

PROPRITARY INFORMATION

Mountain Park Condominiums
Owner Association

Annual Meeting
March 31, 2025

LIST OF EXHIBITS

- 1) 2025 ANNUAL MEETING NOTICE
- 2) AGENDA
- 3) MINUTES 11-02-2024 11-16-2024 12-16-2024 01-30-2025
- 4) GRAPH HISTORIC BANK BALANCES JUNE 2017 TO JUNE 2023
- 5) GRAPH HISTORIC BANK BALANCES JUNE 2023 TO FEBRUARY 2025
- 6) 2025 BUDGET
- 7) PMI BALANCE SHEET
- 8) TAX RETURNS 2024 2023 2022 2021 2020 2019 2018 2017
- 9) 2024 INCOME VS EXPENSE
- 10) PARKING LOT
- 11) BYLAWS
- 12) RESERVE STUDY FUNDAMENTALS

Sat 3/1/2025 10:03 AM

By Email

Subject: 2025 Annual Meeting

To All Unit Owners—

As given in Section 2.4 of the Bylaws, “It shall be the duty of the secretary to give notice of each...annual meeting...stating the purpose thereof...to each member of the Association...at least thirty (30) days before the annual meeting...”

Notice is hereby given—

The 2025 Annual Meeting of the Mountain Park Condominiums Owners Association shall be held on Monday, March 31, 2025 in the William F. Hayes Memorial Auditorium of the Boise downtown library at 6:15 PM.

A stated purpose of this annual meeting is to elect or to re-elected one member of the Association to fill the expiring term of one current board member.

Additional agenda items for this meeting will be forthcoming in an email from President Larry Howard, as will other details for the meeting.

Paul Justice from PMI of Treasury Valley will be in attendance and will tabulate the results of the election along with one member of the Association.

Your participation in this meeting is encouraged. It is also hoped that the membership will become more actively engaged with, and contribute any individual talents to, the Association.

Thank you.

Byron Minton
Secretary/Treasurer

Mountain Park Condominiums Owners Association

Annual Meeting—March 31, 2025

6:00 – 6:15 Sign In - 6:15 Call to Order - 7:45 Adjournment

Agenda

- Roll Call
- Proof of Notice of meeting or waiver or notice
- Minutes of previous annual meeting (2024)
- 2025 Board Approved Budget
- Report of Officers and PMI of Treasure Valley
- Projects Accomplished
- New Business
 - a) Future Projects/Prioritization
- Board Member Election
- Q&A
- Adjournment

3) MINUTES 11-02-2024 11-16-2024 12-16-2024 01-30-2025

Eight Pages

MINUTES

Mountain Park Condominiums Owners Association

Fire Alarm Panels Project — Funding Policy — November 2, 2024

Pool Area — 1:15 - 2:15 PM

On Saturday, November 2, 2024 a meeting of the Board of Directors of Mountain Park Condominiums was held on the roof deck overlooking the pool.

Agenda

- 1420 Fire Alarm panel improvement
- 1419 Fire Alarm panel improvement
- Funding Policy for the project

On October 28th, an email announcing the meeting was sent to all board members.

Attending were six (6) board members. In person: Larry Howard; Byron Minton; Jason Americo; Zo Cserna; John Liparelli. Attending by phone: Donna Calhoun. Not attending: Barbara Mason.

President Larry Howard called the meeting to order at 1:15 pm. A quorum was present.

Fire Alarm Panel Project. Board members were given printed copies of two **proposals by Apex Integrated Security Solution**, a provider and installer of same brand of fire alarm panels currently in **buildings 1420 and 1419**. The two proposal were the same except for location. Also given was the Apex Commercial Services Agreement, consisting of an **Annual Fire Alarm Inspection and Commercial Fire Alarm Monitoring**.

The system in building 1420 is non-functioning at this time. The system in building 1419, although functioning, is the same age, circa 1982, and has an increased possibility for future failure.

A 2024 revision to the National Fire Code took effect in January but the State of Idaho had not yet adopted this more stringent code. The discussion included acceptance of the 1419 Proposal for panel improvement in building 1419, prior to Idaho's adoption of the 2024 National Fire Code.

The combined **cost of the two Proposals** for the panel improvements is **\$7,848**.

The **cost of the Commercial Services Agreement** is **\$790 annually for each building**.

A motion was made and seconded for Larry Howard to signing the two Proposals and the two Commercial Services Agreements. The motion was **carried by majority vote of six**.

Funding Policy. Next a discussion was held regarding a **Funding Policy for the project**, emailed to board members prior to the meeting. In order to retain a suitable amount in the Reserves Fund, the proposed Funding Policy is **one-third (1/3) of the \$7,848 coming from the Common Area Reserve Fund and two-thirds (2/3) coming from a Special Assessment** to all unit owners. The one-time amount to be paid by each unit owner will be \$145, which can be paid over four months at \$36.25 per month.

A motion was made and seconded to adopt this Funding Policy for the Fire Alarm Panels Project. The motion was **carried by a majority vote.** Donna Calhoun and John Liparelli voted against the Funding Policy.

The meeting was adjourned at 2:15 pm.

Byron Minton
Secretary/Treasurer

MINUTES

Mountain Park Condominiums Owners Association

Sewer Line Project — Funding Policy — November 16, 2024

Pool Area — 1:00 – 1:30 PM

On Saturday, November 16, 2024 a meeting of the Board of Directors of Mountain Park Condominiums was held on the roof deck overlooking the pool.

Agenda

- Choose between two plumbing companies to repair the main MPC sewer line
- Authorize negotiation of a final Contract for Services
- Approve a Funding Policy for project

On November 12th, an email announcing the meeting was sent to all board members.

Attending in person were six (6) board members: Larry Howard; Byron Minton; Jason Americo; Zo Cserna; John Liparelli; Donna Calhoun. Not attending: Barbara Mason.

President Larry Howard called the meeting to order at 1:00 pm. A quorum was present.

Sewer Line Project. On the evening of Sunday, November 3rd the **main sewer line** servicing all three buildings began to **overflow** at a cleanout mid-way on the hillside below building 1420. Board members were emailed **two Estimates for repair to the sewer line** and photos of the location.

Perfect Plumbing responded first the next day with a line-cleaning tool, which was insufficient to clear an obstruction in the line. **Beacon Plumbing** was called to use a hydro jet device with camera attachment. The device was unable to move past an obstruction of the line at a point across Camel Back Lane on the property of the apartments managed by Parklane Management Company. The distance from that point to the sewer line of the City of Boise under 15th Street was about twenty feet. Then, a city work crew was successful in opening the line, which eliminated the overflow down the hillside to 15th Street.

The camera in the pipe had revealed a separation of the pipe, which had allowed tree roots to grow into the line. Parklane Management Company had been notified of the situation and a verbal approval was given to proceed with the proposed work to include an excavation at the site of the pipe damage and blockage.

Perfect Plumbing and Beacon Plumbing were considered for doing the repair work then Larry was authorized to negotiate a final Contract for Services. **Beacon Plumbing was chosen.**

The **cost of the Beacon Estimate** as written was **\$7,120.50**, which would be **inclusive of previous work** by Beacon for the unsuccessful attempt to clear the line.

A motion was made and seconded for Larry Howard to take the lead on the Sewer Line Project. All six board members authorized Larry to move forward to negotiate a final Contract for Services with Beacon Plumbing. The board will then vote to approve the final contract.

