

October 15, 2018

Dear Daniels HOA Members,

We will be having our Annual Meeting on December 11, 2018 at 6 PM MT at Wylene's loft. I have set up a conference call for those who cannot participate in person, details of which can be found below.

Following is the agenda for the meeting:

- Review 2018 YTD financials
- Update on building maintenance and status
- Review planned 2019 building maintenance
- Approve 2019 budget
- Nomination and Election of Officers – Liz Finn and Diane Heirsberg (Commercial representative) have 1 year left on their two-year terms. My term as President is up at the end of the year. I would be happy to continue in the role if nominated. Please let me know if you are interested in filling or nominating someone for the open Board seat.
- Open discussion.

Please let me know if you have an item that you would like added to the agenda.

If you are unable to attend in person or via the conference call, please consider giving me, or another owner, your proxy so as to ensure a quorum for the meeting. You may send me your proxy via email at mark.ruport@gmail.com.

Conference Call Information:

Telephone number: 866 740-1260

International number: 303 248-0285

Access code: 6302243

(Please note that you will be put on hold until I join the call after we are all gathered at Wylene's, which might be a 5 to 10 minutes after 6 PM MT.

Our governing documents, monthly financial statements, Reserve Studies, Board Meeting minutes and budgets can be found on our website at <http://www.danielslofts.org>. I have attached our proposed 2019 Budget for your review.

We are very proud of our building and have been able to keep it in great shape for the last 18 years. We have been able to control our monthly operating expenses and address major maintenance issues with minimal increases in monthly HOA dues. Although we are below our targeted Reserve balance, it is our recommendation that HOA dues remain at their current rate.

However, in order to increase the Reserve Fund as much as possible, the Board is recommending that we limit planned one-time expenditures. The only recommended maintenance that we foresee, excluding general repairs, is for brickwork on the south side of the building, which is estimated to cost approximately \$ 4,000 to \$5,000. All other maintenance should be covered out of the operating budget. This will allow us to increase our Reserve Fund from \$104,527 to approximately \$113,793.

As you might be aware, maintenance is scheduled for the garage in late November. The walls will be painted, holes in the brick sealed and floor power washed, which will help control dust, reduce the smell of mildew and provide for an overall more pleasant and safer garage. Hopefully, the work will also help reduce the cost of ongoing maintenance. I appreciate everyone's continued cooperation with Wylene as we schedule the work.

Please do not hesitate to call or email me if you have any specific questions prior to the meeting. Thanks in advance for your participation and cooperation.

Mark Ruport

Attachments:

- 2019 Proposed Budget

High-level Financial Analysis

2018 Budget Variance

	Budget	Forecast*	Variance
Income	\$56,964	\$57,164	\$200
Expenses	<u>\$43,570</u>	<u>\$42,516</u>	<u>-\$1,054</u>
Net Income	\$13,394	\$14,648	\$1,254

*Actual Jan – Oct. forecast Nov - Dec

2019 Proposed Budget

Reserve Fund Analysis