Board Member Requirements:

- 1. Must be a homeowner in good standing with the association, having paid all dues (regular assessments) special assessments, and any other HOA-related monies owed in full for at least the entire past 12 months.**
- 2. Must be the homeowner of record with Summit County for a minimum of one year and live in the Elk Run Phase IV community.**
- 3. Must read and be familiar with all HOA governing documents, i.e., legal, rules, as referenced above.**
- 4. Must attend the Annual Homeowners Meeting, and a minimum 65% of scheduled Board meetings.**
- 5. Must have basic computer skills (e.g., Word, Excel), and check email daily.**
- 6. Must keep time record of hours spent on association projects and submit them to the Secretary or Treasurer at scheduled Board meetings.**
- 7. Must accept job assignments from the Board and complete them by the assigned date.**
- 8. Must be a Board Member (Trustee) for a minimum of one year before being eligible to be an Officer (President, Treasurer, Secretary).**
- 9. Must be on the board for one full year to become eligible for officer payment. Must have 12 or more hours per quarter to qualify for payment. Payment is paid at \$20 per hour and paid quarterly.**
- 10. A Board Member may be voted off the Board of Directors if he/she fails to meet one or more of the above requirements.**

2014 Board Meeting Schedule:

January 7
February 4
March 4
April 1
May 6
June 3
July 1
August 5
September 2
October 7
November 4
Annual Meeting TBD

All meetings are open to homeowners.

Contact a Board member for monthly meeting location and time.