



**WASHINGTON HOUSE**  
CONDOMINIUM ASSOCIATION

October 4, 2017

Dear Washington House owners,

Please review the attached Washington House 2018 proposed operating budget in advance of the Association's budget meeting on October 18, 2017.

Here are a few highlights regarding this budget:

- The attached document is the annual budget for the routine operation and maintenance of the property, drafted by Aspen Property Management, reviewed by the WHCA Council and by me, and approved by the Council. The Council plans to adopt the budget in a vote on October 18, 2017, after which the budget will be submitted to owners for a ratification vote.
- For comparison purposes, the budget document includes the amounts budgeted for 2017 as well as actual spending through August 31, 2017.
- The approved 2018 operating budget is balanced.
- The operating budget includes an increase in HOA fees of \$50 per month; the need for this increase is based on several ongoing improvement projects and on the state of the Replacement/Reserve fund. In response to comments and concerns from owners, the Council is considering improvements to the building entrances and modifications to the storage cages and lower-level parking to improve security. In 2017, we significantly reduced our contributions to the R/R fund in order to hold HOA fees constant for the fourth year in a row, to relieve some financial pressure on owners during the defect construction period. As a result, our R/R fund is roughly \$160,000 below what is recommended in the 2010 R/R study obtained by the developer. With some significant R/R projects approaching in the near future—including re-carpeting and painting of the residential interior common areas—the Council has approved a 2018 budget that will restore our R/R fund to the recommended level. The Council intends to order a new R/R study next year; it will take into account the replacement of the exterior veneer far before the expected replacement date of 2028
- We have begun the payback of our construction loan with Mutual of Omaha. It is on track to be fully repaid in January of 2020.

I will be available to answer questions about this budget in advance of the ratification vote at the October 18 owners' meeting. Hope to see you there.

Sincerely,

**Bruce Chase**  
**WHCA Treasurer**

**WHCA 2018 BUDGET (COMPARISON TO 2017)**

Prepared by Aspen Property Management

	2018 budget	2017 budget	YTD 8.31.17
<b>INCOME</b>			
Assessments	\$435,600	\$396,000	\$255,685
Water/sewer reimbursement	\$50,000	\$53,660	\$22,730
Late fee income	\$0	\$0	\$821
Work order	\$0	\$0	\$647
Access card	\$0	\$0	\$0
Misc income	\$0	\$0	\$4,857
Rental administrative fee	\$2,500	\$0	\$250
<b>TOTAL INCOME</b>	<b>\$488,100</b>	<b>\$449,660</b>	<b>\$284,990</b>
<b>EXPENSES</b>			
Accounting/auditing fees	\$3,000	\$2,065	\$580
Aspen management fees	\$21,300	\$21,204	\$14,136
Cleaning/janitorial	\$25,000	\$19,720	\$7,585
Contingency expense	\$5,000	\$20,244	\$8,435
Deductible expense	\$3,000	\$5,000	\$0
Electrical repairs	\$2,000	\$2,000	\$3,183
Electricity	\$60,000	\$64,352	\$35,540
Elevator maintenance	\$6,000	\$5,370	\$3,290
Extermination	\$1,300	\$1,304	\$896
Fire alarm monitor/maintenance	\$3,500	\$2,996	\$2,506
Fitness equipment maintenance	\$1,500	\$1,500	\$4,265
Gate/door maintenance	\$2,500	\$2,486	\$660
General maintenance/repair	\$23,000	\$80,000	\$65,632
Maintenance contract	\$73,200	\$0	\$0
Generator	\$5,000	\$1,730	\$3,190
HVAC maintenance	\$6,000	\$5,000	\$5,261
Insurance	\$30,000	\$35,441	\$18,735
Lawn maintenance/landscaping	\$5,000	\$1,000	\$2,456
Legal fees	\$5,000	\$6,100	\$0
Licenses	\$300	\$285	\$0
Mat service	\$1,500	\$1,350	\$1,110
Office expenses	\$3,000	\$3,000	\$1,306
Plumbing repairs, common areas	\$2,500	\$3,000	\$285
Reserve fund	\$95,800	\$59,400	\$44,661
Roof repairs	\$3,000	\$3,000	\$450
Snow removal	\$7,000	\$7,000	\$1,260
Sprinkler/pump system	\$3,700	\$3,700	\$3,221
Supplies	\$2,500	\$6,464	\$0
Telephone	\$3,500	\$3,544	\$1,517
Trash removal	\$29,000	\$27,745	\$19,194
Water/sewer	\$50,000	\$53,660	\$25,261
Internet	\$2,500	\$0	\$1,210
Rental administration	\$2,500	\$0	\$250
Misc G&A	\$0	\$0	\$373
<b>TOTAL EXPENSES</b>	<b>\$488,100</b>	<b>\$449,660</b>	<b>\$276,449</b>