

Elk Run Phase IV  
Home Owners Association  
Annual Members Meeting  
January 18, 2018

2018 Plan, Budget, and Projections

6:00 PM

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# **Elk Run Phase IV HOA Annual Members**

## **2018 Plan, Budget, and Projections**

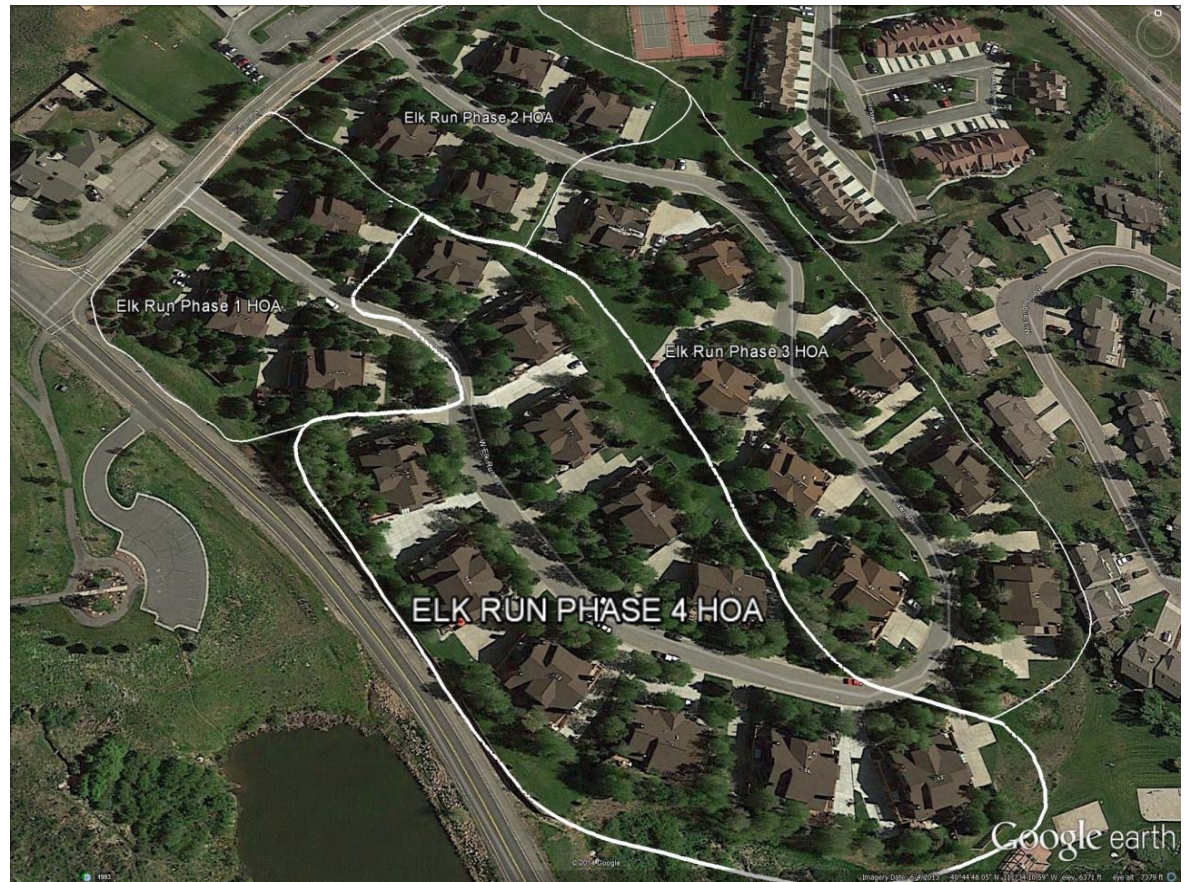
### **Meeting Agenda**

- **6:00 pm call to order**
- **Determination of Quorum**
- **2017 Minutes Approval**
- **Accountant's Report 2017**
  - Balance sheet
  - Profit & Loss
    - Budget vs. Actual
    - Current vs. Prior Year
- **Old Business 2017**
  - Major Projects for 2017
    - Budget vs. Actual
- **New Business for 2018**
  - Reserve Study Funding for 2017
- **Budget Plan & Projections for 2018 & Beyond**
  - Major Projects and Special Assessment
    - Driveways
  - Maintenance and Painting Plan
    - Existing Plan, Revised Plan
- **2018 Dues & Assessment Payment Schedule**
- **2018 HOA Meeting Schedule**
- **Election of New Board Members**
- **7:30 pm Open Forum and Adjournment**

# Elk Run Phase IV HOA Annual Members Meeting

## 2018 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



# **Elk Run Phase IV HOA Annual Members Meeting**

## **2018 Plan, Budget, and Projections**

- The Primary Purpose of a Homeowners Association  
is to Maintain and Enhance Property Values  
And Preserve the Character of the Community

Guide to Understanding Homeowners Associations - [HOA-USA.com](http://HOA-USA.com)

# **Elk Run Phase IV HOA Annual Members Meeting**

## **2018 Plan, Budget, and Projections**

- The Primary Purpose of a Homeowners Association  
is to Maintain and Enhance Property Values  
And Preserve the Character of the Community  
Through Enforcing the Covenants,  
Bylaws, Rules & Regulations  
and Maintenance of the Buildings & Common Areas

