

**Hakone House Condominium  
Meeting of the Homeowners  
January 28, 2015 (for 2014)  
By Teleconference 8:00 PM call to order**

**Call in**

Call in number 1-888-481-3032  
Code – 571284# - Follow prompts

**Agenda** – Note information for this and past meetings may be found at the web link  
<http://www.snha.net/regimes-a-buildings/hakone>

- Review of Financial Statements - Year End 2015 and Budget for 2015 with future projections
  - Review of work completed
    - Lobby renovation
    - Completion of Lobby Project with installation of a new external door on each side in February
    - Fence Project
    - Garden Project
  - Projected Work
    - Repair siding and paint exterior
    - Ongoing replacement of sections of roof on road side
    - Stairways- treads, carpeting, paint
  - Regime Income and Expenses
    - Quarterly Invoices- February, May, August, November
    - Schedule regular increases- CPI? Set percentage?
- Annual Meeting
  - Fall teleconference
  - January review of financials
  - Quorum needed for major decisions
    - 50%+ of Undivided Ownership (prorated by unit size)
    - If no Quorum- Notification of meeting, agenda, and decisions to all owners with 30 days to object in writing to any decisions proposed by Directors
  - Election of Directors-
    - Florrie Paige H13 - 2014
    - Mike Sinz H3 - 2015
    - Claire Franklin H8 - 2016
- Other business
- Adjourn

**Hakone House Condominiums**  
**Balance Sheet**  
**As of December 31, 2014**

	<u>Dec 31, 14</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Union Bank - Hakone #7447...	34,877.47
Total Checking/Savings	34,877.47
Accounts Receivable	
Accounts Receivable	66.50
Total Accounts Receivable	66.50
Other Current Assets	
Undeposited Funds	40.00
Total Other Current Assets	40.00
Total Current Assets	34,983.97
<b>TOTAL ASSETS</b>	<b><u>34,983.97</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Current Projects Payable	6,676.87
SNHA Inc	2,524.09
L.P. Gas Service Payable	625.27
Total Accounts Payable	9,826.23
Other Current Liabilities	
SNHA Special Assessment	600.00
Total Other Current Liabiliti...	600.00
Total Current Liabilities	10,426.23
Long Term Liabilities	
Hakone Reserve Fund	24,557.74
Total Long Term Liabilities	24,557.74
Total Liabilities	34,983.97
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>34,983.97</u></b>

## Hakone House Condominiums Profit & Loss January through December 2014

	Jan - Dec 14
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Interest Income	11.17
Late Charges	622.50
Lien Processing Fee	0.00
Bldg & Reserve Assessments	95,286.00
<b>Special Projects</b>	
Special Projects - Other	341.53
<b>Total Special Projects</b>	341.53
<b>Total Income</b>	96,261.20
<b>Gross Profit</b>	96,261.20
<b>Expense</b>	
<b>Administration</b>	
SNHA Basic Service Fees	8,880.00
Meetings	51.12
Mileage - reimbursement	117.26
<b>Total Administration</b>	9,048.38
<b>Insurance Expense</b>	
Blanket Bldg Policy	10,855.00
<b>Total Insurance Expense</b>	10,855.00
<b>Financial</b>	
Bank Service Charges	0.48
Taxes - Business	
Corporate Tax	100.00
<b>Total Taxes - Business</b>	100.00
<b>Total Financial</b>	100.48
<b>Professional Fees</b>	
Project Management	1,473.55
Accounting	2,320.00
Collections	852.93
Filing Fees	10.00
<b>Total Professional Fees</b>	4,656.48
<b>Common Area Property Managem...</b>	20,640.72
<b>Maintenance-Routine</b>	
Dryer vents	62.00
Grounds	1,693.14
<b>Painting - Annual</b>	
Decks	2,092.99
Hallways	366.48
Trash Closets	198.53
<b>Total Painting - Annual</b>	2,658.00
<b>Repairs</b>	
Doors	32.00
Stairs	155.00
<b>Total Repairs</b>	187.00
Spring & Fall Maintenance	82.00
<b>Total Maintenance-Routine</b>	4,682.14
<b>SnowRemoval</b>	3,757.50
<b>Special Projects for Homes</b>	
H 04 Special Projects	189.80
H 20 Special Projects	151.53
<b>Total Special Projects for Homes</b>	341.33
<b>Utilities Expense</b>	
LP Gas Admin	912.00