Funding Policy. In order to continue to build the Reserves Fund, the proposed funding policy is **one-third (1/3) of the \$7,120 estimate coming from the Common Area Reserves Fund and two-thirds (2/3) coming from a Special Assessment** to all unit owners. The one-time amount to be paid by each unit owner will be \$132, which can be paid over four months at \$32 per month.

A motion was made and seconded to use the previously established Funding Policy for the Sewer Line Project. The motion was carried by majority vote.

The meeting adjourned at 1:30 pm.

Byron Minton
Secretary/Treasurer

MINUTES

Mountain Park Condominiums Owners Association

2025 Budget & Calendar Year — Funding Policy & Reserves — December 16, 2024

Downtown Library Auditorium — 6:15 - 7:30 PM

On Monday, December 16, 2024 a meeting of the Board of Directors of Mountain Park Condominiums was held in the auditorium of the downtown library.

Agenda

- 2025 Budget with no dues increase
- Change the Fiscal Year to coincide with the Calendar Year - Article 18.1
- Funding Policy for large projects as 1/3 from reserves 2/3 from a special assessment
- Reserve Study
- Snow removal and winter services

On December 11th, an email announcing the meeting was sent to all board members. The membership was notified of the meeting on December 14th by email and inviting to attend as observers.

Attending in person were five (5) board members: Larry Howard; Jason Americo; John Liparelli; Byron Minton and Barbara Mason. Not attending: Donna Calhoun and Zo Cserna. Two (2) unit owners attended.

President Larry Howard called the meeting to order at 6:15 pm. A quorum was present.

Motions were made and seconded on the following. All Motions were carried by Majority Vote.

- 2025 Budget with NO increase in monthly dues—Approved (5/0)
- Clarification of the Fiscal Year is to be the Calendar Year, Jan thru Dec—Approved (5/0)
- Funding Policy to be 1/3 - 2/3 for projects of \$2,500 or greater—Approved (5/0)
- Article 18.2 Preparation of Budget “Make suitable provision for accumulation of reserves” and “Discussion to move forward” with a Reserve Study by obtaining estimates—Approved (4/1)
- Curtis Winter Services Agreement—Byron Minton is to handle this winter season’s snow removal and deicing project—Approved (4/0) John had left early.

Three entities are involved: 1) Parklane Management for the Apartments; 2) Mountain Park Townhomes Association; 3) Mountain Park Condominiums Association.

Two locations are involved: 1) Camel Back Lane—owned by MPC; 2) the combined parking lot areas of the Condominiums and the Townhomes, less parking spaces.

MPC pays Curtis invoices, then is reimbursed as a shared percentage of those payments.
Camel Back Lane, shared cost is 66% for Parklane; 29% for MPC; 5% for the Townhomes.
For the combined parking lot areas, MPC pays 70% and Townhomes reimburses 30%.

The meeting was adjourned at 7:30 pm.

Byron Minton
Secretary/Treasurer

MINUTES

Mountain Park Condominiums Owners Association

2024 Year End Bank Balances — Reserves Discussion — January 30, 2025

Downtown Library Auditorium — 6:15 - 7:00 PM

On Thursday, January 30, 2025 a meeting of the Board of Directors of Mountain Park Condominiums was held in the Auditorium of the downtown library.

Agenda

- Open discussion: Understanding the necessity for proper reserves.
- Mountain Park HOA year-end financial review

On January 24th, an email announcing the meeting was sent to board members. In addition, all Members of the Association were invited to attend as observers. Included was a page titled 2024 Income vs Expenses and a graph titled 2024 HOA Reserves by month for the year 2024.

On January 28th, an email reminder to attend the meeting was sent to all Members of the Association. Included were links to two websites. The first explained the importance of maintaining adequate reserves. The second explained requirements for condominium associations to maintain a certain minimum of reserves to satisfy the requirements of various types of lenders and specifically those associated with federal government lending agencies.

Attending in person were all seven (7) board members: Larry Howard; Jason Americo; Barbara Mason; Zo Cserna; Donna Calhoun; John Liparelli and Byron Minton. One (1) other unit owner attended.

President Larry Howard called the meeting to order at 6:15. A quorum was present.

Projected on the wall individually, were three graphs and also handed out:

- Mtn Park HOA Historical Bank Balances
- 2024 HOA Reserve Account
- HOA Reserves – Year End Totals – 2017 Thru 2024

Larry went over the information displayed in these three graph and provided additional commentary. Then he asked for questions. There were none.

Also projected was:

- U.S. Income Tax Return for Homeowners Associations for *calendar/fiscal* Year 2024

This tax return was prepared by Idaho Tax and Bookkeeping Service using information provided by PMI of Treasure Valley, our management company and from Mtn Park Bank Statements.

Income was shown to be \$104,786 and Expenditures was shown to be \$71,769.

Also projected were two pages that were handed out:

- Tax Returns 2024 – 2023 – 2022 – 2021 – 2020
- 2024 Income vs Expenses

Larry went over the information displayed in these two pages and on the 2024 Tax Return. Providing additional commentary regarding the steady rise in the reserve accounts during 2024, he ask a rhetorical question about what amount of reserves may be necessary. As a conclusion, he said the amount would remain unknown without a Reserve Study. Then he asked for questions. There were none.

Larry then held up a stack of documents representing 427 pages, which was financial information for the year 2024 by month, produced for the board by PMI and available to all board members to review on the PMI website.

Larry also said that he had scrutinized all the checks (605) from the time period June 2017 thru June 2023. He had reviewed all the checks looking for any with two signatures and none were found, contrary to the Bylaws in *Article 7* titled *Handling of Funds* and *Section 7.1* titled *Accounts*.

He said most of the checks had no supporting documents, but at his request some vendors to which the checks were written had begun supplying such documents for those checks. Larry then asked for questions. There were none.

Around 6:35 pm Larry concluded his presentation and excused himself from the board meeting to attend another appointment. Before leaving he was asked a few questions. One pertained to an audit, another was about the status of the fire alarms being installed in buildings 1419 and 1420.

Zo Cserna as Vice President then continued the meeting.

Zo presented his mockup of a reserve study in which the valuation and the life expectancy of various components of the common areas were given and to which other board members could contribute.

