

The Lodge at Lionshead II Condominium Association

Financial Report

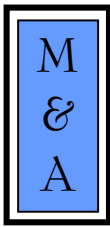
April 30, 2019



**The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
April 30, 2019**

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
The Lodge at Lionshead II Condominium Association
Vail, Colorado**

Report on the Financial Statements

We have audited the accompanying financial statements of The Lodge at Lionshead II Condominium Association (the "Association"), a Colorado non-profit corporation, which comprise the balance sheet as of April 30, 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. The prior year summarized information has been derived from the Association's fiscal year 2018 financial statements and, in our report dated July 13, 2018; we expressed an unqualified opinion on those 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.

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INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
The Lodge at Lionshead II Condominium Association
Vail, Colorado

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Lodge at Lionshead II Condominium Association as of April 30, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules on page 12-13 are presented for purposes of additional analysis and are 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 14 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.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
July 17, 2019

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Balance Sheets
April 30, 2019
(With Comparative Totals for 2018)

	2019		2018	
	Operating Fund	Replacement Fund	Total	Total
Assets:				
Current Assets:				
Cash in bank	51,733	224,218	275,951	308,297
Accounts receivable	65,420	-	65,420	75,218
Due (to) from other fund	7,952	(7,952)	-	-
Total Current Assets	125,105	216,266	341,371	383,515
Fixed Assets:				
Condominium unit C-3	14,530	-	14,530	14,530
Condominium unit 290	27,210	-	27,210	27,210
Accumulated depreciation	(34,322)	-	(34,322)	(33,549)
Net Fixed Assets	7,418	-	7,418	8,191
Total Assets	132,523	216,266	348,789	391,706
Liabilities and Equity:				
Liabilities:				
Current Liabilities:				
Accounts payable	25,414	-	25,414	13,872
Deferred assessments	82,636	-	82,636	76,369
Total Current Liabilities	108,050	-	108,050	90,241
Equity:				
Working capital	31,556	-	31,556	29,899
Fund balances	(7,083)	216,266	209,183	271,566
Total Equity	24,473	216,266	240,739	301,465
Total Liabilities and Equity	132,523	216,266	348,789	391,706

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

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended April 30, 2019
(With Comparative Totals for 2018)

	2019		2018	
	Operating Fund	Replacement Fund	Total	Total
Revenues:				
Common assessment	237,050	80,980	318,030	295,454
Insurance proceeds	-		-	4,640
Miscellaneous	135	-	135	128
Interest income	-	1,633	1,633	1,515
Total Revenues	237,185	82,613	319,798	301,737
Expenses:				
Building maintenance	16,514	-	16,514	17,491
Cable television	26,652	-	26,652	26,122
C-3 assessments	5,253	-	5,253	4,497
Common cleaning	13,202	-	13,202	12,563
Depreciation	773	-	773	1,044
Directors expense	-	-	-	530
Electricity	17,701	-	17,701	17,655
Elevator	5,667	-	5,667	5,743
Employee housing costs	1,677	-	1,677	2,542
Fire sprinkler & alarm test	3,399	-	3,399	2,015
Gas - Pool, spa, drive & site	14,740	-	14,740	13,485
Insurance	20,660	-	20,660	19,483
Wi-Fi Internet	-	-	-	634
Landscape	10,615	-	10,615	11,201
Maintenance man	28,127	-	28,127	29,559
Management fee	34,267	-	34,267	34,267
Meeting expense	298	-	298	7
Office	750	-	750	972
Professional fees	6,283	-	6,283	5,586
Pool maintenance	5,349	-	5,349	5,693
Snow removal	1,933	-	1,933	1,670
Trash removal	6,249	-	6,249	6,074
Water and sewer	19,604	-	19,604	19,146
Replacement expenses	-	142,468	142,468	165,105
Total expenses	239,713	142,468	382,181	403,084
Excess (Deficiency) of Revenues Over Expenses	(2,528)	(59,855)	(62,383)	(101,347)
Beginning Fund Balances	(4,555)	276,121	271,566	372,913
Ending Fund Balances	(7,083)	216,266	209,183	271,566

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

**The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Statements of Cash Flows
For the Year Ended April 30, 2019
(With Comparative Totals for 2018)**

