

## FINANCIAL REPORT

The 2016/17 fiscal year continues the trend of successfully maintaining the expenses of the Association under budgeted expectations.

In review of the 2016/17 fiscal year, some of the key areas to note are: (1) Operations revenue including the Wildflower lease, and short-term interest from Owner Accounts was lower than projected. (2) Operational expenses were highlighted by the savings of owners reducing credit card payments for assessment fees to avoid the 2.5% surcharge. This change alone enabled the Association to reduce expenses in this area by over \$35,000.

Thanks to the abundant snowfall this past winter, we saw an increase in winter owner usage and a stronger demand for rentals from the owner rental program. We are finalizing the 2016/17 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 \$177,858.70. 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 2017. The budget for the 2017/18 fiscal year begins on June 1, 2017 and continues until May 31, 2018. As we look forward to the new fiscal year, we anticipate continued growth in our business levels and continued normal winter snowfall. It is projected that revenue will be slightly reduced from the previous year. The primary reason is that owners have paid assessments sooner, thereby avoiding interest and penalties; short-term interest on operating capital is also lower; payroll expenses will increase by only 1.8%, operating expenses will increase by 1.71%, utility expenses will increase by 4.11% due primarily to a 15% increase imposed from Salt County for water rates, and fixed expenses will decrease by 7.19% due to lower mill levies on Salt Lake County property tax. Areas of the budget that have changed significantly are: (1) an 11% increase in the Condominium Expense account due to the Owners Association assuming ownership of delinquent units. (2) The Credit Card discount account has decreased 82.50% due to requiring Owner's to pay the 2.5% surcharge if annual assessments are paid by credit cards. (3) We are forecasting decreasing electrical costs by 5.8% and increasing natural gas costs by 34%. The final change in the overall average increase of all assessments is only 1.79%. The impact on each owner's individual assessment varies depending upon the percentage of ownership. The 2017/18 assessment includes a per-unit Furniture Reserve Assessment of \$56.77, a 3.6% increase and a Housekeeping Assessment of \$87.58, a 1.56% increase and a shared Common Area Operating Expense cost of \$3,324,447.00. 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, 2017. Your prompt payment helps minimize additional billing costs and interest charges (21% per annum). The occupancy or rental of units is restricted to owners 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 September of 2017. 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.

## IRON BLOSSAM OWNERS ASSOCIATION

Fiscal Year 2017/18 Budget – June 1, 2017 to May 31, 2018

	Budget 2017/18	Budget 2016/17
<b>Common Area Revenue</b>		
Vending Income	\$17,780	\$16,530
Interest Income	\$32,730	\$39,480
Misc. Income	\$93,993	\$102,107
<b>Total Revenue</b>	<b>\$147,503</b>	<b>\$158,117</b>
<b>Payroll Expense</b>		
Bell Service	37,467	35,544
Clerical/Front Desk	345,644	346,879
Maintenance	135,824	132,598
Housepersons	128,346	120,799
Employee Benefits	200,657	197,104
<b>Total Payroll</b>	<b>847,937</b>	<b>832,924</b>
<b>Operating Expenses</b>		
Accounting and Auditing	16,100	15,600
Bad Debts	50,000	47,000
Bank Charges	7,500	6,500
Credit Card Discounts	7,700	44,000
Landscaping	6,000	6,000
Common Area Maintenance	332,000	298,850
Contract Services	43,850	41,450
Directors Expense	19,450	21,650
Dues and Assessments	2,540	2,000
Elevator Service Contract	30,600	29,600
Employee Recognition	9,950	9,950
Equipment Rental	10,200	10,200
General & Administration	146,568	142,680
<i>Accounting services, TV equipment rental, Human Resources, Computer rental/purchasing</i>		
Public Safety	51,840	51,840
Hospitality Bar	29,650	29,050
Janitorial Supplies	20,000	21,600
Laundry & Linen	54,400	48,000
Management Fees	256,500	249,684
Office Supplies/Printing	23,800	19,600
Operating Supplies	46,000	46,600
Postage and Freight	9,800	10,300
Repairs and Maintenance	163,000	163,000
Sauna/Swimming	18,000	17,500
Recreation Expense	39,094	39,094
Travel and Auto	8,600	8,600
Uniforms	10,000	5,500
Owner/Guest Supplies	105,000	106,000
Snow Night Expense	2,000	2,000
Legal Fees	1,200	1,800
Silver/Glass/China	10,000	10,000
<b>Total Operating Expenses</b>	<b>1,531,342</b>	<b>1,505,648</b>
<b>Utilities</b>		
Electricity	184,180	195,516
Natural Gas	72,854	54,361
Refuse Removal	14,786	14,498
Snow Removal	32,770	32,292
Telephone/Internet	69,233	73,133
TV Cable Service	21,440	21,440
Water and Sewer	127,008	110,424
<b>Total Utilities</b>	<b>522,270</b>	<b>501,664</b>
<b>Fixed Expenses</b>		
Insurance	74,400	72,960
Common Area Reserve	70,000	65,000
Property Tax/Licenses	336,000	362,040
<b>Total Fixed Expenses</b>	<b>480,400</b>	<b>500,000</b>
<b>Expense Contingency</b>	<b>\$90,000</b>	<b>90,000</b>
<b>Total Expenditures</b>	<b>\$3,324,447</b>	<b>3,272,119</b>
<b>Housekeeping Assessment (per unit)</b>	<b>89.31</b>	<b>87.94</b>
<b>Furniture Reserve (per unit)</b>	<b>56.77</b>	<b>54.79</b>

