

FINANCIAL REPORT

The 2017/2018 fiscal year continues the trend of successfully maintaining the expenses of the Association under budgeted expectations.

In review of the 2017/2018 fiscal year, some of the key areas to note are: (1) Operations revenue including the Wildflower lease, and short-term interest from Owner Accounts were lower than projected. (2) Total Common Area Operational expenses are projected to be less than budgeted. Partially due to the mild winter and also as a result of our continued efforts to be energy efficient we did reduce the utility expense total.

We are finalizing the 2017/2018 fiscal year with expectations of an operating surplus. Additionally, there was no draw on the budget contingency of \$90,000. We are projecting a final fiscal year surplus in excess of \$200,000. The Association continues to invest the reserve funds into updates and renovations to the rooms and facilities. Looking forward, we anticipate that there will be future expenses for renovations and updates that are necessary to maintain older mechanical systems and common areas. The Board of Directors has recommended the transfer of the operating budget surplus to the Common Area Reserve Fund, to help ensure that it remains adequately funded. This will be offered for approval at the Annual Meeting of Owners in September. The budget for the 2018/2019 fiscal year begins on June 1, 2018 and continues until May 31, 2019. As we look forward to the new fiscal year, we anticipate continued growth in our business levels and normal winter snowfall. It is projected that revenue will increase 4.07% from the previous year as we see some growth in short term interest accounts, payroll expenses will increase by only 2.2% operating expenses will increase by 2.66%, utility expenses will decrease by 1.84% due primarily to lower electrical and natural gas costs, and fixed expenses will increase by 2.83%. As we look to the future year we do want to monitor cost carefully and be aware of the pressure that Utah's tight labor market places on our payroll costs and also, we strive to decrease owner delinquencies. The final change in the overall average increase of all assessments is 1.88%. The impact on each owner's individual assessment varies depending upon the percentage of ownership. The 2018/2019 Assessment includes a per-unit Furniture Reserve Assessment of \$57.39, a 1.09% increase and a Housekeeping Assessment of \$92.35, a 3.4% increase and a shared Common Area Operating Expense cost of \$3,381,807. Assessments are made following the policies established in Exhibit A of the Iron Blossam Lodge Documentation. The Board of Directors would like to thank our Budget and Finance Committee for their excellent work in reviewing the expenditures and budget. We also want to thank our management and staff at the Iron Blossam for their continued efforts. The annual assessment payment is due on or before July 31, 2018. Your prompt payment helps minimize additional billing costs and interest charges (21% per annum). The occupancy or rental of units is restricted to owner's current on payment of their assessments. Owners depositing units with an exchange company must pre-pay the assessment for the fiscal year being exchanged. The pre-payment must be received prior to the Iron Blossam verifying the space bank requests. Liens and lien charges for past due assessments will be added during October of 2018. If you have questions regarding your statement(s), please write Candace Shugart at 3165 E. Millrock, Suite 150, Holladay, Utah 84121 or email her at cshugart@snowbird.com.

Please do not include correspondence or reservation confirmations with your payment.

IRON BLOSSAM OWNERS ASSOCIATION

Fiscal Year 2018/19 Budget – June 1, 2018 to May 31, 2019

	Budget 2018/19	Budget 2017/18
Common Area Revenue		
Vending Income	\$18,680	\$17,780
Interest Income	\$43,500	\$32,730
Misc. Income	\$91,323	\$93,993
Total Revenue	\$153,503	\$147,503
Payroll Expense		
Bell Service	40,715	37,467
Clerical/Front Desk	350,787	345,644
Maintenance	141,229	135,824
Housepersons	128,762	128,346
Employee Benefits	205,063	200,657
Total Payroll	866,556	847,937
Operating Expenses		
Accounting and Auditing	16,100	16,100
Bad Debts	50,000	50,000
Bank Charges	8,300	7,500
Credit Card Discounts	7,500	7,700
Landscaping	6,000	6,000
Common Area Maintenance	350,000	332,000
Contract Services	44,900	43,850
Directors Expense	23,250	19,450
Dues and Assessments	3,150	2,540
Elevator Service Contract	31,250	30,600
Employee Recognition	11,300	9,950
Equipment Rental	11,950	10,200
General & Administration	149,580	146,568
<i>Accounting services, Human Resources TV Equipment Rental, Computer Rental/Purchasing</i>		
Public Safety	52,920	51,840
Hospitality Bar	33,500	29,650
Janitorial Supplies	18,000	20,000
Laundry & Linen	54,800	54,400
Management Fees	261,756	256,500
Office Supplies/Printing	21,000	23,800
Operating Supplies	48,700	46,000
Postage and Freight	9,800	9,800
Repairs and Maintenance	165,000	163,000
Sauna/Swimming	20,000	18,000
Recreation Expense	39,094	39,094
Travel and Auto	10,050	8,600
Uniforms	8,000	10,000
Owner/Guest Supplies	103,000	105,000
Snow Night Expense	2,000	2,000
Legal Fees	1,200	1,200
Silver/Glass/China	10,000	10,000
Total Operating Expenses	1,572,100	1,531,342
Utilities		
Electricity	181,173	184,180
Natural Gas	58,269	72,854
Refuse Removal	15,080	14,786
Snow Removal	33,439	32,770
Telephone/Internet	59,284	69,233
TV Cable Service	22,979	21,440
Water and Sewer	142,430	127,008
Total Utilities	512,654	522,270
Fixed Expenses		
Insurance	78,000	74,400
Common Area Reserve	80,000	70,000
Property Tax/Licenses	336,000	336,000
Total Fixed Expenses	494,000	480,400
Expense Contingency	\$90,000	\$90,000
Total Expenditures	\$3,291,807	\$3,324,447
Housekeeping Assessment (per unit)	92.35	89.31
Furniture Reserve (per unit)	57.39	56.77



