

Silver Queen West Condominium Association

2013 Budget

The 2013 budget for the Silver Queen West Condominium Association was approved by the Board of Directors at their October 6, 2012 meeting. The 2013 budget retains the same assessments as in 2012. The 2012 and 2013 budgets were developed to fund Phase 1 of the restoration project scheduled to begin in the spring of 2013. A discussion of the 2013 budget will be part of the Annual Meeting on Saturday October 27, 2012 at 9 AM in the Blue River Room of the Silverthorne Library.

Assessments. The 2013 budget continues the existing operating and reserve fund assessments from 2012. The increase in Cable TV was incorporated into the budget rather than passing the increase on to the owners in 2013. The 2013 monthly assessments range from \$222 to \$498 per unit depending on size. The garage assessment remains at \$20 per month and rental of storage closets is \$22 per month. The 2013 assessments are effective January 2013. A 5% discount will be offered for the annual prepayment of the dues by January 31, 2013.

Special Assessment. The special assessment approved in 2011 by the Board of Directors for Phase 2 of the restoration project is payable on or before March 31, 2014. In March 2012 the Association sent information to all owners regarding a financing option requiring a minimum of 25% payment of the assessment and a clean assessment payment record.

Operating Expenses. Operating expenses for 2012 are projected to be slightly better than budgeted and were lower than 2011. Major repair work in 2010 and 2011 to replace the boilers and install a storm drainage system has resulted in substantial utility savings and reduced maintenance. Boiler maintenance was higher than anticipated in 2012 to complete building code requirements of the new boiler installation and the replacement of a water storage tank. The 2013 budget projects nominal increases in operating expenses that are within the existing operating assessment level.

Reserve fund. Approximately 30% of the total 2012 and 2013 assessments are allocated to reserve funding. Design costs for Phase 1 were not part of the 2012 budget resulting in costs over budget. The design costs for Phase 2 are included within the 2013 budget. The 2014 assessments are projected to absorb any design costs that exceed the existing reserve funding. The determination of the reserve fund assessment for future years beginning in 2014 will be determined from the final restoration costs and input from the ownership on work to include within the restoration. Current optional items with the restoration include fireplace gas lines, replacement entry doors, and railing choices. The long-term reserve fund schedule following

Silver Queen West Condominium Association
2013 Budget

the completion of the restoration includes future boiler replacement, lower parking lot asphalt replacement, upgrade of the A/B upper retaining walls, and roof replacement.

Insurance. The Association maintains insurance coverage on the buildings and common areas. The cost of the insurance is 10% of the operating income. OWNERS MUST MAINTAIN PERSONAL INSURANCE FOR THEIR LIABILITY, UNIT CONTENTS, AND UNIT IMPROVEMENTS. The insurance policy is commonly referred to as an HO6. Owners who rent their property may require additional insurance to protect their income and rental liability. Owners are encouraged to consult with their personal insurance agent regarding coverage.

Association Contact Information

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Board of Directors

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Dennis Minder (2013)	7223	Vice-President	dmin737@aol.com
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Annual Meeting Saturday, October 27, 2012 9 AM Silverthorne Library