	2019			2018
	Operating Fund	Replacement Fund	Total	Total
Cash Flows from Operating Activities:				
Cash received from owners	253,114	80,980	334,094	276,915
Other cash received	135	-	135	4,768
Cash received from interest	-	1,633	1,633	1,515
Transfers	14,098	(14,098)	-	-
Cash paid for goods and services	(227,397)	(142,468)	(369,865)	(382,581)
Net Cash Provided (Used) by Operating Activities	<u>39,950</u>	<u>(73,953)</u>	<u>(34,003)</u>	<u>(99,383)</u>
Cash Flows from Financing Activities:				
Cash received from members for working capital reserve	1,657	-	1,657	-
Net Increase (Decrease) in Cash and Cash Equivalents	41,607	(73,953)	(32,346)	(99,383)
Net Cash and Cash Equivalents - Beginning of Year	<u>10,126</u>	<u>298,171</u>	<u>308,297</u>	<u>407,680</u>
Net Cash and Cash Equivalents - End of Year	<u><u>51,733</u></u>	<u><u>224,218</u></u>	<u><u>275,951</u></u>	<u><u>308,297</u></u>
Reconciliation of Excess (Deficiency) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:				
Excess (deficiency) of revenues over expenses	<u>(2,528)</u>	<u>(59,855)</u>	<u>(62,383)</u>	<u>(101,347)</u>
Adjustments to reconcile:				
Depreciation	771	-	771	1,044
(Increase) decrease in accounts receivable	9,798	-	9,798	(26,468)
(Increase) decrease in prepaid expenses	-	-	-	22,822
(Increase) decrease in due to (from) other fund	14,098	(14,098)	-	-
Increase (decrease) in accounts payable	11,543	-	11,543	(3,363)
Increase (decrease) in deferred assessments	6,268	-	6,268	7,929
Total Adjustments	<u>42,478</u>	<u>(14,098)</u>	<u>28,380</u>	<u>1,964</u>
Net Cash Provided (Used) by Operating Activities	<u><u>39,950</u></u>	<u><u>(73,953)</u></u>	<u><u>(34,003)</u></u>	<u><u>(99,383)</u></u>

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

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
April 30, 2019

1. Organization

The Lodge at Lionshead II Condominium Association ("Association") is a statutory condominium association organized as a not-for-profit corporation in the State of Colorado for the purposes of maintaining and preserving the common property. The Condominium Declarations are dated April 15, 1976. The Association began operations in 1977. The Association consists of twenty-seven (27) units and is located in Vail, Colorado.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements are prepared on the accrual basis of accounting which recognizes revenues when incurred or assessed, and expenses when incurred.

B. Fund Accounting

The Association uses the fund method of accounting, which requires that funds, such as the operating fund and funds for future major repairs and replacements, be classified separately for accounting and reporting purposes.

Fund accounting is helpful in segregating funds having restrictions on their use. Disbursements from the Operating Fund are generally at the discretion of the Board of Managers of the Association and the Association's managing agent. Disbursements from the Replacement Fund may be made only for their designated purposes.

C. Cash Equivalents

The Association considers all checking, money market, savings accounts, and certificate of deposits to be cash equivalents for the purpose of the Statements of Cash Flow, since all such funds are highly liquid.

D. Interest Allocation

All interest earned during the year has been allocated to the Replacement Fund.

E. Recognition of Assets

Real and personal property acquired by the Association is recognized on the Association's financial statements as capitalized fixed assets and is recorded at cost. The property is depreciated over its estimated useful life using the straight-line method of depreciation.

Real property and common areas acquired by the original homeowners are not recognized on the financial statements of the Association because it is commonly owned by the individual unit owners and its disposition by the Board is restricted.

F. Allowance for Uncollectible Amounts

The Association utilizes the allowance method to recognize assessments receivable that are uncollectible from owners. No allowance for bad debt was recorded at April 30, 2019 since all receivables were considered collectible.

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
April 30, 2019
(Continued)

2. Summary of Significant Accounting Policies (continued)

G. Deferred Assessments

The Association bills owners for quarterly assessments in advance. The deferred assessments represent payments received for the quarter beginning May 1, 2019.

H. Working Capital

According to the Declarations of the Association, each owner is required to pay two months of common assessments as working capital. The assessment is refunded when a unit is sold and the new unit owner is assessed for working capital.

