

**SUNSHINE CONDOMINIUMS ASSOCIATION
MEETING OF THE BOARD OF DIRECTORS
MONDAY, DECEMBER 18, 2023
5:00 P.M.
VIA ZOOM**

Present: Jeanette Marcel
Kelsey Oettinger
Kat Loughan, Toad Property Management
Brandon Cvilikas, Toad Property Management

Kat called the meeting to order at 5:00 p.m. and said there was a quorum.

Kat introduced Brandon and said they would be working together to manage associations as a “buddy system” had been created. Kat said it was intended to improve service and communication. Erin Dicke was a new member of the Toad team and she would be listening into the meeting.

Minutes of the May 30, 2023 meeting would be approved at a future meeting.

Concern was expressed about delinquent dues. Two owners were making payments but not on a regular basis. Jeanette said late payments might cause a problem with cash flow during 2024. Kat said a significant dues increase was recommended for 2024 and Jeanette said she wanted owners to play a bigger role in the decision making of the Association. The collection of Capital Dues had unfortunately not built up a healthy Reserve as it had been necessary to use that money for operating expenses or some unforeseen essential repair projects. Dues for comparable properties were reviewed and Kat said the dues for the Association were lower than other properties. Jeanette said there had been years of deferred maintenance and no dues increases so the Association was struggling to get ahead of repairs and move onto more cosmetic exterior projects.

Prior to the meeting a draft 2024 Budget had been circulated to the Board for review. Kat explained the actual expenses figure was current through November 30, 2023. Kat said insurance renewal rates were not known at this time but other associations were seeing significant increases, anything between 20% and 110%. Kat explained she was researching insurance renewal rates, other insurance companies/agents and also confirming correct coverage in accordance with governing documents.

Kat said the Repairs & Maintenance line item in the draft 2024 Budget was based on a five year average and a rough estimate of work which the maintenance crew thought would be necessary. Kat explained the Stove Depot invoice for the chimney cleaning did not include a detailed fireplace report and she had reached out to the company for more information. The invoice just stated 20 units had been inspected. Kelsey said Stove Depot had not been to her unit in 2023. Kat said she would continue to follow up with Stove Depot. A detailed report identifying which unit had a wood burning stove was not available and it would be useful to know exactly what was in each unit.

Kat said the grass seed had been successful in some areas but other areas had not been successful probably due to a lack of water. Kat explained the tasks included in the Landscaping line item, including the Spring cleanup and Fall cleanup. Kelsey complained about the lack of landscaping work performed during 2023 and said the weeds had been left for too long. Kat said some items had

been assigned to the wrong expense line and landscaping was not as expensive as shown. Kat agreed the Toad maintenance and landscaping crew needed to be more responsive and she would follow up on that to make sure there were significant improvements in 2024.

Kat said a different snow removal contractor had been used during the Winter and it appeared the Company had gone out of business without invoicing for the entire Winter. A new contractor, Echo Ridge Excavation, had been hired and Toad had met with the contractor on-site to explain the requirements. It was agreed \$2,000 was a good figure for snow removal in the 2024 Budget.

Kat explained water and sewer expenses were currently running between \$2,000 to \$2,100 per month and the draft 2024 Budget had been based on those costs. Kat said she had witnessed a significant improvement in dumpster use and the common areas appeared to be good. Kelsey agreed it had improved although it was still necessary to sometimes place people's trash in the dumpster as it had been left outside the dumpster. It was agreed dog poop pickup had improved. Kat said the signage on the dumpster could be translated into Spanish or the language amended to make the instructions clear.

Kat confirmed 2 bedroom units were currently paying dues of \$189 and a \$125 capital assessment, making a total of \$314 and the three bedroom units were paying dues of \$231 and a \$125 capital assessment, making a total of \$356. Kat said the 25% increase would only apply to the regular dues and the capital assessment would continue at \$125. It was generally agreed an increase was necessary as costs had increased significantly throughout the valley. The Reserve Account had been drained and it was essential that the Reserve Account was once again built up. The \$125 Capital Assessment per month would add \$33,000 to the Reserve Account if the operating budget was set at a level to cover the operating expenses.

Kat said American Heritage Roofing had been asked to give a price for a screw and glue on the roofs as the earlier bids obtained had been very high (approximately \$15,000 per building). Kat explained \$1,500 to \$2,000 was a more realistic figure, according to American Heritage Roofing, for the screw and glue and Kat said she would continue to research.

Jeanette explained a Land Use Change notice had been received for a three acre subdivision on nearby property and there would be a hearing. Jeanette agreed to send a copy to Kat. Kelsey said traffic might be an issue during construction but the land was northwest of Sunshine.

Jeanette expressed concern about starting in January 2024 with a dues increase and suggested starting the increase in March 2024. Jeanette said she would not be in support of backdating the dues increase to January unless a majority of owners at the annual meeting supported that move. Some owners might want to increase rent and Jeanette said owners would need the extra time before dues went up.

The annual meeting would be January 20, 2024 or February 10, 2024 subject to Kelsey's availability, at 9:00 a.m. (MT). Kat agreed to reach out to Kelsey and confirm by email. Annual Meeting documents would be sent to all owners and Kat would follow up with email reminders.

A vote for the draft 2024 Budget, as presented at the meeting, would be conducted via email as there was no longer a quorum at the meeting.

At 7:15 p.m. the meeting adjourned.

Prepared by Rob Harper, Toad Property Management

DRAFT