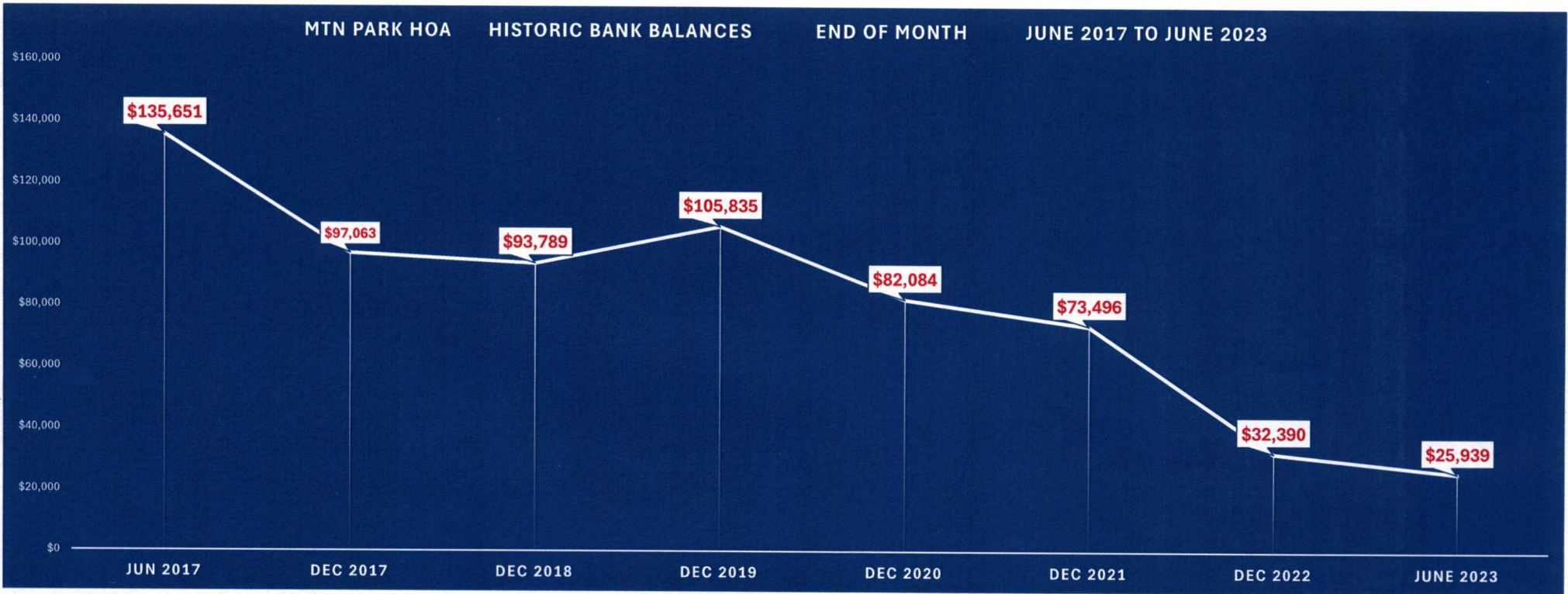
The floor was opened for other board members to give presentations. One was given by John and another was given by Byron.

Various questions and comments were entertained on several subjects, other than what had already been presented, including the status of obtaining a new hot tub.

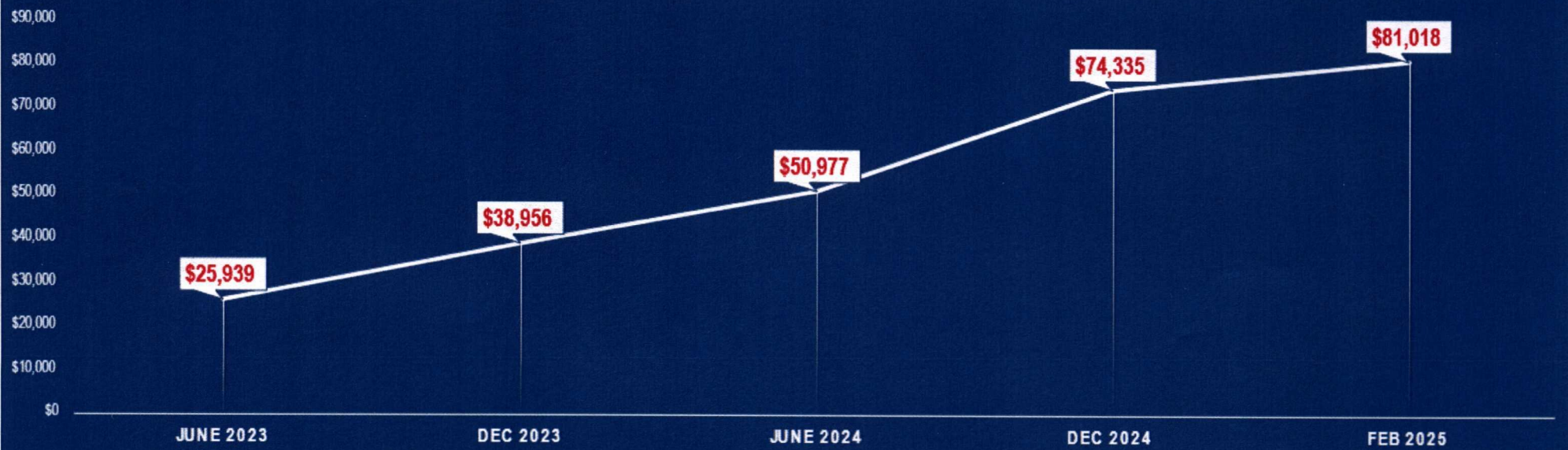
There were no matters to be voted upon.

The meeting was adjourned at 7:00 pm.

Byron Minton
Secretary/Treasurer



MTN PARK HOA - HISTORIC BANK BALANCES - JUNE 2023 TO FEBRUARY 2025



Mountain Park Condominium Owners Association, Inc					
	Account	Description	2024 Budget	2024 Actual	2025 Budget
Operating Accounts					
Income Accounts					
	40-4000-00	Assessment General - HOA Dues	\$118,800.00	\$77,855.00	\$118,800.00
	42-4545-00	Transfer Fee Income	\$0.00	\$125.00	\$0.00
	42-4600-00	Delinquent Fee Income	\$0.00	-\$50.00	\$0.00
	42-4700-00	Bank Interest Income	\$0.00	\$2.33	\$0.00
Income Accounts Total			\$118,800.00	\$77,932.33	\$118,800.00
Expense Accounts					
Management & Admin Expenses					
	50-5000-00	Management Contract	\$5,000.00	\$3,175.00	\$4,500.00
	50-5005-00	Postage/Office Supplies Expense	\$500.00	\$59.80	\$200.00
	50-5040-00	Bank Charges / NSF	\$0.00	-\$462.00	\$0.00
Taxes and Insurance					
	52-5045-00	Insurance Expense	\$9,000.00	\$5,334.53	\$9,000.00
	52-5050-00	State Taxes	\$0.00	\$10.00	\$10.00
	52-5085-00	Misc Admin Expense - PO Box	\$0.00	\$182.00	\$250.00
	52-5170-00	Website Expenses	\$0.00	\$196.00	\$400.00
Professional Fees					
	54-5100-00	Legal General	\$1,000.00	\$2,630.00	\$1,000.00
	54-5152-00	Professional Fees: Accounting/Audit/Tax Prep	\$500.00	\$794.00	\$800.00
Utilities					
	58-5500-00	Electricity	\$3,000.00	\$1,829.66	\$3,000.00
	58-5510-00	Water	\$6,000.00	\$3,633.72	\$6,500.00
	58-5812-00	Trash/Sewer Contract - City	\$8,000.00	\$5,330.87	\$8,000.00
Pool Expenses					
	62-6000-00	Pool Maintenance	\$5,000.00	\$5,778.73	\$6,000.00
	62-6020-00	Pool Repairs	\$4,000.00	\$0.00	\$4,000.00
Landscape Expenses					
	63-5400-00	Landscape/Grounds Contract	\$5,500.00	\$3,235.00	\$7,250.00
	63-5410-00	Landscape: Sprinkler/Irrigation Repair & Hillside	\$6,000.00	\$3,403.00	\$3,000.00
	63-5430-00	Landscape: Hillside Maintenance	\$0.00	\$0.00	\$3,000.00
	63-5435-00	Landscape: Tree Maintenance/Other	\$2,500.00	\$0.00	\$2,500.00
	63-5470-00	Snow & Ice Management	\$8,000.00	-\$3,217.50	\$8,000.00
Facilities Expenses					
	64-5747-00	Street/Road Maintenance and Repair	\$13,000.00	\$0.00	\$13,000.00
	64-5753-00	Fence Maintenance /Repair - Dumpster Enclosure	\$9,500.00	\$0.00	\$9,500.00
	64-5757-00	Electrical Repair and Maintenance	0	0	\$1,500.00
	64-5760-00	Gutter Maintenance / Repair	0	0	\$2,500.00
	64-5785-00	Painting Expense	0	0	\$3,500.00
	64-5790-00	General Building Maintenance / Repair	\$7,000.00	\$6,959.61	\$1,000.00
	64-5795-00	Plumbing	0	0	\$1,500.00
	64-5800-00	Janitorial Service	0	0	\$2,160.00
	64-5805-00	Miscellaneous Expenses	\$ 1,130.00	0	\$1,200.00
	64-5820-00	Fire Panel Maint	\$0.00	\$179.00	\$8,000.00
	64-5830-00	Fire & Safety Inspections	\$600.00	\$1,395.50	\$2,400.00
(not specified)					
	80-9020-00	Contingency	\$98.00	\$0.00	
Expense Accounts Total			\$95,328.00	\$40,446.92	\$113,670.00
Operating Accounts Net			\$23,472.00	\$37,485.41	\$5,130.00