2:05 PM  
01/24/15  
Accrual Basis

**Hakone House Condominiums**  
**Profit & Loss**  
January through December 2014

	<u>Jan - Dec 14</u>
LP Gas Fuel	8,914.45
Total Utilities Expense	9,826.45
Reserve Fund Contribution	32,352.72
Total Expense	<u>96,261.20</u>
Net Ordinary Income	<u>0.00</u>
Net Income	<u><u>0.00</u></u>

**Hakone House Condominiums**  
**Reserve Fund**  
 1/1/14 thru 12/31/14

2:09 PM  
 01/24/2015  
 Accrual Basis

	<u>Amount</u>	<u>Balance</u>
<b>Hakone Reserve Fund</b>		27,790.48
<b>Income</b>		
<b>Contributions</b>	<u>32,352.72</u>	
Total Contributions	<u>32,352.72</u>	<u>60,143.20</u>
 Total Income	 32,352.72	 60,143.20
 <b>Expense</b>		
<b>Entry and Hallways</b>	<u>(4,149.90)</u>	(4,149.90)
<b>Garden-Grounds</b>	(13,477.20)	(13,477.20)
<b>Lighting</b>	(1,674.25)	(1,674.25)
<b>Roof Shingles and Gutters</b>	<u>(16,284.11)</u>	<u>(16,284.11)</u>
 Total Expense	 (35,585.46)	 (35,585.46)
 Total Hakone Reserve Fund		 24,557.74

**Hakone - Budget Projections**  
**Summary - Updated 01/24/2015**  
**Joe Hester Ingram**

**UNDER REVIEW BY DIRECTORS - SUBJECT TO CHANGE**

	Rate of increase									
			0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
	Actual	Budget	Projections							
Target Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Number of homes	24	24	24	24	24	24	24	24	24	24
LP Gas homes	24	24	24	24	24	24	24	24	24	24
<b>Income</b>										
1st Qtr	23,822	24,699	25,440	26,204	26,990	27,799	28,633	29,492	30,377	31,288
2nd Qtr	23,822	24,699	25,440	26,204	26,990	27,799	28,633	29,492	30,377	31,288
3rd Qtr	23,822	24,699	25,440	26,204	26,990	27,799	28,633	29,492	30,377	31,288
4th Qtr	23,822	24,699	25,440	26,204	26,990	27,799	28,633	29,492	30,377	31,288
Other income	634	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	<b>95,920</b>	<b>98,798</b>	<b>101,762</b>	<b>104,814</b>	<b>107,959</b>	<b>111,198</b>	<b>114,533</b>	<b>117,970</b>	<b>121,509</b>	<b>125,154</b>
<b>Regime Expenses</b>										
SNHA Regime Basic Service Fee	8,880	8,969	9,058	9,149	9,241	9,333	9,426	9,521	9,616	9,712
Planning	1,000	1,010	1,020	1,030	1,041	1,051	1,062	1,072	1,083	1,094
Accounting	1,320	1,333	1,347	1,360	1,374	1,387	1,401	1,415	1,429	1,444
Other Administrative, meetings, postage	270									
Professional	863									
SNHA Project Management	1,474	1,157	1,192	1,228	1,265	1,303	1,342	1,382	1,423	1,466
Insurance (Annual Increase 2%)	10,855	11,072	11,294	11,519	11,750	11,985	12,224	12,469	12,718	12,973
Regime Property Services Contract (SNMCO)	20,640	26,803	27,071	27,342	27,615	27,892	28,171	28,452	28,737	29,024
Improvements	0	0	0	0	0	0	0	0	0	0
Routine Common Property Maintenance	4,682	5,510	5,675	5,846	6,021	6,202	6,388	6,579	6,777	6,980
Snow removal roofs	3,758	4,135	4,259	4,387	4,518	4,654	4,794	4,937	5,086	5,238
LP Gas Service (rate of Increase 2%)	9,826	10,023	10,223	10,427	10,636	10,849	11,066	11,287	11,513	11,743
<b>Total Expense</b>	<b>63,568</b>	<b>70,012</b>	<b>71,139</b>	<b>72,289</b>	<b>73,460</b>	<b>74,655</b>	<b>75,873</b>	<b>77,115</b>	<b>78,381</b>	<b>79,673</b>
<b>Available from Reserves</b>	<b>27,790</b>	<b>24,556</b>	<b>8,891</b>	<b>35,663</b>	<b>56,189</b>	<b>22,782</b>	<b>55,465</b>	<b>94,126</b>	<b>87,638</b>	<b>117,303</b>
Current Year Contribution to Reserve	32,352	28,785	30,622	32,526	34,499	36,543	38,661	40,855	43,127	45,481
Projects-Target Year from Reserves	35,586	44,450	3,850	12,000	67,906	3,860	0	47,343	13,462	43,736
<b>Projected Year End Reserve Balance</b>	<b>24,556</b>	<b>8,891</b>	<b>35,663</b>	<b>56,189</b>	<b>22,782</b>	<b>55,465</b>	<b>94,126</b>	<b>87,638</b>	<b>117,303</b>	<b>119,048</b>
<b>SNHA fees included in above calculations</b>										
SNHA Basic Service Fee/Home	370	374	377	381	385	389	393	397	401	405
LP Gas Service Fee/Home	38	38	39	39	40	40	40	41	41	42
Accounting Fee/Home	55	56	56	57	57	58	58	59	60	60
Planning Fee/Regime	1,000	1,010	1,020	1,030	1,041	1,051	1,062	1,072	1,083	1,094
<b>Approx Annual Assessments by Home Type</b>										
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Studio	2,662	2,739	2,818	2,899	2,983	3,069	3,158	3,249	3,343	3,440
2 Bedroom	5,354	5,518	5,687	5,860	6,040	6,224	6,414	6,610	6,812	7,020
<b>Total</b>	<b>96,194</b>	<b>99,081</b>	<b>102,054</b>	<b>105,116</b>	<b>108,270</b>	<b>111,519</b>	<b>114,865</b>	<b>118,312</b>	<b>121,862</b>	<b>125,519</b>

