

**SKI CENTER CONDOMINIUM ASSOCIATION
BOARD OF DIRECTOR'S MEETING
THURSDAY, JUNE 27, 2024 – 10:00 A.M.
VIA ZOOM**

Present:

Josh Kersten and Jesse Drees, CBMR
Katherine McKenna
James Harber
Alex Summerfelt
Rob Harper

Units 101B, 201B, 202B, 203B
Unit 303

Toad Property Management
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Katherine called the meeting to order at 10:07 a.m. and Alex confirmed a quorum.

Alex explained documents for the meeting had been placed in AppFolio Shared Documents. The documents would be retained there for future reference and available to future Board members.

Katherine made a motion to approve the minutes of the January 31, 2024 meeting. James seconded the motion and it was unanimously approved.

Alex explained financials and capital projects would be discussed. Alex said all funds were held in the Operating Account and there was not currently a separate Reserve Account. Katherine expressed concern about the low bank balance despite the large 2023 special assessment for Capital Reserves. Alex said the Accounting team would prepare a reconciliation of the account and a Reserve Account would be opened to keep funds separate in the future.

Alex said he could not find confirmation of Budget approval or presentation of the Budget at an annual meeting. Rob explained dues had increased in January 2023 but the significant increase proposed in the draft 2023/2024 Budget (effective from September 2023) had not been implemented. Alex said current expenses exceeded income and encouraged the Board to approve a 2023/2024 Budget with a dues increase of 36%. Katherine said Budget approval and an annual meeting had been delayed pending an engineer inspecting the building.

Alex confirmed an engineer had made an inspection, approximately 4 weeks prior to the meeting, and a report should be available soon. Once the engineer provided a report contractors would be asked to provide a bid for the work.

Alex presented a financial report to display actual year to date expenses, the unapproved 2023/2024 Budget and a draft 2024/2025 Budget. Alex explained the 2024/2025 Budget did not include any money going to the Reserve Fund.

Alex said as dues had not increased in accordance with the draft 2023/2024 Budget the operating expenses exceeded income by \$55,681.95 and if the Budget was approved invoices from October 1, 2023 could be billed to owners and reserve funds generated by the special assessment would be available for capital projects. The Accounting team would be providing a cash flow analysis for the Board along with the account reconciliation.

Alex explained there was approximately \$15,000 in the Checking account at the end of May, 2024. That figure was closer to \$26,000 now as dues had been collected.

Alex said lenders, real estate agents and potential buyers liked to see a healthy Reserve Fund, 10% of annual Operating expenses each year was recommended and 10% might become part of future legislation. Katherine said the large 2023 special assessment (approximately \$91,000 in total for the building) had been intended as an annual capital assessment to build up a Reserve Fund. Katherine stressed the need to hold those funds in a separate bank account.

Alex agreed to open a Money Market account at the same Bank holding the Operating Funds.

After a long discussion it was generally agreed the preferred approach would be to backdate increased dues for September 2023 through July 2024 and invoice all owners for those dues by August 1, 2024. Alex said he would calculate the actual amount per unit, based on square footage percentages, and email that information to the Board. Josh and Jesse said they would talk to Tara about the three options facing the Association:

1. Approve the 2023/2024 Budget as previously presented, hold an annual meeting to present the information to owners and then assess all owners for the additional dues for September 2023 through July 2024.
2. One-time special assessment to collect the same amount as the dues increase would have generated for 2023/2024.
3. Approve a new Budget for 2024/2025 with a large dues increase, significant enough to cover the 2023/2024 proposed dues increase and an additional increase commencing September 1, 2024 (potentially a 50% increase).

Katherine said the Board had agreed to cancel Cable/Internet and owners had set up their own accounts. Alex agreed to research as approximately \$2,412 had been paid during the past year.

Alex said he would continue to work on the 2023/2024 and 2024/2025 Budgets and then email to the Board for review and discussion. Jesse said he would meet with Tara later in the day to discuss the three choices listed above and notify Toad and the Board of the CBMR preferred method to fund expenses.

Alex confirmed no owners were delinquent on dues.

Alex explained the engineer had inspected the building and Alex had taken several contractors around the building. Bart Laemmel of B2 Science had also inspected the building. The horizontal concrete, first floor deck on the parking lot side, had received some minor repairs/patching but the concrete deck now required significant work.

Alex said the lack of expansion joints on the stucco resulted in cracking. The solution, currently being used at The Plaza, a neighboring property, was to grind out the cracked stucco, repair with the necessary expansion joints and then to paint the entire stucco surface. That method would

reduce future cracking. Addressing the stucco now would reduce damage to the structure of the building.

Alex said metal deck railing posts would require attention.

Katherine said updated parking signs had been discussed at a prior meeting and Alex agreed to follow up and get new signage in place.

Katherine agreed to sign the Tax Return for the Association.

Alex explained his office was in The Plaza building and encouraged owners to reach out to him.

At 11:17 a.m. Katherine made a motion to adjourn. James seconded the motion and it was unanimously approved.

Prepared by: Rob Harper, Toad Property Management