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



# Iron Blossam

## ANNUAL UPDATE 2017



## GREETINGS!

Iron Blossam is entering into its 42nd 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. This May, the long awaited Spa renovation was completed. It was a much needed renovation to replace the aging tile floors and older windows. Other improvements to the area include new ceilings, lighting and an expanded exercise area. We anticipate that you will enjoy the improved ambiance and style of the Spa as well as the other improvements to the rooms and common areas on your future visits.

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

Best regards,

Jim Maxwell  
Lodge Manager

## 41<sup>ST</sup> ANNUAL MEETING RECAP

Thank you to all of those that braved the winter storm and attended our 41st Iron Blossam Annual Owner's Meeting! Even with the snow, those in attendance were rewarded with a beautiful and colorful day!

This year, Owners had the opportunity to meet with Bob Bonar, Snowbird Resort President and CEO to hear updates on exciting things happening at Snowbird. Following Bob's presentation, Harry Stillwell, Chair of the Nominating Committee, conducted elections whereby Ted Neff, Board incumbent, Margie Eliason and James Hadfield were elected to the Board of Directors.

Following the election, owners had the opportunity to hear from Dave Cowley, Snowbird's Controller of Finance, who presented a review of 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); Jim Maxwell, General Manager of the Iron Blossam Lodge, delivered updates on many great improvements and renovations at the lodge. Some of the highlights included: updates to the Iron Blossam outdoor/indoor entry, completion of the renovated Lobby and Den areas, new track lighting, chairs and microwaves in select units, restoration of artwork, and maintenance week repairs. Jim then concluded by presenting a 'Spirit of the Iron Blossam' award to Sandi Merrick, longtime Board member, to thank her for her time and talents on the Board of Directors.

The meeting was then turned over to Ted Neff, Iron Blossam Board President, to give the President's report. He thanked the Board and Management for their time and hard work invested in keeping the Iron Blossam running smoothly. He also thanked owners for their loyalty and support for the Association. He invited any interested parties to sign up to serve on the Iron Blossam committees. He reminded Owners that their participation is important and that the Board appreciates the opportunity to hear directly from them. Overall, it was a very productive and informative 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 renovations and major repair projects:

### November 2016

- 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.
- Curved dual shower curtain rods were added to all bathrooms.
- The entire Snowbird Resort and lodging room phone systems were upgraded.
- The second floor entry vestibule, ski locker room and second floor hallway had their carpet replaced.
- The second floor hallway had new wallpaper installed.
- A new ADA compliant water fountain was installed.
- The changing rooms of the dry sauna area were renovated with new furnishings, carpet and wallpaper.
- Elevator interiors were upgraded.
- The portico arrival area was remodeled with ski bench seating and the bell desk was replaced.

### May 2017

- Extensive Spa Renovation:
  - New windows were installed, including sliding doors to provide fresh air and easier summer access.
  - New tile flooring was installed.
  - Seating areas were expanded.
  - ADA access was improved.
  - New ceiling tiles and LED lighting installed.
  - Exercise area was expanded.
- Wallpaper was replaced in the hallways on levels 3, 4 and 5.
- New fireplace log sets were installed in all rooms.
- New cabinet pulls were installed on all kitchen cabinets.

## FRAUDULENT PRESENTATIONS AND SCAM ALERT! Owners Beware

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.

**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](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, 2017. 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, 2017, 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](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, 2017 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

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

**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