7) PMI BALANCE SHEET

Three Pages

Balance Sheet

Mountain Park Condominium Owners Association, Inc
End Date: 12/31/2024

Date: 1/9/2025
Time: 7:09 pm
Page: 1

	Operating	Total
Assets		
SouthState Bank - Operating Acct	\$ 9,260.04	\$ 9,260.04
Key Bank Operating Acct (4949)	3,148.19	3,148.19
Key Bank - Savings Insurance (1626)	11,000.10	11,000.10
Key Bank - Reserves (7415)	50,926.59	50,926.59
Total: Assets	\$ 74,334.92	\$ 74,334.92
Liabilities & Equity		
Prepaid Assessment	5,912.00	5,912.00
Unappropriated Mbrs' Equity	36,613.54	36,613.54
Net Income Gain/Loss	31,809.38	31,809.38
Total: Liabilities & Equity	\$ 74,334.92	\$ 74,334.92

		Actual	Budget	\$ Over Budget	% of Budget
40-4000-00	Assessment General - HOA Dues	\$82,055.00	\$118,800.00	(\$36,745.00)	69.07%
40-4300-00	Special Assessment	\$277.00	\$0.00	\$277.00	100.00%
42-4545-00	Transfer Fee Income	\$125.00	\$0.00	\$125.00	100.00%
42-4600-00	Delinquent Fee Income	(\$50.00)	\$0.00	(\$50.00)	100.00%
42-4700-00	Bank Interest Income	\$3.29	\$0.00	\$3.29	100.00%
		\$82,410.29	\$118,800.00	(\$36,389.71)	69.37%
Management & Admin Expenses					
50-5000-00	Management Contract	\$3,175.00	\$5,000.00	(\$1,825.00)	63.50%
50-5005-00	Postage/Office Supplies Expense	\$59.80	\$500.00	(\$440.20)	11.96%
50-5040-00	Bank Charges / NSF	(\$462.00)	\$0.00	(\$462.00)	100.00%
Total Management & Admin Expenses:		\$2,772.80	\$5,500.00	(\$2,727.20)	67.21%
Taxes and Insurance					
52-5045-00	Insurance Expense	\$6,039.69	\$9,000.00	(\$2,960.31)	67.11%
52-5050-00	State Taxes	\$10.00	\$0.00	\$10.00	100.00%
52-5085-00	Misc Admin Expense - PO Box	\$182.00	\$0.00	\$182.00	100.00%
52-5170-00	Website Expenses	\$196.00	\$0.00	\$196.00	100.00%
Total Taxes and Insurance:		\$6,427.69	\$9,000.00	(\$2,572.31)	71.42%
Professional Fees					
54-5100-00	Legal General	\$2,630.00	\$1,000.00	\$1,630.00	263.00%
54-5152-00	Professional Fees: Accounting/Audit/Tax Prep	\$794.00	\$500.00	\$294.00	158.80%
Total Professional Fees:		\$3,424.00	\$1,500.00	\$1,924.00	228.27%
Utilities					
58-5500-00	Electricity	\$2,065.20	\$3,000.00	(\$934.80)	68.84%
58-5510-00	Water	\$4,496.92	\$6,000.00	(\$1,503.08)	74.95%
58-5812-00	Trash/Sewer Contract - City	\$6,084.86	\$8,000.00	(\$1,915.14)	76.06%
58-5815-00	Phone/Internet	\$844.56	\$1,130.00	(\$285.44)	74.74%
Total Utilities:		\$13,491.54	\$18,130.00	(\$4,638.46)	74.42%
Pool Expenses					
62-6000-00	Pool Maintenance	\$5,778.73	\$5,000.00	\$778.73	115.57%
62-6020-00	Pool Repairs	\$0.00	\$4,000.00	(\$4,000.00)	0.00%
Total Pool Expenses:		\$5,778.73	\$9,000.00	(\$3,221.27)	64.21%
Landscape Expenses					
63-5400-00	Landscape/Grounds Contract	\$3,235.00	\$5,500.00	(\$2,265.00)	58.82%
63-5410-00	Landscape: Sprinkler/Irrigation Repair & Hillside	\$3,403.00	\$6,000.00	(\$2,597.00)	56.72%
63-5435-00	Landscape: Tree Maintenance/Other	\$0.00	\$2,500.00	(\$2,500.00)	0.00%
63-5470-00	Snow & Ice Management	(\$2,349.91)	\$8,000.00	(\$10,349.91)	29.37%
Total Landscape Expenses:		\$4,288.09	\$22,000.00	(\$17,711.91)	40.85%
Facilities Expenses					
64-5747-00	Street/Road Maintenance and Repair	\$0.00	\$13,000.00	(\$13,000.00)	0.00%
64-5753-00	Fence Maintenance /Repair - Dumpster Enclosure	\$0.00	\$9,500.00	(\$9,500.00)	0.00%
64-5790-00	Building Maintenance / Repair	\$11,009.86	\$7,000.00	\$4,009.86	157.28%
64-5820-00	Fire Panel Maint	\$2,012.70	\$0.00	\$2,012.70	100.00%
64-5830-00	Fire & Safety Inspections	\$1,395.50	\$600.00	\$795.50	232.58%
Total Facilities Expenses:		\$14,418.06	\$30,100.00	(\$15,681.94)	47.90%
80-9020-00	Contingency	\$0.00	\$98.00	(\$98.00)	0.00%

Income Statement Budget vs. Actual

Mountain Park Condominium Owners Association, Inc
4/1/2024 - 12/31/2024

Date: 1/9/2025

Time: 7:09 pm

Page: 2

	\$50,600.91	\$95,328.00	(\$44,727.09)	53.08%
Net Income:	\$31,809.38	\$23,472.00	\$8,337.38	135.52%