Guide to Understanding Homeowners Associations - [HOA-USA.com](http://HOA-USA.com)

# Elk Run Phase IV HOA

## Annual Members Meeting

For Your Information  
Changes, Accomplishments, & Highlights  
2017

# **Elk Run Phase IV HOA Annual Members Meeting**

## **2018 Plan, Budget, and Projections**

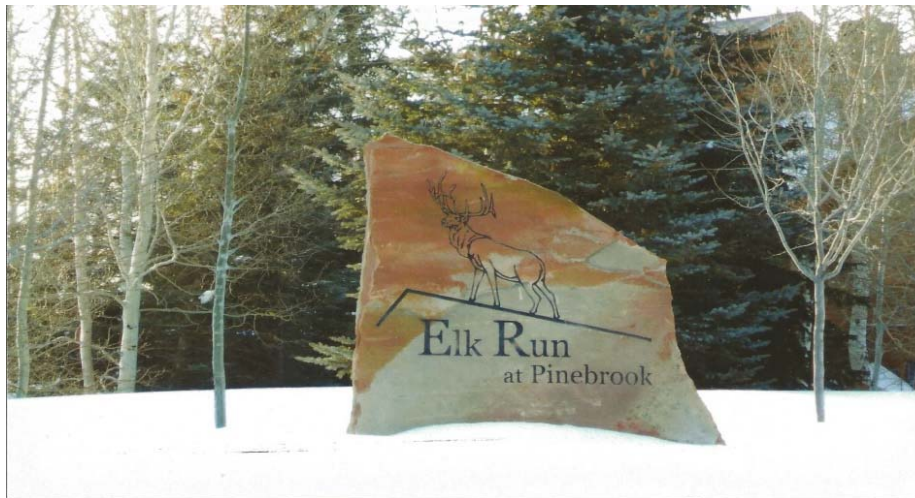
- **Changes, Accomplishments, & Highlights for 2017**
  - **Building Maintenance and Painting**
    - Buildings 21, 24, 25, and 26 were painted in 2017
    - Original Garden Windows with Water Penetration Damage Substantially Replaced
      - All Unit Owners Have Replaced or Have On Order a Replacement for Their Original Garden Windows
    - Fire Sprinkler Annual Checkups and Identified Recharges Completed
  - **Elk Run Phase 4 HOA's website updated**
    - Added Project Updates, News Items, Meeting Info, and Policy Reminders
  - **Replaced Three Driveways on Elk Run Drive**
    - Three Driveways were replaced at 3096/3098, 3064/3058, and 3061/3068
    - New Penetrating Sealer (BASF) was used as the initial sealer on these driveways
  - **Grounds Maintenance and Landscaping**
    - GMS-Grounds Maintenance Service provided landscaping and snow removal in 2017 and will continue through 2018
    - Low Stump Co. a Certified Arborist, Removed Trees Identified as Hazardous or Diseased
    - Low Stump Co. is also providing the HOA's tree spraying needs
    - Tru-Green is providing the HOA with grounds aeration, fertilization, and weed control
  - **In 2017 Elk Run Phase 4 had six units sold to our new neighbors**



# Elk Run Phase IV HOA Annual Members Meeting

## Elk Run Phase IV Website

- Elk Run Phase IV Website can be found at: <http://elkrun4.weebly.com/>
- Elk Run Phase IV e-mail address: [elkrun4hoa@gmail.com](mailto:elkrun4hoa@gmail.com)





# 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
  - 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
  - Upgrades or emergency one time events in the year they are to be repaired / replaced / upgraded
- Remain in Compliance with Utah State Legislation
- Fund reserve accounts
  - Roofing
  - Driveways
  - Buildings
  - Fence

# Elk Run Phase IV HOA

## Annual Members Meeting

Budget

**Elk Run Phase 4 H O A**  
**Balance Sheet**  
As of December 31, 2017

	Dec 31, 17	Dec 31, 16
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
Current Cash	42,619.99	40,620.84
Reserve Accounts	190,583.69	288,705.87
Total Checking/Savings	233,203.68	329,326.71
Accounts Receivable		
Accounts Receivable	-5,996.95	-9,551.14
Total Accounts Receivable	-5,996.95	-9,551.14
Total Current Assets	227,206.73	319,775.57
<b>TOTAL ASSETS</b>	<b>227,206.73</b>	<b>319,775.57</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable	693.53	900.00
Other Current Liabilities		
Window Assessment 3067	0.00	5,000.00
Total Other Current Liabilities	0.00	5,000.00
Total Current Liabilities	693.53	5,900.00
Total Liabilities	693.53	5,900.00
Equity		
Opening Balance Equity	760.00	760.00
Retained Earnings	313,115.57	328,621.74
Net Income	-87,362.37	-15,506.17
Total Equity	226,513.20	313,875.57
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>227,206.73</b>	<b>319,775.57</b>