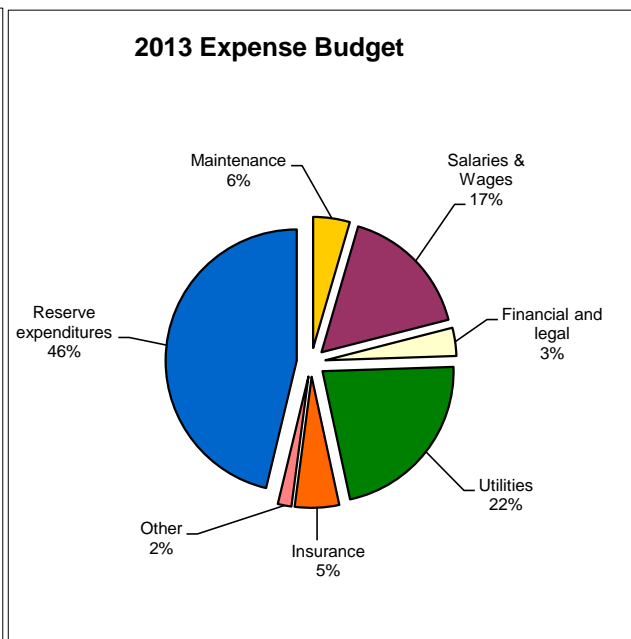
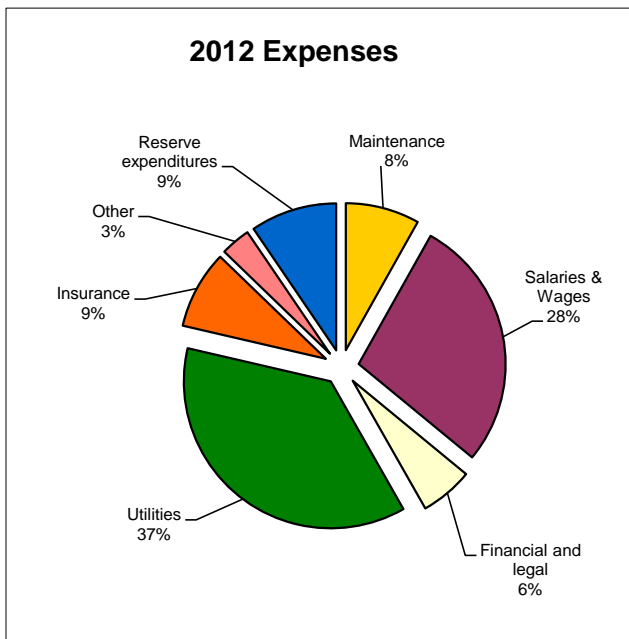
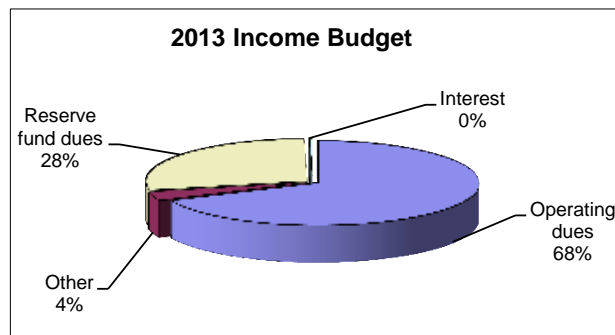
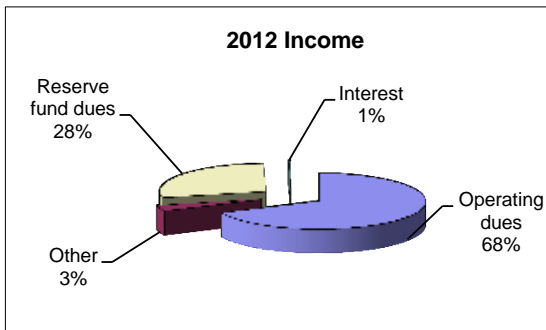
Web site www.silverqueenwest.com

SILVER QUEEN WEST

Year ending December 31, 2012

9 months ending September 2012

	2011	2012	2012		Variance	2013	
INCOME	Actual	Budget	Projected	%		Budget	%
Operating dues	334,620	343,272	343,245	68.1%	(27)	343,236	68.1%
Other	18,499	16,400	16,974	3.4%	574	17,000	3.4%
Reserve fund dues	45,228	141,972	141,972	28.2%	0	141,972	28.2%
Interest	3,051	3,500	2,063	0.4%	(1,437)	1,500	0.3%
TOTAL INCOME	401,398	505,144	504,254	100.0%	(890)	503,708	100.0%
EXPENSES							
Maintenance	32,521	28,800	31,131	6.2%	(2,331)	29,800	5.9%
Salaries & Wages	102,719	99,900	106,418	21.1%	(6,518)	108,750	21.6%
Financial and legal	19,881	20,700	22,211	4.4%	(1,511)	22,900	4.5%
Utilities	145,637	147,586	140,961	28.0%	6,625	146,046	29.0%
Insurance	32,802	36,000	32,882	6.5%	3,119	36,000	7.1%
Other	19,380	13,900	12,531	2.5%	1,369	11,100	2.2%
Reserve expenditures	5,317	9,000	36,350	7.2%	(27,350)	305,000	60.6%
TOTAL EXPENSES	358,258	355,886	382,483	75.9%	(26,597)	659,596	130.9%
INCREASE(DECREASE) RESERVES	43,140	149,258	121,771	24.1%	(27,487)	(155,888)	-30.9%
ENDING RESERVE BALANCE	(8,661)	140,597	113,111	22.4%		(42,777)	-8.5%



