

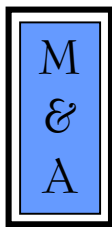
**Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)**

**Financial Statements
December 31, 2019**



Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Financial Statements
December 31, 2019
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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Gold Point II Condominium Association, Inc.
Breckenridge, CO**

Report on the Financial Statements

We have audited the accompanying financial statements of Gold Point II Condominium Association, Inc. (the "Association"), a Colorado non-profit corporation, which comprise the balance sheets as of December 31, 2019, and the related statements of revenues, expenses, and changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibilities

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gold Point II Condominium Association, Inc. as of December 31, 2019, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Member: American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Gold Point II Condominium Association, Inc.
Breckenridge, CO

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on page 11 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information, except for that portion marked "unaudited", on which we express no opinion, is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Future Major Repairs and Replacements on pages 12 - 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the Association's December 31, 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 30, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
April 30, 2020

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Balance Sheets
December 31, 2019
(With Comparative Totals for 2018)

	2019				2018
	Operating Fund	Common Reserve Fund	Unit Reserve Fund	Total	Total
Assets:					
Cash in banks	198,584	107,713	306,568	612,865	450,043
Investments	-	38,730	110,231	148,961	226,272
Accrued Interest	-	390	1,109	1,499	50
Member assessments receivable (net of allowance for doubtful accounts of \$50,089 and \$34,512 at 2019 and 2018)	51,203	-	-	51,203	41,811
Due from (to) other funds	57,644	(108,531)	50,887	-	-
Due from (to) Grand Lodge on Peak 7	1,028	-	-	1,028	-
Inventory - Units	35,302	-	-	35,302	42,476
Inventory - Housekeeping supplies	4,193	-	-	4,193	3,216
Prepaid expenses	1,226	-	-	1,226	1,044
Total Assets	349,180	38,302	468,795	856,277	764,912
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	18,972	-	-	18,972	9,712
Deferred assessment revenue	10,426	-	-	10,426	8,795
Due to Grand Timber Lodge	165	-	-	165	-
Due to (from) Gold Point Condominium	98,498	-	-	98,498	48,801
Property tax payable	31,604	-	-	31,604	23,972
Due to Management Company	39,372	-	-	39,372	34,564
Total Liabilities	199,037	-	-	199,037	125,844
Fund Balances (Deficit)	150,143	38,302	468,795	657,240	639,068
Total Liabilities and Fund Balances (Deficit)	349,180	38,302	468,795	856,277	764,912

The accompanying notes are an integral part of these financial statements.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Statements of Revenues, Expenses and Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Totals for the Year Ended December 31, 2018)

	2019				2018
	Operating Fund	Common Reserve Fund	Unit Reserve Fund	Total	Total
Revenues:					
Assessments, net of discounts	494,173	22,196	153,538	669,907	626,874
Less: Association owned unit-weeks	(28,113)	-	-	(28,113)	(23,150)
Late fee revenue	29,122	-	-	29,122	15,623
Interest income	-	3,533	10,054	13,587	4,475
Rental income	4,039	-	-	4,039	3,226
Rental resort fee income	2,311	-	-	2,311	42
Activities income	884	-	-	884	51
HOA inventory sales income	12,632	-	-	12,632	-
Miscellaneous	713	-	-	713	1,108
Total Revenues	515,761	25,729	163,592	705,082	628,249
Expenses:					
Bad debt expense	8,386	-	-	8,386	14,801
Accounting	7,004	-	-	7,004	6,670
Activities	390	-	-	390	-
Assessment servicing fees	6,121	-	-	6,121	5,937
Cable television	5,469	-	-	5,469	5,477
Common area expenses	7,114	-	-	7,114	6,693
Commons building expenses	5,652	-	-	5,652	5,382
Collections expense	3,035	-	-	3,035	5,986
Elevator maintenance	371	-	-	371	545
Fire alarm maintenance	6,608	-	-	6,608	5,039
Future truck replacement	2,652	-	-	2,652	-
Health club dues	3,684	-	-	3,684	4,675
Hot tub maintenance	1,822	-	-	1,822	821
HR Fees	8,021	-	-	8,021	7,639
Income tax expense (refund)	167	-	-	167	-
Insurance	14,526	-	-	14,526	12,392
Landscaping	68	-	-	68	109
Management fee	18,865	-	-	18,865	17,966
Miscellaneous	5,832	-	-	5,832	4,529
Printing and postage	1,796	-	-	1,796	2,237
Professional fees	6,820	-	-	6,820	9,544
Property tax expense	31,604	-	-	31,604	23,972
Front desk and reservations	64,804	-	-	64,804	61,718
Snow removal	1,516	-	-	1,516	316
Sustainability	1,788	-	-	1,788	-
Trash removal	2,926	-	-	2,926	2,118
Board and annual meetings	721	-	-	721	660
UTV lease	751	-	-	751	2,421
Unit expenses	236,005	-	-	236,005	217,244
Water and sanitation	13,450	-	-	13,450	13,581
Common reserve - exterior	-	175,320	-	175,320	2,534
Unit reserve - renovation	-	-	33,291	33,291	22,292
Unit reserve - furniture and inventory replacement	-	-	10,331	10,331	127,668
Total Expenses	467,968	175,320	43,622	686,910	590,966
Excess (Deficiency) of Revenues Over Expenses	47,793	(149,591)	119,970	18,172	37,283
Beginning Fund Balances (Deficit)	102,350	187,893	348,825	639,068	601,785
Ending Fund Balances (Deficit)	150,143	38,302	468,795	657,240	639,068