8) TAX RETURNS 2024 2023 2022 2021 2020 2019 2018 2017

Four Pages

TAX RETURNS

2024 – 2023 – 2022 – 2021 – 2020 – 2019 – 2018 – 2017

	<u>Income</u>	/	<u>Expenses</u>	
2024 →	\$ 104,786	/	\$ 71,769	
+ \$ 33,017	\$ 242.56		\$ 166.13	Per Unit
2023 →	\$ 82,602	/	\$ 87,930	
– \$ 5,328	\$ 191.21		\$ 204.54	Per Unit
2022 →	\$ 74,543	/	\$ 129,024	
– \$ 54,481	\$ 172.55		\$ 298.67	Per Unit
2021 →	\$ 77,185	/	\$ 114,219	
– \$ 37,034	\$ 178.67		\$ 264.40	Per Unit
2020 →	\$ 75,651	/	\$ 105,749	
– \$ 30,098	\$ 175.12		\$ 291.09	Per Unit
2019 →	\$ 76,550	/	\$ 67,264	
+ \$ 9,286	\$ 177.20		\$ 155.70	Per Unit
2018 →	\$ 76,468	/	\$ 61,796	
+ \$ 14,672	\$ 177.01		\$ 143.05	Per Unit
2017 →	\$ 71,347	/	\$ 81,666	
– \$ 10,319	\$ 165.15		\$ 189.04	Per Unit

$$\underline{2024}$$

$$+ \$ 33,017$$

2023	2022	2021	2020	2019	2018	2017
- \$ 5,328	- \$ 54,481	- \$ 37,034	- \$ 30,098	+ \$ 9,286	+ \$ 14,672	- \$ 10,319

$$\begin{array}{rcl}
 - \$ 137,260 & + \$ 23,958 & = - \$ 113,302 \\
 5 \text{ years} & 2 \text{ years} & 7 \text{ years}
 \end{array}$$

$$- \$ 113,302 / 7 \text{ years} = - \$ 16,186 \text{ average for 7 years}$$

Form **1120-H****U.S. Income Tax Return
for Homeowners Associations**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue ServiceGo to www.irs.gov/Form1120H for instructions and the latest information.**2024**

For calendar year 2024 or tax year beginning 01-01-24

, 2024, and ending 12-31-24

, 2024

TYPE OR PRINT	Name MOUNTAIN PARK CONDOMINIUM ASSOC.	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1511	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code BOISE	
	ID 83701	

Check if: (1) ☐ Final return	(2) ☐ Name change	(3) ☐ Address change	(4) ☐ Amended return
A Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association			
B Total exempt function income. Must meet 60% gross income test. See instructions	B	104,786	
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C		
D Association's total expenditures for the tax year. See instructions	D	71,769	
E Tax-exempt interest received or accrued during the tax year	E		

2024 →**+ \$ 33,017**Form **1120-H****U.S. Income Tax Return
for Homeowners Associations**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue ServiceGo to www.irs.gov/Form1120H for instructions and the latest information.**2023**

For calendar year 2023 or tax year beginning 01-01

, 2023, and ending

12-31, 2023

TYPE OR PRINT	Name Mountain Park Condominium Assoc.	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1511	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code Boise	
	ID 83701	

Check if: (1) ☐ Final return	(2) ☐ Name change	(3) ☐ Address change	(4) ☐ Amended return
A Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association			
B Total exempt function income. Must meet 60% gross income test. See instructions	B	82,602	
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C	87,930	
D Association's total expenditures for the tax year. See instructions	D		
E Tax-exempt interest received or accrued during the tax year	E		

2023 →**- \$ 5,328**Form **1120-H****U.S. Income Tax Return
for Homeowners Associations**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue ServiceGo to www.irs.gov/Form1120H for instructions and the latest information.**2022**

For calendar year 2022 or tax year beginning 01-01

, 2022, and ending

12-31, 2022

TYPE OR PRINT	Name Mountain Park Condominium Assoc.	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1511	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code Boise	
	ID 83701	

Check if: (1) ☐ Final return	(2) ☐ Name change	(3) ☐ Address change	(4) ☐ Amended return
A Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association			
B Total exempt function income. Must meet 60% gross income test. See instructions	B	74,543	
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C	129,024	
D Association's total expenditures for the tax year. See instructions	D		
E Tax-exempt interest received or accrued during the tax year	E		

2022 →**- \$ 54,481**Form **1120-H****U.S. Income Tax Return
for Homeowners Associations**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue ServiceGo to www.irs.gov/Form1120H for instructions and the latest information.**2021**

For calendar year 2021 or tax year beginning 01-01

, 2021, and ending

12-31, 2021

TYPE OR PRINT	Name Mountain Park Condominium Assoc.	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1511	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code Boise	
	ID 83701	

Check if: (1) ☐ Final return	(2) ☒ Name change	(3) ☐ Address change	(4) ☐ Amended return
A Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association			
B Total exempt function income. Must meet 60% gross income test. See instructions	B	77,185	
C Total expenditures made for purposes described in 90% expenditure test. See instructions	C	114,219	
D Association's total expenditures for the tax year. See instructions	D		
E Tax-exempt interest received or accrued during the tax year	E		

2021 →**- \$ 37,034**

Form **1120-H** | U.S. Income Tax Return for Homeowners Associations | OMB No. 1545-0123
 Department of the Treasury | Internal Revenue Service | Go to www.irs.gov/Form1120H for instructions and the latest information.
 For calendar year 2020 or tax year beginning 01-01, 2020, and ending 12-31, 2020

TYPE OR PRINT	Name Mountain Park Condominium Assoc.	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1511	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code Boise ID 83701	

Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

A	Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association	
B	Total exempt function income. Must meet 60% gross income test. See instructions	B 75,651
C	Total expenditures made for purposes described in 90% expenditure test. See instructions	C 105,749
D	Association's total expenditures for the tax year. See instructions	D
E	Tax-exempt interest received or accrued during the tax year	E

2020 →

- \$ 30,098

Form **1120-H** | U.S. Income Tax Return for Homeowners Associations | OMB No. 1545-0123
 Department of the Treasury | Internal Revenue Service | Go to www.irs.gov/Form1120H for instructions and the latest information.
 For calendar year 2019 or tax year beginning , and ending

TYPE OR PRINT	Name MOUNTAIN PARK CONDOMINIUM ASSOCIATION	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 2622 1511	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code BOISE, ID 83701	

Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

A	Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association	
B	Total exempt function income. Must meet 60% gross income test SEE STATEMENT 1	B 76,550.
C	Total expenditures made for purposes described in 90% expenditure test	C 67,264.
D	Association's total expenditures for the tax year	D 67,264.
E	Tax-exempt interest received or accrued during the tax year	E 0.

2019 →

+ \$ 9,286

Form **1120-H** | U.S. Income Tax Return for Homeowners Associations | OMB No. 1545-0123
 Department of the Treasury | Internal Revenue Service | Go to www.irs.gov/Form1120H for instructions and the latest information.
 For calendar year 2018 or tax year beginning , and ending

TYPE OR PRINT	Name MOUNTAIN PARK CONDOMINIUM ASSOCIATION	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 2622	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code BOISE, ID 83701	

Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

A	Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association	
B	Total exempt function income. Must meet 60% gross income test SEE STATEMENT 1	B 76,468.
C	Total expenditures made for purposes described in 90% expenditure test	C 61,796.
D	Association's total expenditures for the tax year	D 61,796.
E	Tax-exempt interest received or accrued during the tax year	E 0.