Silver Queen West

Replacement Reserve Schedule

Sep-12

2.50% Inflation

0.25% Interest

	Estimate	Estimate	Scheduled Replacement													
	Cost	Date	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Building Painting																
Trim	0	2014														
Stucco	0	2014														
Parking/Building wall																
A & B	35,000	2010					25,000									
C & D - upper	35,000	2009														
C & D - lower	13,000	2000														
Parking Lot Replacement																
Upper A & B	68,000	2005														
Lower A & B	60,000	2005					81,000									
Upper C & D	55,000	2007														
Lower C & D	70,000	2007				89,250										
Dumpster pads	4,000	2007														
Parking Lot Seal Coat																
Upper Lots	10,000	2011	12,850				12,000				13,000				13,500	
Lower Lots	3,600	2005														
Roof Replacement																
A building	53,193	2002										83,779				
B building	53,193	2002										83,779				
C building	45,000	2004												70,875		
D building	45,000	2004												70,875		
Garage	15,097	2007														
Buildings																
Garage doors		2008														
Concrete walkways																
Exterior wall skin																
Phase 1	255,000	2013		255,000												
Phase 2	1,750,000	2014			1,750,000											
Design	50,000	2014	23,500	50,000												
Other																
Boiler Replacement																
Building A	68,000	2009														
Building B	68,000	2009														
Building C	76,000	2010														
Building D	76,000	2010														
Vehicle Replacement																
Truck	40,000	2012														
Backhoe	20,000	2000														
Service lines / drainage																
A/B	50,000	2003					70,000									
C/D	75,000	2009														
Annual Requirement			36,350	305,000	1,750,000	89,250	188,000	0	0	0	13,000	0	167,558	0	155,250	0
Reserve Contribution			141,972	141,972	1,850,080	100,080	100,080	100,080	100,080	100,080	100,080	100,080	100,080	100,080	100,080	100,080
Operations income			14,086	5,640	5,164	6,504	6,916	0	0	0	0	0	0	0	0	0
Interest earned			2,063	1,500	1,000	250	250	1	1,251	1,504	1,758	1,980	2,235	2,072	2,328	2,196
Accumulated Reserves	(8,661)		113,111	(42,777)	63,467	81,051	297	100,377	201,708	303,293	392,131	494,191	428,949	531,101	478,259	580,534