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Accrual Basis

**Elk Run Phase 4 H O A**  
**Profit & Loss Budget vs. Actual**  
 January through December 2017

	Jan - Dec 17	Budget
Ordinary Income/Expense		
Income	162,950.02	160,000.00
Gross Profit	162,950.02	160,000.00
Expense		
Grounds Maintenance	40,998.31	53,040.95
Sealing of Concrete	5,100.00	3,049.00
Professional Fees		
Accounting	3,700.00	3,900.00
Legal	1,494.17	3,600.00
Total Professional Fees	5,339.17	7,500.00
Taxes		
Fed	0.00	350.00
Total Taxes	0.00	350.00
Insurance	10,629.00	11,500.00
AdminExp	7,057.11	13,960.05
Building Maintenance		
Fire Sprinklers	3,583.20	3,500.00
Fence Maintenance	975.83	0.00
General Maintenance	3,388.21	0.00
Major Maintenance	0.00	0.00
Small General	1,505.00	1,200.00
Building Maintenance - Other	18.83	2,400.00
Total Building Maintenance	9,471.07	7,100.00
Total Expense	78,594.66	96,500.00
Net Ordinary Income	84,355.36	63,500.00
Other Income/Expense		
Other Expense		
Reserve Spending		
Roof	0.00	2,000.00
Driveway	72,955.73	30,500.00
Fence	2,054.64	1,000.00
Paint & Maintenance	96,925.78	30,000.00
Total Reserve Spending	171,936.15	63,500.00
Total Other Expense	171,936.15	63,500.00
Net Other Income	-171,717.73	-63,500.00
Net Income	<b>-87,362.37</b>	<b>0.00</b>

January 18, 2018

**Elk Run Phase 4 H O A**  
**Current v Prior Year by Quarter**  
January through December 2017

	Jan - Dec 17	Jan - Dec 16
Ordinary Income/Expense		
Income		
Dues	161,450.02	162,122.89
Document Service	1,500.00	500.00
Total Income	162,950.02	162,622.89
Gross Profit	162,950.02	162,622.89
Expense		
Grounds Maintenance	40,998.31	49,524.19
Sealing of Concrete	5,100.00	0.00
Professional Fees	5,339.17	9,988.75
Insurance	10,629.00	10,556.00
AdminExp	7,057.11	7,321.22
Building Maintenance	9,471.07	3,695.58
Total Expense	78,594.66	81,085.74
Net Ordinary Income	84,355.36	81,537.15
Other Income/Expense		
Other Income		
Tennis Court Taxes	0.00	-49,415.00
Interest	218.42	218.82
Total Other Income	218.42	-49,196.18
Other Expense		
Reserve Spending	171,936.15	47,847.14
Total Other Expense	171,936.15	47,847.14
Net Other Income	-171,717.73	-97,043.32
Net Income	<b>-87,362.37</b>	<b>-15,506.17</b>

January 18, 2018

# Elk Run Phase IV HOA Annual Members Meeting

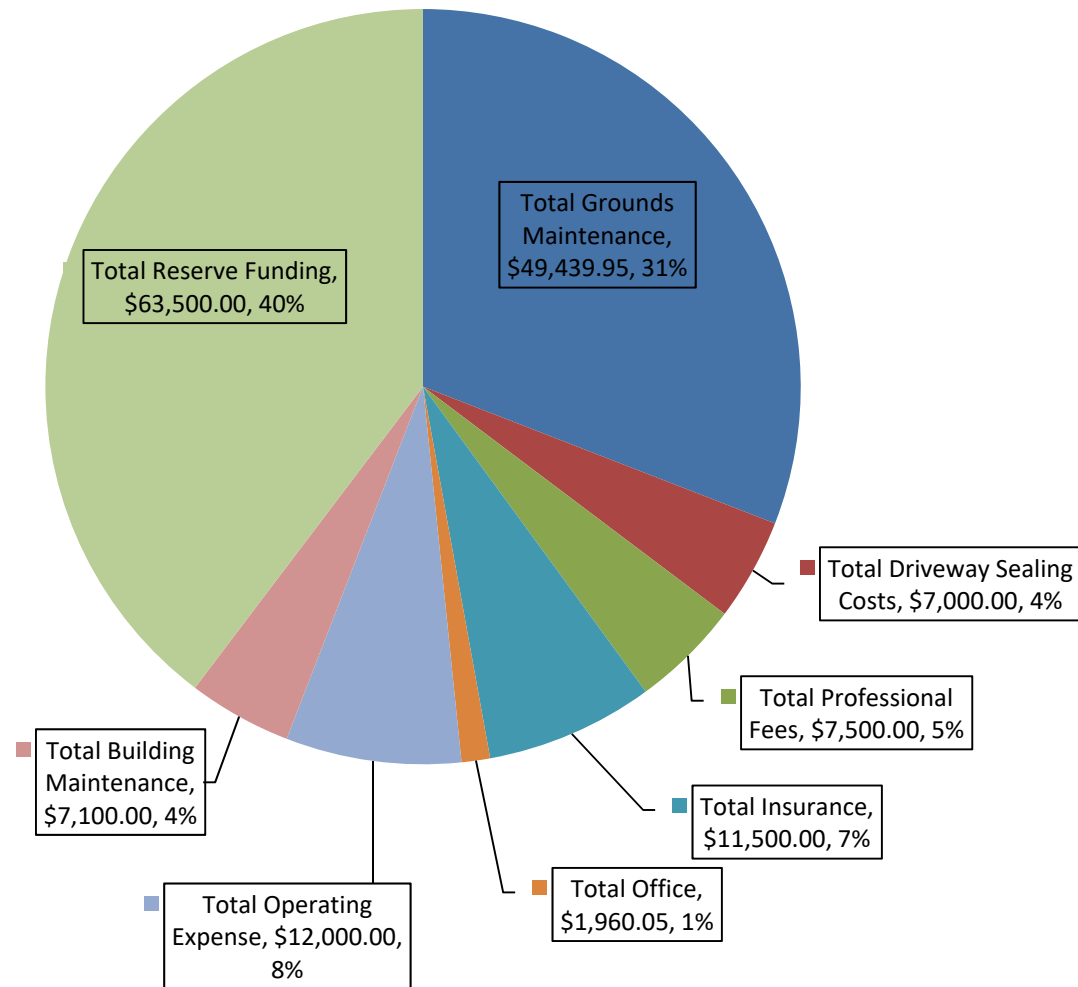
## Annual Recurring Expenses - Budget Plan Projections for 2018