Iron Blossam

ANNUAL UPDATE 2018



GREETINGS!

As Iron Blossam enters its 43rd year, our tradition of creating special times and memories continues. We now welcome second, third and fourth generations of owners. Many of you have grown up visiting Iron Blossam and are now returning with your own families. We are proud of our heritage and strive to continue to maintain Iron Blossam as a premier family vacation timeshare resort.

Our past year was highlighted by the Iron Blossam's retention of RCI's Silver Crown Award and Interval International's Select Resort Award. We are all proud of the efforts by everyone to achieve these prestigious industry recognitions. The Board, management team and staff remain committed to maintaining the facilities, amenities and services to ensure your continued enjoyment of your time at the Iron Blossam. The Board and Management continue to work diligently to update and improve the Iron Blossam, and to ensure that as our facility ages it continues to be one of the premier timeshare facilities.

We look forward to the upcoming seasons and are excited to see each of you on your visits.

Best regards,
Jim Maxwell
Lodge Manager

42ND ANNUAL MEETING RECAP

We appreciate all in attendance for our 42nd Iron Blossam Annual Owner's Meeting. We all enjoyed a fabulous fall afternoon up in the mountains.

Bob Bonar, Snowbird Resort COO, presented an update on the ongoing and future growth plans at Snowbird. He thanked the Iron Blossam Owners, Staff and Board of Directors for their commitment in maintaining and improving the Iron Blossam over the years. He also thanked the Owners for being loyal Snowbird patrons.

Following the candidate presentations, Bob Peterson, chairman of the Nominating Committee conducted elections. Results of the elections concluded in Dr. Marc Salzberg being elected to serve on the Iron Blossam Board of Directors.

Owners then had the opportunity to hear from Dave Cowley, Snowbird's Controller of Finance, who presented the Treasurer's Report. He reviewed the Owner's financial status (owners desiring a copy of the Independent Auditor's Financial Report may contact the Iron Blossam Owner Services department to receive a copy). Dave thanked the Iron Blossam Management and Board of Directors for maintaining Iron Blossam's financial stability. Jim Maxwell, General Manager of the Iron Blossam Lodge, delivered updates on many great improvements and renovations at the lodge; Some of the lodge highlights included, an extensive spa renovation, oven ranges in all kitchen units were replaced, new curtains were installed in the north side units and the south side efficiency units. Chairs in bedroom units and the upstairs of loft units were replaced. Jim then concluded by honoring and presenting an Iron Blossam award to retiring Board Member Don Betenson. He thanked Don for his time and talents serving on the Board of Directors.

The meeting was then turned over to the Megan Zurkan, Iron Blossam Board President; she gave the President's report. She thanked the Board and Management for their time and hard work invested in keeping the Iron Blossam running smoothly. She also thanked Owners for their loyalty and support for the Association. Megan thanked Owners for their participation and reminded them that the Board appreciates the opportunity to hear from them. Once again, the meeting was a successful event.

MAINTENANCE / RENOVATION UPDATES

Each May and November we have a week dedicated to repairs, cleaning and renovations. For each maintenance period, we have contractors that clean the hallway and room carpets, room furniture and windows in addition to the extra cleaning chores in the rooms and around the common areas. We realize that your vacation time is valuable; therefore we try to limit projects and major repairs during the weeks of occupancy.

Over the last two maintenance periods, we have worked on the following renovation and major repair projects:

November 2017

- Microwaves were replaced in the majority of the south facing kitchen units.
- Hallway carpet on floors 6 thru 11 and 3rd level has been replaced.
- Hallway wall vinyl replacement continues with floors 6 and 11 being completed.
- New LED under cabinet lighting was installed in the South Efficiency style units.
- New bedside LED wall sconce lights were installed in bedrooms, North Efficiency and loft units.
- New LED lighting installed on 2nd floor hallway.

May 2018

- Phase One of the LED kitchen lighting was completed with suites and studio units being completed. The remaining units will be completed in November.
- On going work on lighting also includes new dining area lighting and new lighting in the room hallways. This will be ongoing with completion scheduled in November.
- The refrigerators in all units have been replaced.
- Outdoor pool furniture for the West Pool was replaced, with Family Pool furnishings scheduled over the summer.
- Future Projects for this upcoming November 2018 and May 2019 maintenance weeks include mattress replacements, new dining tables and dressers, new chairs and chair ottomans and continued lighting upgrades.