The accompanying notes are an integral part of these financial statements.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Statements of Cash Flows
For the Year Ended December 31, 2019
(With Comparative Totals for the Year Ended December 31, 2018)

	2019				2018
	Operating Fund	Common Reserve Fund	Unit Reserve Fund	Total	Total
Cash Flow From Operating Activities:					
Cash received from owners	490,616	22,196	153,538	666,350	633,715
Interest received	-	1,894	5,387	7,281	7,675
Other receipts of cash	17,384	-	-	17,384	4,334
Cash transfers from (to) other fund	(76,207)	156,521	(80,314)	-	-
Cash payments for goods and services	(367,447)	(175,320)	(43,622)	(586,389)	(544,479)
Cash payments for property taxes	(23,972)	-	-	(23,972)	(22,230)
Net Cash Provided (Used) by Operating Activities	40,374	5,291	34,989	80,654	79,015
Cash Flow From Investing Activities:					
Purchase of investments	-	(63,405)	(171,427)	(234,832)	-
Sale of investments	-	85,590	231,410	317,000	329,755
Transfer of investment allocation	-	1,442	(1,442)	-	(9,725)
Net Cash Provided (Used) by Investing Activities	-	23,627	58,541	82,168	320,030
Net Increase (Decrease) in Cash and Cash Equivalents	40,374	28,918	93,530	162,822	399,045
Cash and Cash Equivalents - Beginning of Year	158,210	78,795	213,038	450,043	50,998
Cash and Cash Equivalents - End of Year	198,584	107,713	306,568	612,865	450,043
Reconciliation of Excess (Deficiency) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:					
Excess (Deficiency) of Revenues Over Expenses	47,793	(149,591)	119,970	18,172	37,283
Adjustments to Reconcile Excess (Deficiency) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:					
Unrealized (gain) loss on investments	-	(1,639)	(4,667)	(6,306)	3,200
Increase (decrease) in interfund balances	(76,207)	156,521	(80,314)	-	-
(Increase) decrease in assessments receivable	(24,969)	-	-	(24,969)	59,190
Increase (decrease) in allowance for doubtful accounts	15,577	-	-	15,577	(47,232)
(Increase) decrease in due from Gold Point Condominium	49,697	-	-	49,697	44,458
(Increase) decrease in due from Grand Timber Lodge	165	-	-	165	-
(Increase) decrease in due from Grand Lodge on Peak 7	(1,028)	-	-	(1,028)	-
(Increase) decrease in prepaid expenses	(182)	-	-	(182)	(74)
(Increase) decrease in inventory - units	7,174	-	-	7,174	(8,400)
(Increase) decrease in inventory - supplies	(977)	-	-	(977)	(24)
Increase (decrease) in due to related parties	4,808	-	-	4,808	4,285
Increase (decrease) in accounts payable	9,260	-	-	9,260	(17,730)
Increase (decrease) in property tax payable	7,632	-	-	7,632	1,742
Increase (decrease) in deferred assessment revenue	1,631	-	-	1,631	2,317
Total Adjustments	(7,419)	154,882	(84,981)	62,482	41,732
Net Cash Provided (Used) by Operating Activities	40,374	5,291	34,989	80,654	79,015