2018 →

+ \$ 14,672

Form **1120-H** | U.S. Income Tax Return for Homeowners Associations | OMB No. 1545-0123
 Department of the Treasury | Internal Revenue Service | Go to www.irs.gov/Form1120H for instructions and the latest information.
 For calendar year 2017 or tax year beginning , and ending

TYPE OR PRINT	Name MOUNTAIN PARK CONDOMINIUM ASSOCIATION	Employer identification number 82-0467478
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 2622	Date association formed
	City or town, state or province, country, and ZIP or foreign postal code BOISE, ID 83701	

Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return

A	Check type of homeowners association: ☒ Condominium management association ☐ Residential real estate association ☐ Timeshare association	
B	Total exempt function income. Must meet 60% gross income test SEE STATEMENT 1	B 71,347.
C	Total expenditures made for purposes described in 90% expenditure test	C 81,666.
D	Association's total expenditures for the tax year	D 81,666.
E	Tax-exempt interest received or accrued during the tax year	E 0.

2017 →

- \$ 10,319

2024

INCOME vs EXPENSES

01/01/2024

—

12/31/2024



\$ 104,786.07



\$ 71,768.68



\$ 8,732.17

Per Month



\$ 5,980.72

Per Month



\$ 242.56

Per Unit



\$ 166.13

Per Unit

1420

Phase 2 2600 Sqft

Phase 1 3900 Sqft

Phase 3 4700 Sqft

1419

1415

11) BYLAWS

Ten Pages

BYLAWS

OF

MOUNTAIN PARK CONDOMINIUM OWNERS ASSOCIATION

The following are Bylaws of MOUNTAIN PARK CONDOMINIUM OWNERS ASSOCIATION, a nonprofit Idaho corporation. Each owner of a condominium unit in Mountain Park Condominiums automatically, by virtue of such ownership, becomes a member of the Association. All present and future owners, mortgagees and other encumbrancers, lessees, tenants, licensees and occupants of units and their guests and employees, and any other person who may use the facilities of the condominium project are subject to these Bylaws, the Condominium Declaration and Covenants, Conditions, Restrictions and Reservations for Mountain Park Condominiums ("Declaration"), and the rules and regulations adopted by the Board of Directors of the Association.

Words and phrases that are defined in the Declaration shall have the same meaning in these Bylaws.

Until the Transition Date occurs, these Bylaws shall be administered and may be amended (subject to such mortgagee approval as may be required) by Declarant, or by a managing agent appointed by Declarant. All references herein to the "Board" shall apply with equal force and effect to Declarant, the managing agent, or the Association's Board of Directors, whichever has the responsibility for administering the project.

ARTICLE 1. MEMBERSHIP; REGISTER; VOTING.

Section 1.1 Membership. The owners of units in the project shall constitute the Association of Unit Owners. Corporations, partnerships, associations and other legal entities, trustees under an express trust, and other fiduciaries, as well as natural persons may be members of the Association. Owners of a unit as joint tenants, tenants in common, community property, or other ownership involving more than one owner, shall be joint members of the Association, but the sum total of their vote shall not exceed the percentage of interest for voting power appurtenant to the unit owned. In the event of such joint ownership, the vote for a unit shall be cast as a single vote; and in no event shall the percentage of votes assigned to a particular unit be further fractionalized or split.

Section 1.2 Persons Under Disability. Minors and persons declared legally incompetent shall be eligible for membership in the Association, if otherwise qualified, but shall not be permitted to vote except

through a legally appointed, qualified and acting guardian of their estate voting on their behalf, or, in the case of a minor with no legal guardian of his estate, through a parent having custody of the minor.

Section 1.3 Register of Members. The Board shall cause a register to be kept containing the names and addresses of all members of the Association. Persons who purchase an interest in a unit shall promptly inform the Board of their interest. Persons who claim to be members of the Association shall, upon request, furnish the Board with copies of any documents under which they assert ownership of a unit or any interest therein, and any mortgages thereon.

ARTICLE 2. MEETINGS OF MEMBERS.

Section 2.1 Place. Meetings of the members of the Association shall be held at such suitable place as may be convenient to the membership and designated from time to time by the Board.

Section 2.2 Annual Meetings. The annual meeting of the Association shall be held in the first quarter of each year, on a date fixed by the Board. At such annual meeting there shall be a financial report, the owners shall elect members to the Board or fill vacancies therein, and such other business as shall come before the meeting may be transacted.

Section 2.3 Special Meetings. It shall be the duty of the president to call a special meeting of the Association as directed by resolution of the Board or upon the written request of a majority of the Board or upon the written request of owners having one-third (1/3) of the total voting power of the Association. A meeting called at the request of the members shall be held at such time as the president may fix, which time shall not be less than fifteen (15) nor more than thirty (30) days after the receipt of the written request therefor.

Section 2.4 Notice of Meetings. It shall be the duty of the secretary to give notice of each annual and special meeting, stating the purpose thereof and the time and place where it is to be held, to each member of the Association and to each mortgagee that has requested notice, all as provided in Article 15 of the Declaration. Notice shall be given at least thirty (30) days before annual meetings and at least ten (10) days before special meetings. Before any meeting of the Association, any member may, in writing, waive notice of such meeting. Attendance by a member at a meeting of the Association shall be a waiver by him of timely and adequate notice unless he expressly challenges the notice when the meeting begins.

Section 2.5 Quorum. The presence in person or by proxy of members of the Association or voting representatives holding fifty percent

(50%) of the total voting power shall constitute a quorum for the transaction of business at any meeting of members of the Association.

Section 2.6 Proxies. Any unit owner or voting representative may vote by proxy. Proxies shall be in writing, signed by the owner, or voting representative, and filed with the Board. Proxies may be revoked at any time by written notice to the Board. Any designation of proxy must be signed by all owners of a unit; but where husband and wife are owners, the proxy need be signed by only one spouse unless the other spouse notifies the Board not to accept the proxy.

Section 2.7 Majority Vote. Except as otherwise provided by statute, by the Declaration, or by these Bylaws, passage of any matter submitted to vote at a meeting where a quorum is in attendance shall require the affirmative vote of at least fifty-one percent (51%) of the voting power present.

Section 2.8 Order of Business. The order of business at meetings of the Association shall be as follows unless dispensed with on motion:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of directors (annual meeting or special meeting called for such purpose);
- (g) Unfinished business;
- (h) New business;
- (i) Adjournment.

Section 2.9 Parliamentary Authority. In the event of dispute, the parliamentary authority for the meetings shall be the most current available edition of Robert's Rules of Order.

ARTICLE 3. BOARD OF DIRECTORS.

Section 3.1 Number and Qualifications. The affairs of the Association shall be governed by a Board of not fewer than three (3) nor more than seven (7) directors, who shall be elected by ballot from the members of the Association. The members of the Association at any annual meeting may change the number of directors within those limits, but shall not reduce the number in such a manner to deny an incumbent director (unless removed for cause) a full term of office. If a corporation is a member of the Association, any one of its officers, directors, or shareholders may be elected to the Board; if a partnership is a member, any one partner of such partnership may be elected to the Board.