SILVER QUEEN WEST - INCOME SUMMARY

Year ending December 31, 2012

9 months ending September 2012

	2011	2012	Month	9	9	9	% of	3	2012	%	2013	%
	Actual	Budget	Budget	Month	Month	Month	Annual	Month	Projected		Budget	
INCOME												
Assessments	334,620	343,272	257,454	257,427	(27)	95.2%	85,818	343,245	95.3%	343,236	95.3%	
Garage	7,200	7,200	5,400	5,400	0	2.0%	1,800	7,200	2.0%	7,200	2.0%	
Laundry	4,456	4,200	3,150	3,709	559	1.4%	1,050	4,759	1.3%	4,800	1.3%	
Storage	5,642	5,000	3,750	3,765	15	1.4%	1,250	5,015	1.4%	5,000	1.4%	
Miscellaneous	1,202	0	0	0	0	0.0%	0	0	0.0%	0	0.0%	
TOTAL INCOME	353,119	359,672	269,754	270,301	547	100.0%	89,918	360,219	100.0%	360,236	100.0%	
EXPENSES												
Snow removal	670	600	100	18	82	0.0%	500	518	0.1%	600	0.2%	
Truck expenses	4,847	4,800	3,600	1,786	1,814	0.7%	1,200	2,986	0.8%	4,800	1.3%	
Repairs & maintenance - building	22,222	12,000	9,500	9,230	270	3.4%	2,500	11,730	3.3%	12,000	3.3%	
Repairs & maintenance - boilers	579	3,000	2,250	9,163	(6,913)	3.4%	750	9,913	2.8%	4,000	1.1%	
Repairs & maintenance - grounds	4,114	6,000	5,250	4,504	747	1.7%	750	5,254	1.5%	6,000	1.7%	
Repairs & maintenance - laundry	89	2,400	1,800	130	1,670	0.0%	600	730	0.2%	2,400	0.7%	
SUB-TOTAL Maintenance	32,521	28,800	22,500	24,831	(2,331)	9.2%	6,300	31,131	8.6%	29,800	8.3%	
Manager's salary	47,000	48,000	31,878	31,875	3	11.8%	16,122	47,997	13.3%	49,000	13.6%	
Payroll taxes	6,545	6,500	4,500	4,712	(212)	1.7%	2,000	6,712	1.9%	6,750	1.9%	
Insurance - workmen's comp	1,771	2,400	600	504	96	0.2%	1,800	2,304	0.6%	3,000	0.8%	
Insurance - manager	17,900	19,000	14,116	15,670	(1,554)	5.8%	5,670	21,340	5.9%	22,000	6.1%	
Manager assistance & laborers	29,504	24,000	18,000	22,065	(4,065)	8.2%	6,000	28,065	7.8%	28,000	7.8%	
SUB-TOTAL Salary & Wages	102,719	99,900	69,094	74,826	(5,732)	27.7%	31,592	106,418	29.5%	108,750	30.2%	
Financial Review / Tax return	4,400	4,000	4,000	3,500	500	1.3%	1,500	5,000	1.4%	4,000	1.1%	
Administration	12,000	13,200	9,900	9,900	0	3.7%	3,300	13,200	3.7%	14,400	4.0%	
Office supplies & expenses	1,505	1,500	1,125	411	714	0.2%	375	786	0.2%	1,500	0.4%	
Legal & collection	1,976	2,000	1,400	3,225	(1,825)	1.2%	0	3,225	0.9%	3,000	0.8%	
SUB-TOTAL Financial & Legal	19,881	20,700	16,425	17,036	(611)	6.3%	5,175	22,211	6.2%	22,900	6.4%	
Cable T.V.	40,709	43,000	32,155	32,031	124	11.9%	10,845	42,876	11.9%	45,000	12.5%	
Electricity and gas	46,542	46,000	32,000	25,673	6,327	9.5%	14,000	39,673	11.0%	42,000	11.7%	
Trash Removal	8,067	7,800	6,000	5,803	197	2.1%	1,800	7,603	2.1%	8,200	2.3%	
Telephone	1,379	1,800	1,350	1,432	(82)	0.5%	450	1,882	0.5%	1,860	0.5%	
Water	17,808	17,808	13,356	13,356	0	4.9%	4,452	17,808	4.9%	17,808	4.9%	
Sanitation	30,528	30,528	22,896	22,896	0	8.5%	7,632	30,528	8.5%	30,528	8.5%	
Manager's electricity	603	650	485	426	59	0.2%	165	591	0.2%	650	0.2%	
SUB-TOTAL Utilities	145,637	147,586	108,242	101,617	6,625	37.6%	39,344	140,961	39.1%	146,046	40.5%	
Insurance - buildings	32,802	36,000	27,000	24,662	2,339	9.1%	8,220	32,882	9.1%	36,000	10.0%	
SUB-TOTAL Insurance	32,802	36,000	27,000	24,662	2,339	9.1%	8,220	32,882	9.1%	36,000	10.0%	
Garage rent	600	600	450	450	0	0.2%	150	600	0.2%	600	0.2%	
Manager's unit property taxes	1,404	1,100	1,100	1,293	(193)	0.5%	0	1,293	0.4%	1,300	0.4%	
Miscellaneous	1,444	1,200	900	932	(32)	0.3%	300	1,232	0.3%	1,200	0.3%	
Bad debt	5,495	0	0	0	0	0.0%	0	0	0.0%	0	0.0%	
Interest expense	8,224	6,000	4,500	1,418	3,082	0.5%	0	1,418	0.4%	0	0.0%	
Discount on assessments	2,213	5,000	5,000	7,988	(2,988)	3.0%	0	7,988	2.2%	8,000	2.2%	
SUB-TOTAL Other	19,380	13,900	11,950	12,081	(131)	4.5%	450	12,531	3.5%	11,100	3.1%	
TOTAL EXPENSES	352,941	346,886	255,211	255,052	159	94.4%	91,081	346,133	96.1%	354,596	98.4%	
NET OPERATIONS	178	12,786	14,543	15,249	706	0	(1,163)	14,086	3.9%	5,640	1.6%	