I. Common Assessments

Common assessments are the primary source of funding for the Association. The Board, together with the Association's managing agent, prepares an annual budget to estimate the annual expenses of maintaining the Association's common elements.

On a quarterly basis, members of the Association are assessed for their pro-rata share of these estimated expenses. 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 approval of the Association's membership, transferred to the Replacement Fund.

J. 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 Association are subject to examination by the Internal Revenue Service and Colorado Department of Revenue. The Company is no longer subject to examination for tax years prior to 2016.

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.

L. Comparative Information

The financial statements include certain prior year comparative information in total but not by fund class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended April 30, 2018, from which the comparative totals were derived.

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
April 30, 2019
(Continued)

3. Fixed Assets

On August 1, 1978, the Association purchased a 37% interest in the office space known as condominium Unit C-3, in The Lodge at Lionshead. The total purchase price was \$38,500. The Association's share of the cost was \$14,530. At April 30, 2019, the assessed value for this unit was \$304,820, per the Eagle County Treasurer.

On April 10, 1990, the Association purchased a 37% interest in an employee housing unit known as condominium Unit 290, in The Lodge at Lionshead. The total purchase price was \$73,000 and the Association's share of the cost was \$27,210. At April 30, 2019, the assessed value for this unit was \$387,790, per the Eagle County Treasurer.

The units are being depreciated over their estimated useful life of forty years. Depreciation expense for the year ended April 30, 2019, was \$773.

During fiscal year 2007, the Association undertook a major renovation to the property, which included the condominium unit C-3. Condominium Unit #290 was last renovated in 2002. The Association elected not to increase the value of the units for the renovations undertaken.

4. Management Contract and Related Party Transactions

A. Managing Agent

The Association entered into an agreement with Peak Resort Services, Inc. ("Peak Resort"), to act as the Association's managing agent. The term of this contract is from May 1, 2019 through April 30, 2024. The contract includes a monthly management fee of \$3,141 for services to maintain and upkeep the common elements of the Association and a project supervision fee of 5% of total actual expenditures on all capital replacement projects approved at annual homeowner's meetings. Peak Resort has been the managing agent for the Lodge at Lionshead Associations since 1983.

The Association incurred the following expenses to Peak Resort for the year ended April 30, 2019:

Management fee	34,267
Snow removal	1,933
Landscape	4,620
Other	658
Pool maintenance	3,603
Building maintenance	9,871
Maintenance man	28,127
Common area cleaning	10,959
Replacement fund expense	19,342
	<u>\$ 113,379</u>

At April 30, 2019, the Association owed Peak Resort \$6,740 for services rendered under the terms of this agreement.

Peak Resort owns unit C-2 and unit 320 is owned by a corporation that has the same ownership interest as Peak Resort.

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
April 30, 2019
(Continued)

4. Management Contract and Related Party Transactions (continued)

B. Cost Sharing and Related Associations

The Association is located adjacent to Lionshead Phase I and Phase III condominium associations. Common expenses are shared between the associations and management company as follows:

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Management Company</u>	<u>Total</u>
Front driveway	60%	40%	-	-	100%
Pool	50%	50%	-	-	100%
Lawn/landscaping	50%	50%	-	-	100%
Snow removal (labor)	50%	50%	-	-	100%
Spa	50%	50%	-	-	100%
General use - Maintenance man	37%	37%	26%	-	100%
Equipment/supplies/tools	37%	37%	26%	-	100%
Unit #290	37%	37%	20%	6%	100%
Unit #C-3	37%	37%	26%	-	100%
Fitness Center	37%	37%	26%	-	100%
East Driveway	-	66%	34%	-	100%

5. Future Major Repairs and Replacements

The Association's governing documents allow for the accumulation of funds for future major repairs and replacements. Accumulated funds are held in separate savings accounts and generally are not available for expenditures for operations.

Peak Resort Services provides the Association with a professionally prepared Capital Replacement Study. This study details all of the major components that make up the buildings and common elements, estimates for replacement costs and remaining useful lives of these components. Management and the Board of Managers use this comprehensive study to prepare budgets, propose assessments and plan for future major repairs. This document is in addition to the summary contained in these financial statements and is posted on the Lodge at Lionshead web-site.