FRAUDULENT PRESENTATIONS AND SCAM ALERT: OWNERS BEWARE!



Iron Blossam remains a financially stable and secure timeshare ownership opportunity. We strive to protect your privacy and ownership information. Iron Blossam does not release ownership information to others; however, your timeshare ownership is a matter of public record. Additionally, email addresses and phone numbers are obtainable via various websites. Unethical businesses that offer fraudulent timeshare sale opportunities are able to obtain your contact information. These companies use scare tactics, false promises of unrealistic purchase prices and opportunities to con you out of your money and your timeshare ownership. These individuals may fraudulently claim to be representatives of the Iron Blossam Lodge.

Please be aware of potential fraudulent solicitations.

With any timeshare re-sell transaction, please make sure you carefully verify the legitimacy of the buyer.

IRON BLOSSAM EXPANDS RECYCLING

We have expanded our recycling efforts! To make recycling more visible and convenient, every room is now provided a dedicated blue recycle bin. Look for them in the closet of each unit. Additional recycle cans have been added to the Spa and Den areas.

In cooperation with Salt Lake County, these items can be recycled:

**newspaper • magazines • cardboard
plastic • metal cans**

Please remember to place recyclable items in the clear plastic bags ONLY. Both room garbage and recycle pick up is available by calling the Housekeeping Office or Front Desk. You may also drop off either at the Housekeeping Office or at one of the appropriate outside dumpsters. Please be aware that there are separate recycle dumpsters located outside the building near the loading dock area. Please do not leave garbage or recyclable materials in hallways.

Please note: glass cannot currently be recycled, however, Snowbird is working with Salt Lake County to incorporate glass into the recycling program.



GO GREEN!

Our **Go Green** efforts continue to reduce paper, printing and mailing costs. In these challenging economic times it is important to help us fight rising costs. If you are able and have not yet registered your email address with us, please visit our website and sign up today at http://ironblossam.net/join_mailing_list.php

Our online services include:

- For-sale-by-owner and internal exchange listings and subscriptions
- Owner reservation processing
- Credit card payment center
- Proxy voting for annual meeting

Registration of your e-mail address also provides these additional money saving services:



- Weeks courtesy confirmation/reminder notification
- Iron Blossam Trustee Sale notification
- Annual meeting of owners notification
- Owner newsletters
- Notifications of special opportunities, events and activities that will enhance your ownership and aid you in planning for your upcoming week.

HELP US SAVE ENERGY AND SAVE DOLLARS

Iron Blossam has always strived to keep its mechanical systems, lighting and appliances updated to current energy standards. This has helped us reduce energy expenses over the years. We still need everyone's help to continue to reduce our energy costs and our environmental impact.

To help us conserve energy we suggest the following:

- When you are not in your room, please turn off lights.
- During the winter months, when leaving your room, please lower your thermostat.
- If your unit has a fireplace, please turn it off while sleeping and when leaving the room.

PAYMENT OPTIONS

The annual assessments are due on or before July 31, 2018. Prompt payment and efficient processing enable the Association to reduce expenses. Be advised, we are unable to process assessment payments by telephone. Payment options include:

Pay by Check. Owner payments by check are processed at a lower cost to the Association than credit card payments. Send your check in the enclosed envelope to the bank processing center. If you are visiting Iron Blossam prior to July 31, 2018, you may pay directly at the Iron Blossam Front Desk. Please be sure to bring your statement.

Credit Card Payments. Effective July 1, 2016 credit card payments will be charged an additional 2.5% processing fee. Debit card transactions are not assessed the processing fee. To protect the security of your account, our credit card security protocol allows for online credit card payments ONLY, no telephone payments. For credit card payments, please access the Iron Blossam Payment Center at http://ironblossam.net/payment_center.php. Be sure to have your owner statement available, as you will need to reference your owner number and payment amount. Payments received after July 31, 2018 will be assessed interest charges.



IRON BLOSSAM CONTACTS

Have questions? Need Assistance? We are here to help. Save time by contacting the right person. We value the opportunity to hear from you.

For general inquiries, internal exchange listings, for-sale-by-owner listings and exchange information and assistance:

Owner Services: Monday-Friday
ibownerservices@snowbird.com (801) 933-2097
Jessica Breitting jbreitting@snowbird.com (801) 933-2093

Front Desk Manager: Thursday through Sunday only.
Abby Cardwell acfullmer@snowbird.com (801) 933-2097

Website Administration: (email preferred)
Lizzy Osborne losborne@snowbird.com (801) 933-2059

Front Desk/Owner Reservations:
ibresv@snowbird.com (801) 933-2222, Ext. 1000

Questions regarding owner assessments and payments:
Timeshare Accountant: Candace Shugart
cshugart@snowbird.com (801) 947-7927

Questions regarding deed or ownership changes:
Heather Tolbert (email preferred)
htolbert@snowbird.com (801) 897-7536

Iron Blossam administration:
Lodge Manager: Jim Maxwell
jmaxwell@snowbird.com (801) 933-2090

The Board of Directors may also be contacted at:
Iron Blossam Board of Directors ibboard@snowbird.com
P.O. Box 929000, Snowbird, Utah 84092-9000