	2018	Unit Owner	%age
	Totals	Breakout	of Annual
Expense Budget			Dues
<b>Total Grounds Maintenance</b>	\$49,439.95	\$1,236.00	30.9%
<b>Total Driveway Sealing Costs</b>	\$7,000.00	\$175.00	4.4%
<b>Total Professional Fees</b>	\$7,500.00	\$187.50	4.7%
<b>Total Insurance</b>	\$11,500.00	\$287.50	7.2%
<b>Total Office</b>	\$1,960.05	\$49.00	1.2%
<b>Total Operating Expense</b>	\$12,000.00	\$300.00	7.5%
<b>Total Building Maintenance</b>	\$7,100.00	\$177.50	4.4%
<b>Total Reserve Funding</b>	\$63,500.00	\$1,587.50	39.7%
<b>Total Expense</b>	\$160,000.00	\$4,000.00	100.0%

# Elk Run Phase IV HOA Annual Members Meeting

## Annual Recurring Expenses - Budget Plan Projections for 2018

### Annual Expense Budget - 2018

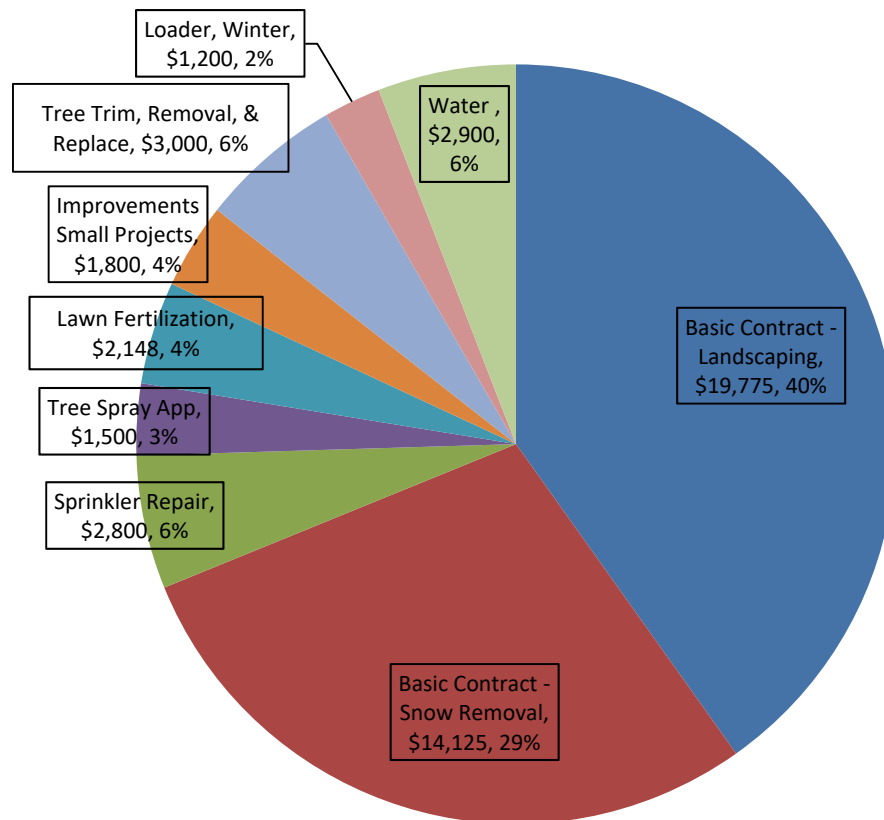




# Elk Run Phase IV HOA Annual Members Meeting

## Annual Recurring Expenses - Budget Plan Projections for 2018

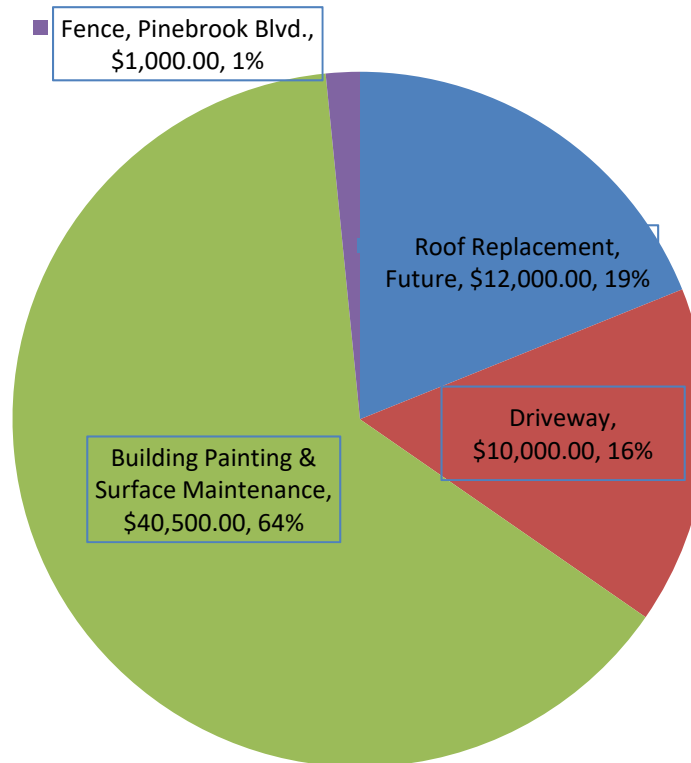
### Total Grounds Maintenance - 2018



# Elk Run Phase IV HOA Annual Members Meeting

## Annual Recurring Expenses - Budget Plan Projections for 2018

### Reserve Funding for 2018



# Elk Run Phase IV HOA

## Annual Members Meeting

Projects