The accompanying notes are an integral part of these financial statements.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
December 31, 2019

1. Organization

Gold Point II Condominium Association, Inc., (the "Association") is a condominium association organized as a Colorado not-for-profit corporation for the purposes of maintaining and preserving common property of the Association. The Association is located in Breckenridge, Colorado and consists of 13 units which are divided into 50 timeshare estates. The Association, which is located in Breckenridge, Colorado, was incorporated April 25, 1995.

2. Summary of Significant Accounting Policies

A. Fund Accounting

The Association uses fund accounting, which requires that funds, such as operating funds and funds for future major repairs and replacements, be classified separately for accounting and reporting purposes. As of December 31, 2019 and 2018, the Association had the following funds:

Operating - Disbursements from this fund are generally at the discretion of the Board of Directors and property manager.

Common Reserve - Disbursements from this fund generally may be made only for designated purposes.

Unit Reserve - Disbursements from this fund are designated for the replacement of unit furniture.

B. Investment Income Allocation

Interest is recorded in the fund in which it was earned.

C. Recognition of Assets

The Association recognizes as assets on its financial statements:

- (a) common personal property and;
- (b) common real property to which it has title and that it can dispose of for cash, while retaining the proceeds thereto.

D. Basis of Accounting

These financial statements have been prepared on the accrual basis of accounting which recognizes revenues when assessed or earned and expenses when incurred.

E. Cash and Cash Equivalents

All checking and money market savings accounts are considered cash equivalents by the Association for the purpose of the Statements of Cash Flows since all funds are highly liquid with no stated maturities.

F. Common Assessments

Common assessments are the primary source of revenue for the Association. An annual budget, which is approved by the Board of Directors (the "Board"), is prepared to estimate the annual expenses of maintaining the Association's common elements. Members of the Association are assessed for their pro-rata share of these estimated expenses.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
December 31, 2019
(Continued)

2. Summary of Significant Accounting Policies (continued)

F. Common Assessments (continued)

Since the Association is designed only to operate as a conduit to collect assessments and pay operating expenses on behalf of members, any excess or deficiency of revenues over expenses is repaid to or recovered from the members in a subsequent period by reducing or increasing assessments, or, with the approval of the Board, transferred to the Replacement Funds.

G. Due To/From Other Funds

The Association has chosen to record all accounts receivable and accounts payable in the Operating Fund. In accordance with generally accepted accounting principles, the differences caused by this accounting treatment are shown as interfund asset and liability accounts.

H. Allowance for Uncollectible Accounts - Assessments

The Association utilizes the allowance method of recognizing the future potential uncollectability of owner assessments receivable. This reserve is calculated based on the estimated percentage of potentially uncollectible accounts 90 or more days overdue.

The Association's policy is to charge late fees to owner accounts that are 60 or more days overdue. Owner assessment accounts that are 120 or more days past due are sent to a collection agency by the Association. For the year ended December 31, 2019, the Association incurred \$8,386 in bad debt expense and wrote off accounts totaling \$1,824 (net of recoveries totaling \$11,100). For the year ended December 31, 2018, the Association incurred \$14,801 in bad debt expense and wrote off accounts totaling \$84,015 (net of recoveries totaling \$19,898).

I. Due (To) From Gold Point Homeowners Association, Inc. ("Gold Point HOA")

Gold Point HOA is a condominium association located adjacent to the Association. Gold Point HOA and the Association are both managed by Breckenridge Grand Vacations, which is owned and operated by Peak 8 Properties, L.L.C. The Association pays Gold Point HOA for their share of expenses related to the operation of the Commons Building.

At December 31, 2019 and 2018 the Association owed Gold Point HOA \$98,498 and \$48,801 respectively.

J. Inventories

Housekeeping supply inventory is valued at cost, using the first-in/first-out (FIFO) method. The cost of inventory is recorded as an expense when consumed rather than when purchased. Association owned unit-weeks are stated at the lower of cost or market.

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
December 31, 2019
(Continued)

2. Summary of Significant Accounting Policies (continued)

L. Comparative Information

The financial statements include certain prior year comparative information in total but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2018, from which the comparative totals were derived.

M. Deferred Assessment Revenue

Deferred revenue represents prepaid assessments, and is primarily composed of payments received in advance for the first quarter's billing of the next fiscal year.

N. Subsequent Events

Management has evaluated subsequent events through April 30, 2020, the date these financial statements were available to be issued.

3. Investments

The Association's investments were comprised of the following certificates of deposit at December 31, 2019 and 2018, respectively:

	<u>12/31/19</u>	<u>12/31/18</u>
Certificates of deposit, maturing within one year, bearing interest at 2.300% per annum	\$ 125,380	85,472
Certificates of deposit, maturing in more than one year, bearing interest at .0125% - 1.125% per annum	<u>23,581</u>	<u>222,907</u>
Total Investments	<u><u>\$ 148,961</u></u>	<u><u>308,379</u></u>

Included in the Association's investment income for the fiscal years ended December 31, 2019 and 2018 are unrealized gains (losses) totaling \$4,857 and (\$2,319), respectively, with respect to investments held at December 31, 2019 and 2018.

4. Income Taxes

While the Association has been organized under Colorado non-profit statutes as a corporation without capital stock or shareholders, the Association is not a tax-exempt organization. Consequently, the Association is subject to Federal and state income taxes on net income derived from investments and other non-membership sources.

The Federal income tax returns of the Company are subject to examination by the Internal Revenue Service and Colorado Department of Revenue. The Company's returns are no longer subject to examination for tax years prior to 2015 by the Internal Revenue Service and for tax years prior to 2014 by the Colorado Department of Revenue.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
December 31, 2019
(Continued)

5. Significant Agreements and Transactions

On August 1, 2001, the Association entered into an agreement with Breckenridge Grand Vacations ("Manager"), which is owned and operated by Peak 8 Properties, L.L.C., for management, accounting, and reservation services. The management, accounting, and reservation fees are negotiated annually. This agreement is for five year terms that automatically renew unless terminated. This agreement may be terminated by the Association for Cause, as defined in the agreement. Breckenridge Grand Vacations may resign as manager with or without cause. However, Breckenridge Grand Vacations cannot resign until the Association obtains a substitute managing agent or until 180 days have elapsed from the resignation notification date.

During its fiscal year, the Association incurred various expenses that were payable to Breckenridge Grand Vacations and Peak 8 Properties, LLC (collectively referred to as "Management Companies"). The following is a schedule of transactions between the Association and the Management Companies for the fiscal years ended December 31, 2019 and 2018, respectively:

	<u>12/31/19</u>	<u>12/31/18</u>
Management fee	\$ 18,865	\$ 17,966
Accounting	7,004	6,670
Front desk/reservations	64,804	61,718
Human resources	8,021	7,639
Unit cleaning	128,035	122,511
Sustainability programs	1,788	306
Engineering	<u>77,627</u>	<u>64,104</u>
 Total Services	 <u>\$ 306,144</u>	 <u>\$ 280,914</u>

The net amount owed by the Association to the Management Companies for these services was \$39,372 and \$34,564 at December 31, 2019 and 2018, respectively.

On July 29, 2011, the Association entered into an agreement with Gold Point Lodging and Realty ("GPLR"), whereby GPLR attempts to resell inventory units for the Association (which were obtained as a result of foreclosure proceedings to collect past due assessments). Upon the sale of these inventory units, GPLR is required to remit to the Association an amount equal to 15% of the Net Listed Sales Price, as defined in the agreement. During the fiscal years ended December 31, 2019 and 2018, the Association received \$32,474 and \$13,583, respectively from GPLR for the purchase of inventory units. At December 31, 2019 and 2018, the Association owned 44 and 43 unit-weeks in inventory, respectively.

GPLR pays assessments relating to its owned unit weeks throughout the year. This amount totaled \$13,881 and \$14,092 during the fiscal years ending December 31, 2019 and 2018, respectively. The GPLR assessments excluded cleaning fees of \$12,606 and \$10,002 related to services not incurred in unoccupied units for the fiscal years ending December 31, 2019 and 2018, respectively.

On October 1, 2012, the Association entered into an agreement with Concord Servicing Corporation to perform billing of assessments. The initial term began in October 2012 and is automatically renewed for 12-month terms until written notice of termination. The fee may increase annually by 1.5 times the increase in Consumer Price Index. For the years ending December 31, 2019 and 2018 the Association paid \$6,121 and \$5,937, respectively, for services provided by Concord Servicing Corporation.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
December 31, 2019
(Continued)

6. Future Major Repairs and Replacements

As permitted by the Association's governing documents, the Association is accumulating funds for future major repairs and replacements of the Association's common property. Accumulated funds are held in separate money market accounts and are generally not available for expenses for normal operations.

The Association has an external reserve study performed every 5 years to update estimates for future repairs and replacements and maintenance. In addition to the formal study Management also performs an annual internal inspection to update these estimates.

The Association commissioned a reserve study to estimate the remaining useful lives and replacement costs of the components of common property. The Level I – Full Service Reserve Study ascertained replacement cost estimates from industry standard estimating manuals and based upon the engineering firm's experience with similar projects. The life expectancy of all components was ascertained from visual inspections made during the study. Management updates estimates from the reserve study annually through inspection and periodic review by outside consultants. The table included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study.

In accordance with industry guidelines, it is the Association's primary duty to maintain and preserve the common property of the owners. Therefore, it is the Association's responsibility to determine a method for funding the costs of future major repairs and maintenance by assessing owners when funds are needed or by anticipating costs over extended time periods, assessing owners for the anticipated costs, and accumulating funds in reserves to meet the future funding requirements. The Board has chosen to fund major repairs and replacements over the remaining useful lives of the components, based on the study's estimates of current replacement costs and considering amounts previously accumulated in the Replacement Funds. Assessments of \$22,196 and \$153,538 for the Common Reserve Fund and Unit Reserve Fund, respectively, were reported during the year ended December 31, 2019. During the year ended December 31, 2018, the Association levied assessments of \$49,959 and \$135,951 for the Common Reserve Fund and Unit Reserve Fund, respectively.

Funds being accumulated in the Common Reserve and Unit Reserve Funds are based on estimated costs for repairs and replacements of common property components. Actual expenditures and investment incomes may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

7. Concentration

The Association's cash balances held with financial institutions were insured by the Federal Deposit Insurance Corporation (the "FDIC") at December 31, 2019 up to \$250,000 on all accounts. At December 31, 2019, the Association had no uninsured balances.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Schedule of Operating Fund Revenues and Expenses -
Budget and Actual
For the Year Ended December 31, 2019
(With Comparative Totals for the Year Ended December 31, 2018)

	2019			2018
	Budget (Unaudited)	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Assessments, net of discounts	493,764	494,173	409	440,964
Less: Association owned unit-weeks	(25,980)	(28,113)	(2,133)	(23,150)
Late fee revenue	12,659	29,122	16,463	15,623
Rental income	3,368	4,039	671	3,226
Resort rental fee income	2,189	2,311	122	42
Activities income	-	884	884	51
HOA inventory sales income	-	12,632	12,632	-
Miscellaneous	744	713	(31)	1,108
Fund deficit reduction	13,300	-	(13,300)	-
Total Revenues	<u>500,044</u>	<u>515,761</u>	<u>15,717</u>	<u>437,864</u>
Expenses:				
Bad debt expense	11,279	8,386	2,893	14,801
Accounting	7,004	7,004	-	6,670
Activities	-	390	(390)	-
Assessment servicing fees	6,048	6,121	(73)	5,937
Cable television	5,861	5,469	392	5,477
Common area parts and supplies	3,413	3,474	(61)	3,130
Common area utilities	3,870	3,640	230	3,563
Commons building expense	5,652	5,652	-	5,382
Collection expense	4,845	3,035	1,810	5,986
Elevator maintenance	444	371	73	545
Health club dues	3,710	3,684	26	4,675
HR fees	8,021	8,021	-	7,639
Hot tub maintenance	1,440	1,822	(382)	821
Fire alarm maintenance	5,038	6,608	(1,570)	5,039
Future truck replacement	2,650	2,652	(2)	-
Income taxes	-	167	(167)	-
Insurance	13,525	14,526	(1,001)	12,392
Landscaping	287	68	219	109
Management fee	18,865	18,865	-	17,966
Miscellaneous	5,942	5,832	110	4,529
Printing	2,044	1,796	248	2,197
Professional fees	21,778	6,820	14,958	9,544
Property taxes	27,791	31,604	(3,813)	23,972
Front desk and reservations	64,804	64,804	-	61,718
Snow removal	1,500	1,516	(16)	316
Sustainability	1,788	1,788	-	-
Trash removal	2,348	2,926	(578)	2,118
Travel and entertainment	1,413	721	692	660
UTV lease	756	751	5	2,421
Unit cleaning	145,934	128,954	16,980	123,343
Unit utilities	16,572	16,318	254	16,806
Unit maintenance	86,824	87,453	(629)	72,557
Unit telephones	4,411	3,280	1,131	4,538
Water and sanitation	14,416	13,450	966	13,581
Total Expenses	<u>500,273</u>	<u>467,968</u>	<u>32,305</u>	<u>438,472</u>
Excess (Deficiency) of Revenues Over Expenses - GAAP Basis		<u>47,793</u>		<u>(608)</u>

The accompanying notes are an integral part of these financial statements.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Supplementary Information on Future Major Repairs and Replacements
Common Reserve Fund
December 31, 2019
(Unaudited)

During the fiscal year ended December 31, 2019, management performed an internal update of the most recent external Level I - Full Service Reserve Study, completed in 2011, to estimate the remaining useful lives and replacement costs of the components of common property. The Level I - Full Service Reserve Study ascertained replacement cost estimates from industry standard estimating manuals and based upon the engineering firm's experience with similar projects. The life expectancy of all components was ascertained from visual inspections made during the study.

The balance of the Common Reserve Fund at December 31, 2019 has not been designated by the Board for specific components of common property.

The following table is based on the study and presents significant information about the components of common property.

Components	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs	Fund Balances at 12/31/19
Amenities	6 - 21	6,170	
Ammenities	0	600	
Aquatics	0 - 11	122,000	
Boiler	10 - 23	102,200	
Contingency	0 - 4	25,000	
Doors	6 - 15	84,850	
Driveways	1 - 24	116,600	
Electronics	6 - 8	3,260	
Exterior Paint	2	21,840	
Fire Systems	3 - 18	31,948	
Flooring	3 - 11	18,400	
Furnishings	0 - 7	4,300	
Housekeeping	1 - 3	800	
IT	0 - 3	2,209	
Lighting	3 - 16	50,578	
Paint	5 - 9	15,100	
Par	10 - 19	300,000	
Roofs	0 - 2	114,985	
Signs	1 - 17	5,150	
Stairs	12 - 25	19,781	
Trim	12	690	
Total		1,046,461	38,302

The accompanying notes are an integral part of these financial statements.

Gold Point II Condominium Association, Inc.
(A Colorado Non-Profit Corporation)
Supplementary Information on Future Major Repairs and Replacements
Unit Reserve Fund
December 31, 2019
(Unaudited)

During the fiscal year ended December 31, 2019, management performed an internal update of the most recent external Level I - Full Service Reserve Study, completed in 2011, to estimate the remaining useful lives and replacement costs of the components of common property. The Level I - Full Service Reserve Study ascertained replacement cost estimates from industry standard estimating manuals and based upon the engineering firm's experience with similar projects. The life expectancy of all components was ascertained from visual inspections made during the study.

The balance of the Unit Reserve Fund at December 31, 2019 has not been designated by the Board for specific components of common property.

The following table is based on the study and presents significant information about the components of common property.

Components	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs	Fund Balances at 12/31/19
Appliances	0 - 14	33,857	
Blinds	4	73,701	
Contingency	0 - 2	15,000	
Doors	3 - 4	41,320	
Electronics	2 - 11	27,229	
Elevator	21	37,206	
Fireplaces	11	116,078	
Flooring	2 - 7	133,146	
Furnishings	1 - 17	399,943	
Housekeeping	1 - 5	11,319	
HVAC	13 - 14	259,019	
Lighting	6 - 23	11,547	
Paint	0 - 7	68,744	
Stairs	3 - 4	5,388	
Trim	3 - 4	39,249	
Update	2 - 14	1,185,228	
Total		2,457,974	468,795

The accompanying notes are an integral part of these financial statements.