The Association is funding for 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 Fund. The Replacement Fund assessments for the year ended April 30, 2019 were \$80,980.

Funds are being accumulated in the Replacement Fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the Replacement Fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right, subject to the Board's approval, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The Replacement Fund had a balance of \$216,266 at April 30, 2019.

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
April 30, 2019
(Continued)

7. Subsequent Event

Management has evaluated subsequent events through July 17, 2019, the date these financial statements were available to be issued.

**The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Comparison of Operating Fund Revenues and Expenses
Budget (Non-GAAP Basis) to Actual
With Reconciliation to GAAP Basis
For the Year Ended April 30, 2019
(With Comparative Totals for 2018)**

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Assessments	237,050	237,050	-	229,474
Miscellaneous	-	135	135	128
Total Revenues	237,050	237,185	135	229,602
Expenses:				
Building maintenance	16,500	16,514	(14)	17,491
Cable television	26,400	26,652	(252)	26,122
C-3 assessments	4,500	5,253	(753)	4,497
Common cleaning	12,500	13,202	(702)	12,563
Contingency	23	-	23	-
Directors expense	-	-	-	530
Electricity	18,000	17,701	299	17,655
Elevator	6,000	5,667	333	5,743
Employee housing costs	2,000	1,677	323	2,542
Fire sprinkler & alarm test	3,000	3,399	(399)	2,015
Gas - Pool, spa, drive & site	12,500	14,740	(2,240)	13,485
Insurance	20,660	20,660	-	19,483
Wi-Fi Internet	-	-	-	634
Landscape	11,500	10,615	885	11,201
Maintenance man	29,500	28,127	1,373	29,559
Management fee	34,267	34,267	-	34,267
Meeting expense	50	298	(248)	7
Office	750	750	-	972
Professional fees	5,400	6,283	(883)	5,586
Pool maintenance	6,000	5,349	651	5,693
Snow removal	2,500	1,933	567	1,670
Trash removal	6,000	6,249	(249)	6,074
Water and sewer	19,000	19,604	(604)	19,146
Total Expenses (Budget Basis)	237,050	238,940	(1,890)	236,935
Reconciliation to GAAP Basis:				
Depreciation		773		1,044
Total Expenses (GAAP Basis)		239,713		237,979

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

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Schedule of Replacement Fund Expenditures
For the Year Ended April 30, 2019
(With Comparative Totals for 2018)

	<u>2019</u>	<u>2018</u>
Replacement Expenses:		
Decks	81,106	-
Lower Level Improvement Project	25,884	
Painting	-	1,443
Pool and spa	4,948	4,316
Driveway snowmelt	-	56,311
Fire alarm	-	42,860
Mechanical and electrical	17,839	24,059
Project management & supervision fee	7,943	6,250
Architectural	-	1,896
Flooring	-	1,678
Tools, Parts, and Equipment	1,284	-
Fence	-	3,090
Garage	2,113	-
Cable TV	-	2,642
Linen room	-	1,212
Common area carpet	-	11,944
Condo map	-	6,371
Flower Boxes	1,351	1,033
Total Replacement Expenses	<u>142,468</u>	<u>165,105</u>

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

**The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Supplementary Information
Schedule of Future Major Repairs and Replacements
April 30, 2019**

Peak Resorts conducted a study on July 10, 2019 to estimate the remaining useful lives and replacement costs of the components of common property. The study takes into account Peak Resorts previous experience with the property and is updated annually.

The balance of the Replacement Fund has not been designated by the Board for specific components of common property. The following table, based on the study, presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Current Replacement Costs</u>	<u>Components of Fund Balance at 04/30/19</u>
Common Area / Sauna Showers	0	150,000	
Garage Door Opener	1	2,308	
Lighting / Garage Fluorescent Ceiling Fixture	1	4,385	
Pool and Spa / Covers	1	400	
Pool and Spas/Plaster & Tile	1	17,538	
Deck / Railing Recoating	2	9,200	
Flower Boxes	2	4,000	
Lobby Furnishings	2	12,857	
Paint/Stain Deck Posts	2	967	
Painting & Stain / Building Exterior	2	32,333	
Pool / Lights	2	1,800	
Pool / Pumps	2	3,000	
Boilers / VFD Drives Site Snowmelt, Pool &...	3	1,000	
Vommon Area / Front Entry Doors	3	5,360	
Elevator Cab Renovation	3	16,000	
Entry Door / South	3	2,800	
Fencing / Perimeter	3	3,423	
Fire Sprinkler System	3	4,286	
Flooring / Lobby Level	3	18,800	
Garage Doors	3	6,000	
Hydronic Pumps / Site Snowmelt, Pool & Spas	3	3,600	
Lighting / Emergency Exit	3	1,360	
Paint / Garage Floor, Walls and Parking Stri...	3	10,000	
Paing / Stairwell Floors, Walls, Handrails &...	3	8,400	
Pool Fencing	3	17,600	
Pool / Chemical Feeders	3	401	
Pool / Filters	3	600	
Property Signage	3	8,000	
Roof / Penthouse	3	50,200	
Ski Lockers	3	5,617	
Unit #290 Renovation	3	9,435	
Common Area / Public Restrooms	4	16,364	
Fitness Center	4	4,500	
Flooring / Lobby Stair Carpet and Nosing	4	937	
Paint and Stain Common Area Walls, Doors...	4	9,150	
Pool / Heat Exchanges	4	1,886	
Rekeying Exterior Locks / Unit Doors	4	2,089	
Lighting / Stairwell Emergency Back-up	5	2,200	
Pool / Auto Fills	5	675	
Pool / Flow Meters	5	187	
Boilers / Site Snowmelt, Pool & Spas	6	33,333	

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

The Lodge at Lionshead II Condominium Association
(A Colorado Non-Profit Corporation)
Supplementary Information
Schedule of Future Major Repairs and Replacements
April 30, 2019
(continued)

Peak Resorts conducted a study on July 10, 2019 to estimate the remaining useful lives and replacement costs of the components of common property. The study takes into account Peak Resorts previous experience with the property and is updated annually.

The balance of the Replacement Fund has not been designated by the Board for specific components of common property. The following table, based on the study, presents significant information about the components of common property.

Components	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs	Components of Fund Balance at 04/30/19
Flooring / Common Area Carpeting 1st - 3rd...	6	3,125	
Garage Ceiling Grid & Tiles	6	16,667	
Gutter & Downspout Heat Trace	6	6,000	
Roof / Chimney Shrouds	6	1,800	
Roof / Gutters and Downspouts	6	10,000	
Roof / Snow Clips	6	10,000	
Pool / Furniture	7	5,637	
Pool / Pentair IntelliTouch Control System	7	1,560	
Common Area & Stairwell Door Hardware	8	6,375	
Doors / Exterior Mechanical Rooms	8	3,150	
Electric Baseboard Heaters	8	1,440	
Electric Wall Heaters	8	1,992	
Elevator Mechanical	8	31,800	
Fire Alarm Devices	8	11,150	
Fire Alarm Panel Replacement	8	1,900	
Flooring / Lower Level Tile	8	7,200	
Flooring / Common Area Wood Flooring 1st-...	8	13,800	
Garage Unit Heaters	8	4,320	
Garage Ventilation System	8	2,700	
Lighting / Common Area Wall Sconces	8	9,600	
Lighting / Exterior Building Fixtures	8	5,460	
Roof Replacement / Main	8	45,180	
Shared Driveway Retaining Walls & Ties	8	500	
Site Handrails	8	5,100	
Walkway Pavers	8	8,700	
Exterior Patio Deck Sealcoating	9	7,370	
Lighting / Site	9	4,180	
Storage Enclosures	9	825	
Lighting / Stairwell Fixtures	10	1,000	
Lighting / Lobby & Hallway Cove	11	4,333	
Driveway / Snowmelt Shared II & III	13	6,667	
Common Area Mechanical Room & Stairwe...	18	17,500	
Concrete Curbs, Gutters, Walkways & Carpor...	18	13,600	
Concrete Site Stairs	18	4,400	
Driveway and Entry Pavers	18	19,920	
Roof / North Cold Metal	18	16,000	
Roof / East and West Facing Metal	18	15,200	
Roof / C-3	24	16,417	
Owner Storage Lockers	28	3,255	
Totals		<u>828,814</u>	<u>216,266</u>

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