SILVER QUEEN WEST - INCOME SUMMARY

Year ending December 31, 2012

REPLACEMENT RESERVES

	2011	2012	Month	9	9	9	% of	3	Projected		2013	
	Actual	Budget	Budget	Month	Month	Month	Annual	Month			Budget	
NET (LOSS) FROM OPERATIONS	178	12,786	14,543	15,249	706	5.6%	(1,163)	14,086	3.9%	141,972	5,640	1.6%
Reserve Fund Assessments	45,228	141,972	106,479	106,479	0	0.0%	35,493	141,972	39.4%	141,972	29.3%	
Special assessment	0	0	0	0	0	0.0%	0	0		0		
Interest income	3,051	3,500	2,675	1,538	(1,137)	0.6%	525	2,063		1,500		
EXPENDITURES												
Painting	390	4,000	2,000	0	2,000	0.0%	0	0		0		
Retaining wall	0	0	0	0	0	0.0%	0	0		0		
Parking lot replacements	0	0	0	0	0	0.0%	0	0		0		
Seal coat	0	5,000	5,000	11,850	(6,850)	4.4%	1,000	12,850		0		
Roof replacement	0	0	0	0	0	0.0%	0	0		0		
Boiler replacement	0	0	0	0	0	0.0%	0	0		0		
Studio units wall replacement	0	0	0	0	0	0.0%	0	0		0		
Studio units sidewalk	0	0	0	0	0	0.0%	0	0		0		
Balcony replacement	0	0	0	0	0	0.0%	0	0		0		
Entryway replacement	0	0	0	0	0	0.0%	0	0		0		
Vehicles / backhoe	0	0	0	0	0	0.0%	0	0		0		
Maintenance facility/garage	0	0	0	0	0	0.0%	0	0		0		
Service line / drainage	0	0	0	0	0	0.0%	0	0		0		
Restoration	4,927	0	0	20,712	(20,712)	7.7%	2,788	23,500		305,000		
TOTAL RESERVES EXPENSE	5,317	9,000	7,000	32,562	(25,562)	12.0%	3,788	36,350		305,000		
CHANGE IN RESERVES	43,140	149,258	116,697	90,704	(25,993)	33.6%	31,067	121,771		(155,888)		
STARTING RESERVES	(51,801)	(8,661)	(8,661)	(8,661)				(8,661)		113,111		
ENDING RESERVES	(8,661)	140,597	108,036	82,043	(25,993)			113,111		(42,777)		

CASH POSITION

	2011	Current
Operating accounts	41,691	53,114
Manager accounts	4,460	3,495
Reserve accounts	29,605	104,871
TOTAL	75,756	161,479

CHANGES IN CASH POSITION

	2011	Current
Total Cash	75,756	161,479
Add: Accounts receivable	3,271	3,802
Prepaid insurance	28,731	8,220
Deferred repair assess	45,605	24,383
Sub-total additions	77,607	36,405
Less: Accounts payable	51,003	15,780
Accrued expenses	7,334	10,122
Prepaid dues	51,058	46,894
Taxes payable	3,166	2,490
Notes payable	130,747	0
Accruals payable	2,233	3,540
Ins claim fund/2014 prepad	(73,593)	47,659
Sub-total subtractions	171,947	126,485
NET CASH AVAILABLE	(18,584)	71,399