Section 3.2 Powers and Duties. The Board shall have the powers and duties provided for the administering authority of the project in the statutes and in the Declaration, and all other power necessary for the administration of the affairs of the Association, and may do all such acts and things as are not prohibited by statute or by the Declaration required to be done in another manner. No contract made by the Board or any officer for the Association shall have a fixed term longer than one (1) year.

Section 3.3 Managing Agent. Management of the project may initially be carried out by Declarant or a managing agent appointed by Declarant as provided in Article 16 of the Declaration. An experienced professional managing agent may be employed by the Declarant or the Board to assist in the management and operation of the project, subject to the contractual limitations set forth in the Declaration.

Section 3.4 Election and Term of Office. The initial directors named in the Articles shall serve until the first day of the calendar month following the date of adjournment of the first annual meeting. Thereafter, the term of office for directors shall begin on the first day of the calendar month following the date of adjournment of the annual meeting at which they are elected. The normal term of office for directors will be for three (3) years and until their successors are elected and take office. However, to provide for staggered terms, at the first annual meeting, one-third (1/3) of the number of directors (or the whole number nearest to one-third) shall be elected for one (1) year, the same number shall be elected for two (2) years, and the remainder shall be elected for three (3) years.

Section 3.5 Vacancies. Vacancies on the Board caused by reasons other than the removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum. Each person so selected shall be a director until a successor is elected at the next annual meeting of the Association to serve the balance of the unexpired term.

Section 3.6 Removal of Directors. At any regular or special meeting after the Transition Date, any one or more of the directors may be removed, with or without cause, by the holders of a majority of the total voting power of the Association and a successor may then and there be elected to fill the vacancy thus created and to serve the balance of the unexpired term. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 3.7 Compensation. No compensation shall be paid to directors for their services as directors.

Section 3.8 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each director personally or by mail, telephone or telegraph, at least three (3) days before the day fixed for the meeting.

Section 3.9 Special Meetings. Special meetings of the Board may be called by the president on three (3) days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by either the president or the secretary in like manner and on like notice on the written request of any two (2) directors.

Section 3.10 Waiver of Notice. Before any meeting of the Board, any director may, in writing, waive notice of such meeting. Attendance by a director at any meeting of the Board shall be a waiver by him of timely and adequate notice unless he expressly challenges the notice when the meeting begins.

Section 3.11 Quorum. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board.

Section 3.12 Open Meeting. Any unit owner or voting representative may attend any meeting of the Board, but shall not be entitled to participate.

ARTICLE 4. OFFICERS.

Section 4.1 Designation. The principal officers of the Association shall be a president, a vice president, a secretary and a treasurer, all of whom shall be elected by the Board. The directors may appoint such other officers as in their judgment may be necessary or

desirable. Two or more offices may be held by the same person, except that a person may not hold the offices of president and secretary simultaneously.

Section 4.2 Election of Officers. The officers of the Association shall be elected annually by the Board at the first Board meeting after the annual meeting of the Association. They shall hold office at the pleasure of the Board.

Section 4.3 Removal of Officers. At any regular meeting of the Board or at any special meeting of the Board called for such purpose, upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor to the removed officer may be elected at any such meeting.

Section 4.4 President. The president shall be the chief executive officer of the Association. He shall, when present, preside at all meetings of the Association and of the Board and shall have all powers and duties usually vested in the office of the president.

Section 4.5 Vice President. The vice president shall perform the duties of the president when the president is absent or unable to act, and shall perform such other duties as may be prescribed by the Board.

Section 4.6 Secretary. The secretary shall keep the minutes of all meetings of the Board and of the Association and shall have custody of the business records of the Board and the Association, other than financial records kept by the treasurer. He shall also perform such other duties as may be prescribed by the Board.

Section 4.7 Treasurer. The treasurer shall have responsibility for the Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

Section 4.8 Other Officers and Employees. Other officers of the Association and any persons employed to assist the officers shall have such authority and shall perform such duties as the Board may prescribe within the provisions of the applicable statutes, the Declaration and these Bylaws.

Section 4.9 Compensation. The Board may pay reasonable compensation to any officer or unit owner who performs substantial services for the project in carrying out the management duties of the Board. The Board's decision to compensate an officer shall not become final until sixty (60) days after notice of it (including the amount of compensation to be paid) has been given to all persons entitled to notice of meetings of the Association,

and such decision may be reversed by the members of the Association at a meeting duly called and held within sixty (60) days after the notice of the decision was given.

Section 4.10 Declarant's Powers. In accordance with the Declaration, the Declarant or Declarant's managing agent may exercise the powers of the officers until the Transition Date.

ARTICLE 5. COMMITTEES.

Section 5.1 Committees of Directors. The Board may appoint one or more committees that consist of one or more directors. Such committees, if composed entirely of Board members, shall have and exercise, to the extent provided in the resolution establishing the committee, the authority of the Board in the management of the Association. The appointment of any such committee shall not relieve the Board of its ultimate responsibility for the administration and management of the project.

Section 5.2 Other Committees. Other committees, not having or exercising the authority of the Board in the management of the Association, may be appointed by the president or the directors, and such committees may be composed of one or more members of the Association other than Board members, but at least one member must be a Board member.

ARTICLE 6. OBLIGATION OF OWNERS.

Section 6.1 Contribution to Working Capital. The original first purchaser of each unit from Declarant shall pay to the Association as a contribution to the Association's initial working capital an amount equal to three (3) times the estimated monthly assessment against such unit.

Section 6.2 Monthly Assessments. Owners are obligated to pay monthly assessments imposed by the Association to meet the common expenses of the project as provided in the Declaration.

Section 6.3 Compliance with Covenants, Bylaws and Administrative Rules and Regulations. Each unit owner shall comply strictly with the Declaration, these Bylaws, and with the administrative rules and regulations adopted pursuant thereto, as they may be lawfully amended from time to time, and with any covenants, conditions and restrictions set forth in the deed to his unit. Failure to comply with any of the foregoing shall be ground for an action to recover sums due, damages, and for injunctive relief, or any or all of them, maintainable by the Board or the managing agent on behalf of the Association or by a particularly aggrieved unit owner.

ARTICLE 7. HANDLING OF FUNDS.

Section 7.1 Accounts. The Association shall establish the necessary funds or accounts to provide properly for the operation and maintenance of the project. Overall superintendence of these funds shall be the responsibility of the treasurer of the Association. All accounts with banks or other depositories shall require the signature of two (2) officers on checks or other withdrawals. There shall be at least three (3) separate funds as described in Sections 7.2, 7.3 and 7.4.

Section 7.2 Working Capital Fund. The treasurer shall cause to be established a checking account in a commercial bank to be known as the "Working Capital Fund." This fund will be used for the normal operation of the project and will receive all monthly assessments, first purchasers' initial contributions to the fund, and other monies received by the Association. Checks shall be issued from this account for all management and operation expenditures necessary for the project and maintenance expenses of a routine or minor nature that do not require resorting to the Reserve Fund for Common Areas and Facilities. Funds for the Reserve Fund for Insurance Premiums and the Reserve Fund for Common Areas and Facilities will normally be deposited in the Working Capital Fund and checks immediately issued to the other fund so an overall account of the funds received and disbursed by the Association is centralized in the check register of the Working Capital Fund account.