# Elk Run Phase IV HOA Annual Members Meeting

## Major Projects Completed in 2017

### Major Projects Proposed for 2018

#### Paint & Provide Carpentry on Four Buildings in 2017

	<b>**2017 Budget</b>	<b>** 2017 Actual</b>
<b>Paint &amp; Maintenance Project</b>		
Carpentry	\$20,000	\$23,816
Painting	\$76,000	\$73,110
Total	\$96,000	\$96,926

\*\* Carpentry & Painting Costs are for four buildings  
 2017 Actual painting includes: building, current trim package,  
 chimney caps, garage doors, and pedestrian doors on driveway level

#### Three Driveway Replacement With No Assessment in 2017

	<b>2017 Budget</b>	<b>2017 Actual</b>
<b>Driveway Replacement Project</b>		
Concrete Replacement	\$70,000	\$67,693
Grounds & Sprinkler Restoration	\$5,000	\$5,156
Total	\$75,000	\$72,849

#### Repair & Replace Fencing Along Pinebrook Road in 2017

Fence		\$2,055
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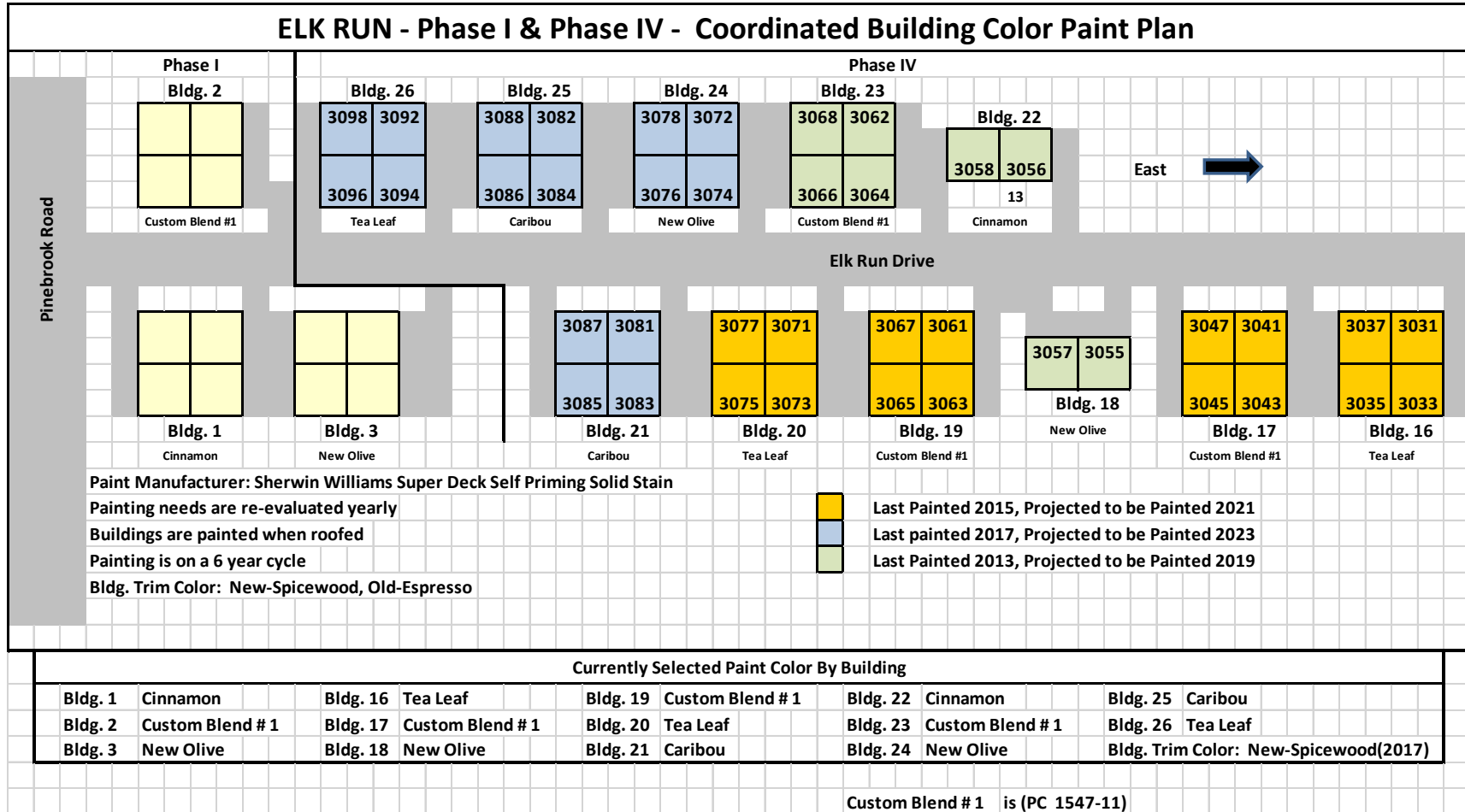
#### Two Driveway Replacement With No Assessment in 2018

	<b>2018 Budget</b>	<b>2018 Actual</b>
<b>Driveway Replacement Project</b>		
Concrete Replacement	\$64,000	
Grounds & Sprinkler Restoration	\$4,500	
Total	\$68,500	

# 2018 Elk Run Phase IV HOA Annual Members Meeting

## 2018 Plan Budget and Projections

### Building Maintenance/Painting



# Elk Run Phase IV HOA Annual Members Meeting

## 2018 Plan, Budget and Projections

### Building Maintenance and Painting

Building Major Maintenance Schedule	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Annual Deposit Reserve Account # 217	\$40,500	\$41,715	\$42,966	\$44,255	\$45,583	\$46,951	\$48,359	\$49,810	\$51,304	\$52,843
Balance from Previous End of Year	\$101,182	\$141,682	\$104,797	\$147,764	\$80,931	\$126,514	\$55,712	\$104,071	\$60,917	\$112,222
Total Working Yearly Balance	\$141,682	\$183,397	\$147,764	\$192,019	\$126,514	\$173,465	\$104,071	\$153,881	\$112,222	\$165,065
Building 16										
Painting				(\$20,458)						(\$24,136)
Carpentry				(\$7,314)						(\$8,711)
Building 17										
Painting				(\$20,458)						(\$24,136)
Carpentry				(\$7,314)						(\$8,711)
Building 18 Duplex										
Painting		(\$19,300)						(\$22,770)		
Carpentry		(\$6,900)						(\$8,218)		
Building 19										
Painting				(\$20,458)						(\$24,136)
Carpentry				(\$7,314)						(\$8,711)
Building 20										
Painting				(\$20,458)						(\$24,136)
Carpentry				(\$7,314)						(\$8,711)
Building 21										
Painting						(\$21,685)				
Carpentry						(\$7,753)				
Building 22 Duplex										
Painting		(\$19,300)						(\$22,770)		
Carpentry		(\$6,900)						(\$8,218)		
Building 23										
Painting		(\$19,300)								
Carpentry		(\$6,900)								
Building 24										
Painting						(\$21,685)		(\$22,770)		
Carpentry						(\$7,753)		(\$8,218)		
Building 25										
Painting						(\$21,685)				
Carpentry						(\$7,753)				
Building 26										
Painting						(\$21,685)				
Carpentry						(\$7,753)				
Annual Expenditure		(\$78,600)		(\$111,088)		(\$117,753)		(\$92,963)		(\$131,388)
End of Year Balance	\$141,682	\$104,797	\$147,764	\$80,931	\$126,514	\$55,712	\$104,071	\$60,917	\$112,222	\$33,677

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

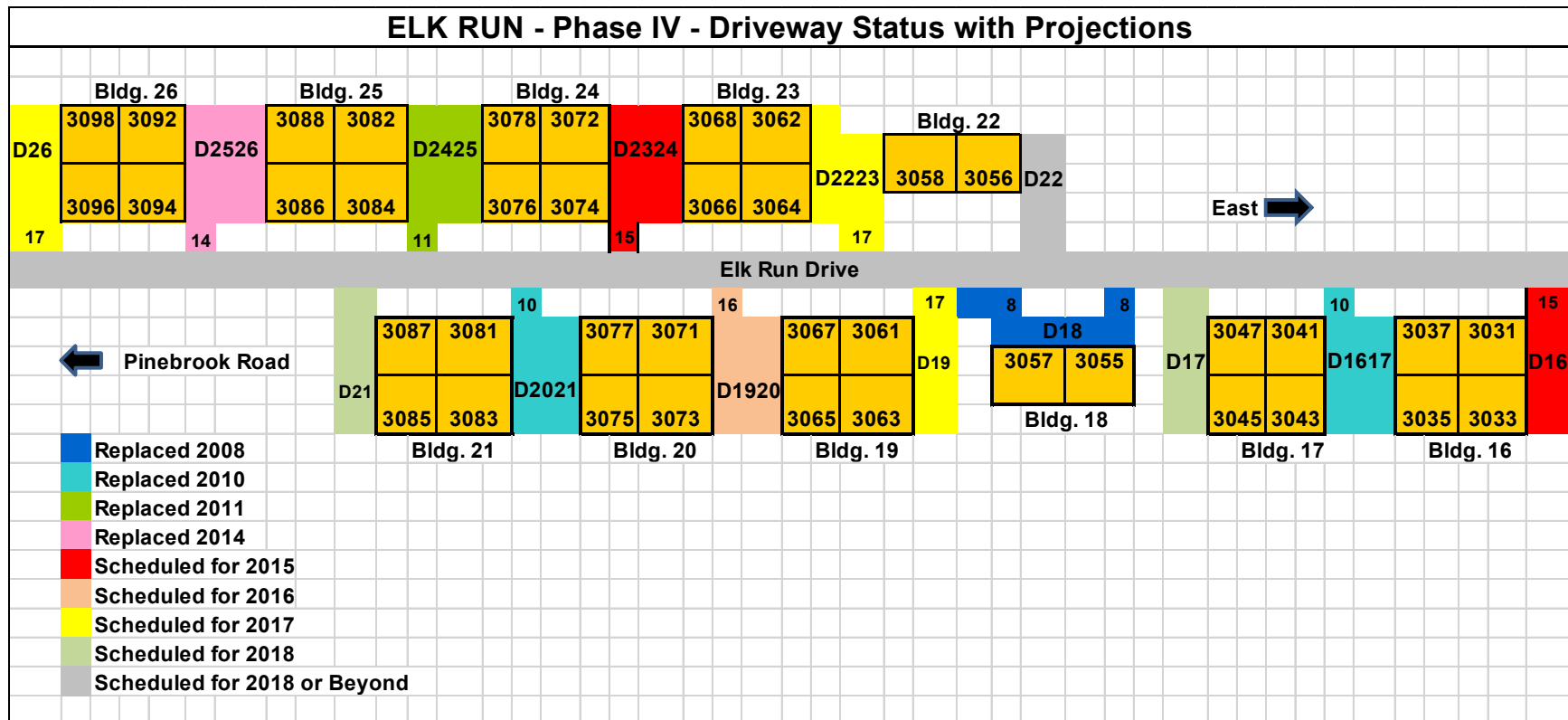
Paint and Maintenance Costs are Inflation Adjusted by 3% compounded annually to be in harmony with 2012 Reserve Study

At year end of 2018 the Building Painting / Maintenance Reserve Contributions #217 will be reevaluated

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

# Elk Run Phase IV HOA Annual Members Meeting

## 2018 Plan, Budget and Projections for Driveways



Driveway replacement costs are the sum of concrete replacement, project management, 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



# Elk Run Phase IV HOA Annual Members Meeting

## 2018 Plan, Budget and Projections for Driveways

<b>Driveway Replacement Projections</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Balance from Previous End of Year	\$67,716	\$13,716	\$23,716	\$33,716
Annual Deposit Reserve Account # 403 *RC	\$10,000	\$10,000	\$10,000	\$10,000
<b>Total Working Balance</b>	<b>\$77,716</b>	<b>\$23,716</b>	<b>\$33,716</b>	<b>\$43,716</b>
Building 16, Driveway D16, Replaced				
Building 16/17, Driveway D1617, Replaced				
Building 17, Driveway D17	(\$32,000)			
Building 18 Duplex, Driveway D18, Replaced				
Building 19, Driveway D19 Replaced				
Building 19/20, Driveway D1920, Replaced				
Building 20/21, Driveway D2021, Replaced				
Building 21, Driveway D21	(\$32,000)			
Building 22 Duplex, Driveway D22				(\$44,000)
Building 22/23, Driveway D2223 Replaced				
Building 23/24, Driveway D2324, Replaced				
Building 24/25, Driveway D2425, Replaced				
Building 25/26, Driveway D2526, Replaced				
Building 26, Driveway D26 Replaced				
Possible Special Assessment Needed				
<b>End of Year Balance</b>	<b>\$13,716</b>	<b>\$23,716</b>	<b>\$33,716</b>	<b>(\$284)</b>

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

Driveway replacement costs for 2019 and beyond are placeholder projections and are only unsupported estimates

Selection of driveway replacement is dependent on physical condition

Driveways replacement schedule is re-evaluated yearly

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

# 2018 Elk Run Phase IV HOA Annual Members Meeting

## Major Project In Process 2017

### Below Garden Window Water Damage

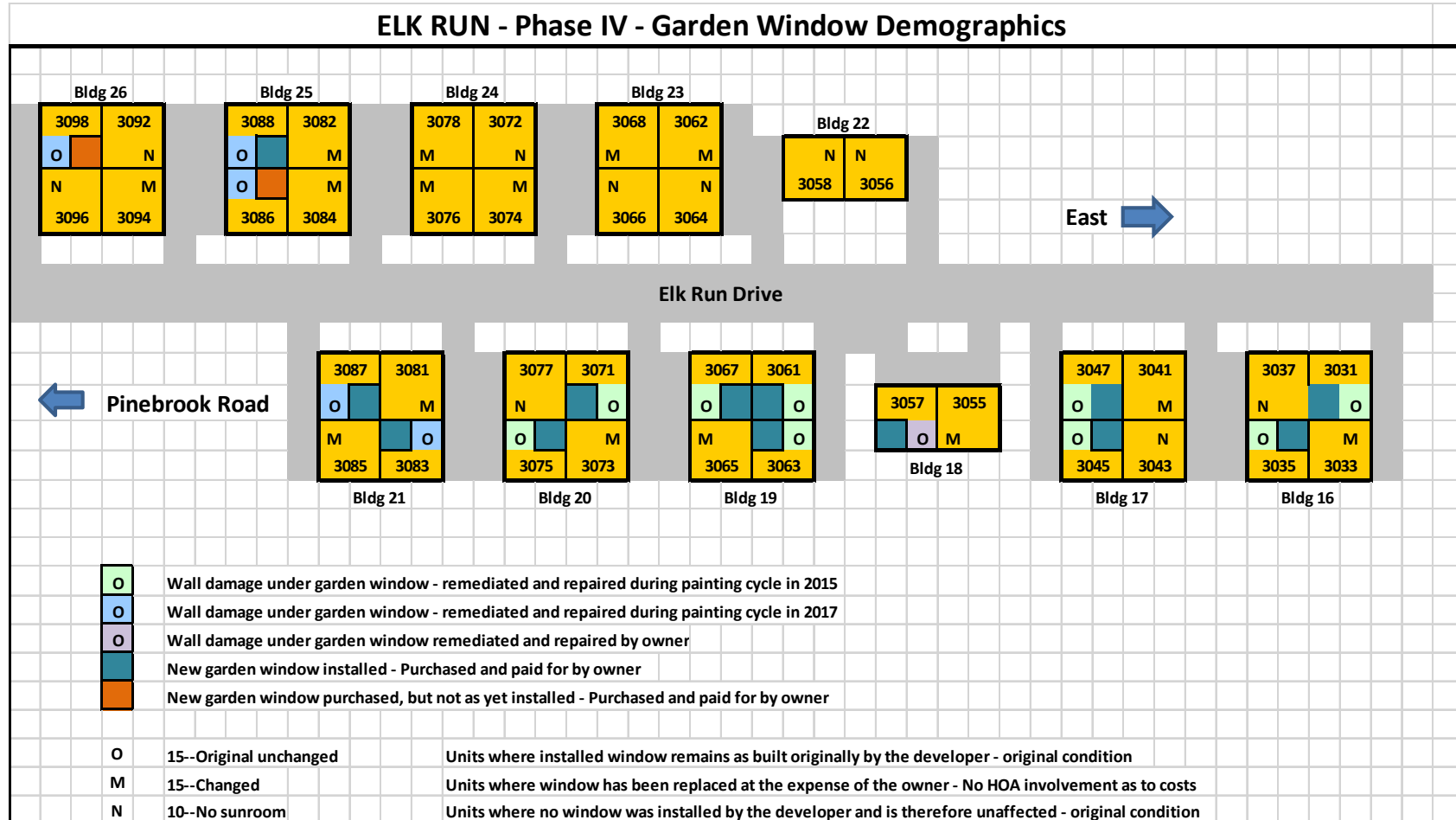
#### – Building Maintenance and Painting

- In 2017 the HOA Painted Four Buildings per the plan – Buildings 21, 24, 25, and 26
- Remediated and Repaired the Water Damage
  - Metal Flashing was forced as best as could be done between the bottom of the window and 2X8 horizontal base support
  - Since placing the flashing was a blind insertion, it is felt that this may not remedy the water penetration problem in the future
  - It is felt that the best resolution to this water penetration problem is to replace the window
  - All Damaged Cedar Siding was removed
  - All Damaged Oriented strand board (OSB) was removed
  - All Damaged Insulation was removed
  - The open cavity was cleaned of debris
  - Damaged 2X6 vertical supports were replaced or cleaned and reinforced as needed
  - New insulation was installed
  - New Oriented strand board (OSB) was installed
  - New Cedar Siding was installed and caulked prior to painting

# 2018 Elk Run Phase IV HOA Annual Members Meeting

## Major Projects Completed in 2017

### Below Garden Window Water Damage



# **Elk Run Phase IV HOA Annual Members Meeting**

## **2018 Plan, Budget, and Projections**

- Bringing Matters to the HOA Board's Attention
  - The HOA Board would like to have Matters Brought to its Attention by e-mail.
    - [elkrun4hoa@gmail.com](mailto:elkrun4hoa@gmail.com)

# **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.**
4. **Must attend the Annual Homeowners Meeting, and a minimum of 8 out of 12 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 stipend.**
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.**

### **2018 Board Meeting Schedule:**

January 18  
February 5  
March 5  
April 2  
May 7  
June 4  
July 7  
August 6  
September 3  
October 1  
November 5  
December 3  
Annual Meeting TBD

All meetings are open to homeowners.

Contact a Board member for monthly meeting location and time.

# Elk Run Phase IV HOA

## Annual Members Meeting

Dues and Assessment Payment Schedule for 2018

# Elk Run Phase IV HOA Annual Members Dues and Assessment Payment Schedule for 2018

2018 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

Based on the results of the reserve study and the operating budget the board projects that the HOA may/will need to raise dues for FY 2019



# **Elk Run Phase IV HOA Annual Members Meeting**

## **Annual Recurring Expenses - Budget Plan Projections for 2018**

### **Budget Observations and Potential Impacts**

- In 2015 & 2016 End of Year Operating Budget Funds were transferred to the Reserve Accounts. In 2017 insufficient operating budget funds remained to be transferred.

**The following may/will have a significant financial impact on the 2018 and 2019 Elk Run Phase 4 Operating Budget at its current funding level.**

- During the Paint & Maintenance work in 2017 water damage to vertical walls were observed and repaired. Will this damage be observed in the future?
- Two lower roofs were observed to be “spongy” during other building repairs in the fall. This will need to be investigated in 2018 and may require unbudgeted repairs.
- The HOA’s three year contract for Landscaping and Snow Removal will be up for renewal.

# Elk Run Phase IV HOA

## Annual Members Meeting

End of Presentation