Hakone Project Summary											
1/24/2015											
Joe Ingram - SNHA											
Target Year for Projects	Life	Actual 2014	Budget 2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Improvements</b>											
<b>Entry Area Upgrade -completed in 2013</b>											
<b>Maintenance Common Areas (3% annual increase)</b>											
Mechanical Inspection and Maintenance	1										
Routine Spring and Fall Maintenance & Painting	1										
Washer and Dryer Inspection and clean	1										
Inspect common hot water heaters	1										
Door hardware - replace/repair as needed	1										
Grounds - Tree cutting, trimming, removal	1										
Gutter inspection and cleaning and repairs	1										
Total above maintenance services estimated		4,682	5,510	5,675	5,846	6,021	6,202	6,388	6,579	6,777	6,980
<b>Reserve Funded Projects (3% annual increase)</b>											
Attic areas - insulation - venting - roof support											
Chimney towers - inspect and repair	10						1,560				
Decks - Replace (need target date and estimated costs)	35										
Decks - restain complete	3		6,000			6,540			7,129		
Deck Furniture - replace	6					15,340					
Doors - Replace Main entry	12	4,150	2,000								
Doors - Replace interior doors at stairs (1 in 2012)	20				10,200						
Doors - Replace interior hallway (3 in 2012)	22										11,736
Doors - Replace trash closet doors	20									4,480	
Exterior Siding Repairs-defer to 2015	3		3,850	3,850		4,197			4,574		
Fire Alarm - Central Building Panel and system upgrade	20										32,000
Fence along roadside	15										-
Garden		13,477									
Gutters - replace	8	1,860	2,000								-
Hallway Carpet-modified to remove foyer	6					4,000					
Handrails - interior stairs	25										3,062
Exterior Lights - replace 2014 Labor only	15	1,675									
Linen Closet Doors - replace (2 in 2012)	10										1,920
Restain exterior siding	6		18,000						21,240		
Roof Shingles - replace estimates updated 12-3-14	20	14,424	12,600			36,000					
Sign - Building ID	7						2,300				
Structural Repairs	20									14,400	
)											
Washer-Dryer #1	10					1829					
Washer-Dryers #2	10										2,200
Wireless Internet	5				1,800						1,800
<b>Regime Property Services (Increase @ 1 %)</b>		26,538	26,803	27,071	27,342	27,615	27,892	28,171	28,452	28,737	29,024
<b>Improvements</b>		-	-	-	-	-	-	-	-	-	-
<b>Maintenance Total</b>		4,682	5,510	5,675	5,846	6,021	6,202	6,388	6,579	6,777	6,980
Joe: Snow Average for 2010 - 2014		35,586	44,450	3,850	12,000	67,906	3,860	-	47,343	13,462	43,736
<b>Snow Removal (5 Year Average)</b>		2,000	4,135	4,259	4,387	4,518	4,654	4,794	4,937	5,086	5,238
<b>Total</b>		40,268	49,960	9,525	17,846	73,926	10,062	6,388	53,922	20,239	50,716

Joe: based on a 5 year average for tasks listed

Joe: Moved from 2013 and split total

Rear replace

Front replace - roadside

Light fixtures cost

Rear - total roof