Section 7.3 Reserve Fund for Insurance Premiums. The treasurer shall cause to be established an interest-bearing savings account in a bank or savings and loan association, or with a money market fund, which shall be known as the "Reserve Fund for Insurance Premiums." Each month the treasurer shall cause to be deposited into this fund an amount equal to at least one-twelfth (1/12) of the total cost of all premiums for the policy or policies and bonds the Association is required by the Declaration to purchase. Such premiums shall be paid out of this fund.

Section 7.4 Reserve Fund for Common Areas and Facilities. The Association shall maintain an interest-bearing savings account in a bank or savings and loan association, or with a money market fund, which account shall be known as the "Reserve Fund for Common Areas and Facilities." The purpose of the reserve account will be to provide for the periodic maintenance, repair and replacement of the common areas and facilities. An amount adequate for this purpose shall be included in each annual budget and collected as a part of the monthly assessments.

ARTICLE 8. AMENDMENT OF PERCENTAGE OF INTEREST IN COMMON AREAS AND FACILITIES.

Section 8.1 Appraisal. The project and all parts thereof shall be reappraised upon the happening of any event which, in the judgment of the Board, requires a reappraisal and reapportionment of the values of one or more units or appurtenant common areas and facilities. The appraisal shall be made by a competent MAI or SRPA appraiser selected by the Board. After the appraisal has been made, it shall be considered by the unit owners at an annual or special meeting. Any unit owner shall have the right to be heard at the meeting and to introduce evidence if he desires.

Section 8.2 Consent Required. The value of the property and of each unit and the percentage of undivided interest in the common areas and facilities shall not be altered without first amending the Declaration, and any such amendment shall require the unanimous consent of the unit owners and prior written approval of all institutional holders of first mortgages.

ARTICLE 9. KEEPING RECORDS AND REPORTS.

Section 9.1 General. The Board shall cause to be kept complete, detailed and accurate books and records of the receipts and expenditures of the Association, in a form that complies with generally accepted accounting principles. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers and other records of the Association shall be available for examination by the owners, mortgagees and the agents or attorneys of either of them, during normal business hours and at any other reasonable time or times.

Section 9.2 Financial Reports. The Board shall cause to be issued and mailed to all members of the Association and to all mortgagees that request them, within ninety (90) days following the end of each fiscal year of the project, an audited financial statement for that fiscal year, which shall include a balance sheet and a statement of operations and a comparison between the actual expenses of operation and the expenses that had been projected for that year. Holders of first mortgages may require the submission of additional financial data concerning the project as is reasonably required by prudent mortgage loan management.

ARTICLE 10. AMENDMENTS.

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors or by the shareholders at any regular or special meeting. The amendment of these Bylaws is subject to the limitations set forth in the Declaration.

ARTICLE 11. ABANDONMENT OR TERMINATION OF CONDOMINIUM STATUS.

Except in cases of substantial damage to the property as provided in Article 24 of the Declaration or condemnation of the entire project as provided in Section 25.3 of the Declaration, the condominium status of the property shall not be abandoned or terminated by reason of any act or omission by the owners or the Association, except with the consent of all owners by an instrument to that effect duly recorded, and then only if the mortgagees and holders of all liens affecting any of the units consent thereto or agree, in either case by an instrument duly recorded, that their mortgages and liens be transferred to the percentage of the undivided interest of the owner in the property.

ARTICLE 12. INDEMNIFICATION.

To the full extent permitted by applicable law, each member of the Board, each member of an Association committee, each officer, the Declarant who filed the Declaration, and the managing agent shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of holding or having held such position, or any settlement thereof, whether or not he or she holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by insurance and except in such cases wherein such person is adjudged guilty of willful misfeasance in the performance of his or her duties; provided, however, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interest of the Association; and further provided that this right of indemnification shall be inapplicable to the extent necessary, if at all, for the Association to obtain any insurance required by the Declaration.

The foregoing Bylaws shall be effective the ____ day of _____, 1980.

Orin Givens, Director

Steve Givens, Director

Richard B. Smith, Director

Ada County, Idaho, ss.
Request of Hone

Hone
TIME 3:47 P. M.

DATE 2-7-80

JOHN BASTIDA

RECORDER

By 28 Nichols

Deputy

11) RESERVE STUDY FUNDAMENTALS

Three Pages

Reserve Study Fundamentals

Reserve funds are funds that homeowners associations set aside for future financial obligations such as major repairs, replacements, and maintenance.

How much money should an HOA have in reserve?

The process of calculating HOA reserve funds differs from association to association based on factors such as community size and the nature of the HOA's common elements.

- **Based on HOA reserves rule of thumb,**

Reserves should be considered fully funded if they cover 100 percent of **future** financial obligations.

Meeting this HOA reserve funding percent is usually difficult for many associations, though, and

a respectable level of funding is 70 % at the least.

- **What is a reserve study for an HOA?**

A reserve study is simply an assessment of your association's assets done in an effort to keep your reserve fund at an optimal level. It typically involves an on-site inspection to calculate the estimated remaining life of common elements and the estimated cost of repairing or replacing them.

- **Reserve studies consist of two parts, namely:**
 - **Financial Analysis.** This examines the association's financials such as its income and expenses. It also takes the current reserve fund into account.
 - **Physical Analysis.** This examines the physical condition of the association's common elements along with the estimated cost of repairing or replacing them.

RESERVE FUND VS OPERATING FUND:

The operating fund covers the cost of routine expenses, such as:

- management fees,
- vendor fees,
- utility costs,
- insurance premiums.

Reserve fund covers the cost of:

- major replacements or
- repairs that will eventually come up. Physical assets will deteriorate over time.
- HOA will need to replace or repair them **down the road**.
- The reserves basically act as your association's savings account from which you can withdraw money to pay for these future costs.

Unlike your operating fund, your reserve fund can be set aside for investment opportunities. Of course, when investing your reserve funds, capital preservation is imperative. You must guarantee the safety and liquidity of your reserves and consider yield last.

WHO PERFORMS RESERVE STUDIES FOR HOMEOWNERS ASSOCIATIONS?

Reserve studies are often difficult to perform since they consist of so many moving parts. That is why associations should never opt for a do-it-yourself reserve study.

Instead, your association should hire an experienced professional to conduct an HOA reserve study. Look for someone who has been certified as a Reserve Specialist by the Community Associations Institute (CAI). You can also find one through the Association of Professional Reserve Analysts. These experts can meticulously analyze your community's financial status and present it with a standard HOA reserve study template for the board to record and understand.

HOW MUCH DOES AN HOA RESERVE FUND STUDY COST?

A number of factors can influence the HOA reserve study cost such as property size, property location, and the complexity of your common elements.

The type of study you need will also dictate the price. The cost of a reserve study can range anywhere from \$500 to \$10,000.

How much does a condo reserve study cost? *Generally, condominiums pay more for reserve studies* because of the way their common elements are set up.

Condos typically have more stories and shared walls than single-family home associations.

SHOULD YOU DO AN HOA RESERVE STUDY?

The question remains — does your community need an HOA reserve study?

- **The short answer is yes.**

Not only is it mandatory in many states, but a reserve study also helps gauge your association's current and future financial condition.

With a reserve study, you can determine how long your assets have left and how much it will cost to replace or repair them.

This will ensure you don't get caught by surprise and grapple for funds when the time comes.

YOUR QUESTIONS AND NOTES: