

THE EDGE AT RENO

POST OFFICE BOX 41169, RENO, NEVADA 89504

President's Message

As a member of the Board of Directors for the Edge at Reno for six years, I have watched the progression of the Edge through litigation, and now into reconstruction since the lawsuit is almost complete.

As the new president, I would like to thank Jack Phillips as Interim President, and Dennis Lundbom for all years of leadership in bringing us through the litigation cycle.

Our five year objectives include wrapping up the loose ends on the litigation, starting construction at the Edge in providing repairs necessary to make the Edge "whole again."

Board of Directors

President: Marvin Tanner
Vice President: Bob Irvin
Secretary: Jack Phillips
Treasurer: Jeanne Jew
Member at Large: Holly Millar

Committee Chairpersons:

Marketing-Sara Sharkey
Pool and Recreation Center-Bill Meyer

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Calendar of Events

Owners may request a copy of the financials by contacting Lara at Western Nevada Management.

Treasurers Report

The 2012 budget is included with this mailing. As it stands, there will be no increase in assessments. However, we are terminating the agreement with NWP Energy for Water billing, and starting in January 2012, water billing will be added to the current assessments.

Flat rate water billing for 2012 will be

2 Bedroom \$13
3 Bedroom \$15
4 Bedroom \$17.

Contacts

Pool Keys, Lara at (775) 284-4434
Common Maintenance, Lara at (775) 284-4434
Charter Access, Keys, Lara at (775) 284-4434
Board of Directors (775) 786-6133

Edge at Reno Marketing, (775) 786-6133
info@edge-reno.com

Litigation Update:

Marvin Tanner, Bob Irvin, and Jack Phillips attended mediation at the Nevada Supreme Court on October 4, 2011, at the request of the court and Edge lawyers (WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP). After more than six hours of "discussion" there was a settlement with three design professionals, leaving now only a limited number of subcontractors unsettled. When all matters are finalized (hopefully in 2012) Wolf, Rifkin et al will write a report to inform all Edge owners. At the November 7, 2011 Board of Directors Meeting, there will be an update by the legal team on the status of litigation.

Upcoming Projects:

Project Specifications for the fire sprinkler system have been designed and have been submitted this week, to the City of Reno for review and approval. The goal is to get the work done before the first freeze this fall.

The Board is Working with industry professionals to develop a complete construction plan with timelines. Ideally we would like to complete renovation before the end of 2013.

Upcoming Construction:

Major construction is being planned for May 15, 2013 to August 30, 2013. Owners are being made aware of this plan well in advance, so that leases can be timed for May 2013 termination. Parts of the Edge at Reno could be closed during this time, and the Recreation Center and Pool will be closed.

Recycling:

Avoid throwing away useable furniture, cookware, appliances, and electronics. Please place an ad on Craigslist, and give the products away, and let's help keep the landfill free of toxics.

The Edge at Reno Website:

The Edge at Reno website (www.edge-reno.com) has a lot of useful information for tenants and owners. The complete Rules and Regulations are available on the website, (<http://edge-reno.com/residents.htm>), along with rentals available, free listings of Edge at Reno units available, a listing of wireless Internet sites, plus, contact information on the Edge at Reno.

Sara Sharkey is now the Webmaster and chair of the Marketing Committee.

Assessments are due on the first of the month, with a grace period of ten days. Please mail your assessments to:

**The Edge at Reno
PO Box 41169
Reno, Nevada 89504**

**2012 Proposed Budget
The Edge at Reno
October 8, 2011**

	MTD Actual	MTD Budget	YTD Actual	YTD Budget	Annual	2012 Estimate	2012 Budget
OPERATING INCOME							
FEES INCOME							
4500 Assessment Fees	\$ 17,004.00	\$ 17,004.00	\$102,024.00	\$ 102,024.00	\$ 204,048.00	\$ 204,048.00	\$204,048.00
TOTAL FEES INCOME	\$ 17,004.00	\$ 17,004.00	\$102,024.00	\$ 102,024.00	\$ 204,048.00	\$ 204,048.00	\$204,048.00
OTHER INCOME							
4610 Operating Interest	\$ 7.77	\$ -	\$ 76.61	\$ -	\$ -	\$ -	\$ 500.00
4620 Late Fees	\$ 125.00	\$ 125.00	\$ 975.00	\$ 750.00	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00
Fines Against Owners							\$ 1,000.00
4656 Water Billing	\$ 577.64	\$ 250.00	\$ 4,218.13	\$ 1,500.00	\$ 3,000.00	\$ 2,000.00	\$ 10,000.00
4660 Pool Key Fee	\$ -	\$ 8.33	\$ -	\$ 49.98	\$ 100.00	\$ 100.00	\$ 1,000.00
4680 Owner Set-Up Fees	\$ -	\$ 41.67	\$ 1,350.00	\$ 250.02	\$ 500.00	\$ 1,000.00	\$ 1,000.00
4700 NSF fee	\$ -	\$ 8.33	\$ -	\$ 49.98	\$ 100.00	\$ 100.00	\$ 100.00
4735 Amenity Key	\$ 56.00	\$ 12.50	\$ 112.00	\$ 75.00	\$ 150.00	\$ -	\$ -
TOTAL OTHER INCOME	\$ 766.41	\$ 445.83	\$ 6,731.74	\$ 2,674.98	\$ 5,350.00	\$ 4,200.00	\$ -
REIMBURSEMENT INCOME							
5200 Maintenance	\$ -	\$ -	\$ (178.00)	\$ -	\$ -	\$ -	\$ -
5420 Legal & Accounting	\$ -	\$ -	\$ 2,872.52	\$ -	\$ -	\$ -	\$ -
TOTAL REIMBURSEMENT INCOME	\$ -	\$ -	\$ 2,694.52	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATING INCOME	\$ 17,770.41	\$ 17,449.83	\$111,450.26	\$ 104,698.98	\$ 209,398.00	\$ 208,248.00	\$218,648.00
OPERATING EXPENSES							
GENERAL & ADMINISTRATIVE							
6405 Management Fee	\$ 950.00	\$ 983.33	\$ 5,700.00	\$ 5,899.98	\$ 11,800.00	\$ 12,000.00	\$ 12,000.00
6406 Other Management Fee	\$ -	\$ 83.33	\$ -	\$ 499.98	\$ 1,000.00	\$ -	\$ -
6411 Coupon Books	\$ -	\$ -	\$ -	\$ -	\$ 275.00	\$ 300.00	\$ 300.00
6420 Office Supplies & Copies	\$ 113.45	\$ 41.67	\$ 425.01	\$ 250.02	\$ 500.00	\$ 500.00	\$ 500.00
6430 Postage	\$ 6.60	\$ 83.33	\$ 107.97	\$ 499.98	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
6450 Board Expense	\$ -	\$ 8.33	\$ -	\$ 49.98	\$ 100.00	\$ 100.00	\$ 100.00
6610 Legal	\$ -	\$ 416.67	\$ 894.08	\$ 2,500.02	\$ 5,000.00	\$ 5,000.00	\$ 4,000.00
6615 Accounting- Tax Prep/Audit	\$ -	\$ 333.33	\$ 3,550.00	\$ 1,999.98	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
6617 Ombudsman Fees	\$ -	\$ -	\$ 201.00	\$ 201.00	\$ 201.00	\$ 210.00	\$ 210.00
6620 License & Fees	\$ (200.00)	\$ -	\$ 25.00	\$ 225.00	\$ 225.00	\$ 250.00	\$ 250.00
6660 Uncollectible Accounts	\$ -	\$ 166.67	\$ 3,146.05	\$ 1,000.02	\$ 2,000.00	\$ 2,000.00	\$ 1,000.00
6700 Misc. Administrative Expense	\$ -	\$ 58.33	\$ -	\$ 349.98	\$ 700.00	\$ 600.00	\$ 600.00
6782 Document Recording Fees	\$ -	\$ -	\$ 16.00	\$ -	\$ -	\$ 64.00	\$ 64.00
EMPLOYEE EXPENSE							
6857 Workers Comp Insurance	\$ -	\$ -	\$ 510.00	\$ -	\$ -	\$ -	\$ -
TOTAL EMPLOYEE EXPENSE	\$ -	\$ -	\$ 510.00	\$ -	\$ -	\$ -	\$ -
TOTAL G & A EXPENSES	\$ 870.05	\$ 2,174.99	\$ 14,575.11	\$ 13,475.94	\$ 26,801.00	\$ 26,024.00	\$ 24,024.00

INSURANCE EXPENSE							
7320 General Liability Insurance	\$ 2,357.64	\$ 1,291.67	\$ 17,065.30	\$ 7,750.02	\$ 15,500.00	\$ 35,000.00	\$ 24,000.00
TOTAL INSURANCE EXPENSE	\$ 2,357.64	\$ 1,291.67	\$ 17,065.30	\$ 7,750.02	\$ 15,500.00	\$ 35,000.00	\$ 24,000.00
TAX EXPENSE							
7352 Property Tax	\$ -	\$ -	\$ -	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00
TOTAL TAX EXPENSE	\$ -	\$ -	\$ -	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00
UTILITIES EXPENSE							
7409 Electricity	\$ 1,439.43	\$ 2,333.33	\$ 11,406.71	\$ 13,999.98	\$ 28,000.00	\$ 28,000.00	\$ 27,000.00
7430 Water	\$ 1,052.67	\$ 666.67	\$ 4,634.26	\$ 4,000.02	\$ 8,000.00	\$ 9,300.00	\$ 9,300.00
7450 Trash Disposal	\$ 976.30	\$ 1,166.67	\$ 6,162.95	\$ 7,000.02	\$ 14,000.00	\$ 14,000.00	\$ 14,000.00
7455 Telephone	\$ 149.67	\$ 141.67	\$ 889.33	\$ 850.02	\$ 1,700.00	\$ 1,700.00	\$ 1,700.00
7463 Security Patrol Contract	\$ 514.80	\$ 666.67	\$ 2,901.60	\$ 4,000.02	\$ 6,000.00	\$ 6,000.00	\$ 8,000.00
7464 Fire/Sprinkler System R&M	\$ -	\$ 41.67	\$ 3,611.00	\$ 250.02	\$ 500.00	\$ 500.00	\$ 500.00
TOTAL UTILITIES EXPENSE	\$ 4,132.87	\$ 5,016.68	\$ 29,605.85	\$ 30,100.08	\$ 60,200.00	\$ 59,500.00	\$ 60,500.00
POOL EXPENSE							
7508 Pool Supplies & Services	\$ 283.31	\$ 333.33	\$ 965.02	\$ 666.66	\$ 1,999.99	\$ 2,000.00	\$ 2,000.00
7509 Pool/Spa Contract	\$ 1,200.00	\$ 666.66	\$ 3,053.27	\$ 1,333.33	\$ 3,999.98	\$ 4,000.00	\$ 4,000.00
7512 Pool Permits	\$ -	\$ -	\$ 120.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
TOTAL POOL EXPENSE	\$ 1,483.31	\$ 999.99	\$ 4,138.29	\$ 2,149.99	\$ 6,149.97	\$ 6,150.00	\$ 6,150.00
CLUBHOUSE EXPENSE							
7541 Clubhouse Repairs	\$ 344.93	\$ 83.33	\$ 1,787.95	\$ 499.98	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
TOTAL CLUBHOUSE EXPENSE	\$ 344.93	\$ 83.33	\$ 1,787.95	\$ 499.98	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
LANDSCAPING EXPENSE							
7656 Irrigation Repairs	\$ -	\$ -	\$ 222.00	\$ -	\$ -	\$ 500.00	\$ 250.00
7662 Landscaping Supplies	\$ -	\$ 125.00	\$ -	\$ 750.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
TOTAL LANDSCAPING EXPENSE	\$ -	\$ 125.00	\$ 222.00	\$ 750.00	\$ 1,500.00	\$ 2,000.00	\$ 1,750.00
MAINTENANCE EXPENSE							
7701 Maintenance	\$ 2,781.33	\$ 2,500.00	\$ 15,996.05	\$ 15,000.00	\$ 30,000.00	\$ 30,000.00	\$ 22,000.00
7705 Maintenance Supplies	\$ -	\$ -	\$ 11.23	\$ -	\$ -	\$ 100.00	\$ 100.00
7712 Building Repairs	\$ -	\$ -	\$ 316.60	\$ -	\$ -	\$ 500.00	\$ 500.00
7718 Equipment Repairs/Rental	\$ -	\$ -	\$ 484.83	\$ -	\$ -	\$ 500.00	\$ 500.00
7727 Contingency	\$ -	\$ 250.00	\$ -	\$ 1,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
7733 Snow Removal	\$ -	\$ -	\$ 559.00	\$ 1,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
7742 Lighting	\$ 1,689.30	\$ 125.00	\$ 1,855.87	\$ 750.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00
7744 Plumbing	\$ -	\$ -	\$ 155.22	\$ -	\$ -	\$ 200.00	\$ 200.00
7751 Rekey - Change/Repair	\$ -	\$ 16.67	\$ -	\$ 100.02	\$ 200.00	\$ 200.00	\$ 200.00
7754 Equipment/Small Tools Replacem	\$ -	\$ -	\$ 462.59	\$ -	\$ -	\$ -	\$ -
TOTAL MAINTENANCE EXPENSE	\$ 4,470.63	\$ 2,891.67	\$ 19,841.39	\$ 18,850.02	\$ 37,700.00	\$ 39,500.00	\$ 31,500.00
TOTAL OPERATING EXPENSE	\$ 18,339.25	\$ 17,524.75	\$ 115,596.44	\$ 103,474.55	\$ 208,397.97	\$ 169,424.00	\$ 150,174.00
TOTAL OPERATING NET INCOME	\$ (913.77)	\$ (158.25)	\$ (5,934.13)	\$ 724.45	\$ 0.03	\$ 38,824.00	\$ 68,474.00
6050 Allotment for Reserves	\$ 5,024.75	\$ 5,024.75	\$ 30,148.50	\$ 30,148.50	\$ 60,297.00	\$ 66,326.70	\$ 66,326.70
Gross Profit for 2012 Submitted to Reserves 12/15/2012						\$ (27,502.70)	\$ 2,147.30