



Mountainside Condominium and Homeowners Association

Combined BOD Meeting Minutes – November 21st, 2020

I. CALL TO ORDER

The meeting was called to order by Pete Pfeiffle at 8:04am. The meeting was conducted via Zoom videoconference.

Pete Pfeiffle chaired the meeting.

Condo Directors Present: President, Pete Pfeiffle
 Vice President, Lucinda Greene
 Treasurer, Steve Duree
 Secretary, Colleen Remsberg
 Member at Large, Sharon Schutz

HOA Directors Present: Vice President, Don Cacace
 Member at Large, Meredith Williams
 Member at Large, Paul Hamilton
 Member at Large, David Arnold

Owners Present: Gail Hess (573 Bills Ranch Rd) (Jim Green (264L), Joelle Miller (317D, 206G), Steve Kalat (217D), Sheila Nevin (793 Hunter Circle), Karen Zuehlke, Michael Goodrum (366G), Jim and Andrea Baer (240L)

From Summit Resort Group: Kevin Lovett, SRG President
 Kevin Carson, Community Association Manager

From Buffalo Managers: Scott Willis, Community Association Manager

II. PROPERTY OWNERS FORUM

Jim Baer reported that the new roof looked great, however there is a section of heat tape on the J building that is not functioning. There is an audible alarm from the fire panel in the garage. A sprinkler head near the southwest corner of the I building was damaged by a snowplow and will need to be repaired in the spring. The new lights on the Mountainside map create lots of glare and are not helpful.



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Jim Greene also thanked the BOD for the roof repairs. He discussed alternative options for cable and internet services. Peter Pfeiffle mentioned that the HOA is currently under contract until July 2022.

Steve Kalat commented on the bicycle racks indicating it seemed that many racks were packed with bikes that have not been touched in weeks or months.

III. COMMITTEE REPORTS

Lake Committee - Don Cacace reported that the HOA had regained ownership of the lake from United Water in April. The lake is a private feature for use of Mountainside owners only, and lakeshore owners with licenses granted by the HOA. Primary activities are walking, fishing, and nature walking. The dam is inspected by the state every two years and minor repairs are completed. Water levels are lowered in the winter months typically by one foot. The water rights allow for one fill of the lake every year and evaporation over the course of the summer is expected. Negotiations with shoreside owners are currently underway to secure access for dredging of the lake. Projects for next summer include improvements to the log bridge, the building of paths on the far side of the lake, potential dredging of the lake, stocking of fish, and landscaping improvements.

Landscape Committee - Lucinda Greene reported that negotiations with Neils Lunceford are taking place to draft a proposed elevation for one of the buildings to improve the planting plans on the campus. The HOA has awarded them a small contract to develop preliminary plans with the idea that over the next several years the HOA will consider an upgrade to the overall campus look. This last summer the perennial beds near the parking lot were upgraded. An upgrade to the perennial beds near the parking lot was started last summer. Repairs were made to the aging sprinkler system and will be continued next year.

Communications Committee - Sharon Schutz reported that at the Annual Meeting there was a detailed overview of the Association website. Updates were performed to make it more user friendly. Mountainside will be transitioning to the new website managed by SRG.

IV. MAINTENANCE REPORT



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Mike was not able to attend the meeting due to remote access issues. Scott Willis reported that there were 3 buildings that currently need heat tape repairs. The sprinkler system was audited, and several areas did not have proper wiring, repairs were completed. There were upgrades and repairs performed on the photo cells and exterior LED lighting. The Clubhouse pool and hot tub are still closed but continue to be maintained. Furnace issues were discussed in the August meeting, repairs have been approved. 5 furnaces were recently replaced in A, B, C, & F buildings. Heat tape for the gutters in building C and H were approved but have not been completed.

Paul Hamilton added that the heat tape repairs should have been completed this week. Paul is in discussion with the town of Frisco and has reached an agreement that between now and the summer the HOA will inspect other furnaces for additional repairs. All furnaces are currently operational.

Fire Alarm Systems Update - Peter reported that the alarms in buildings H and J are still going off and need to be repaired. Scott reported that Cintas was on property Tuesday – Wednesday to repair the panels. BMM has been conducting fire walk hourly in the G building. There are also issues with the low temp alarms. Building G does not have connection from the interior unit alarms to the panel, only local smoke alarms and pull stations are connected. Owners should make sure their in unit fire alarm systems are properly functioning.

V. CONSENT AGENDA (Actions via E-mail)

The minutes from the June 6th BOD meeting were reviewed. Peter suggested the following revisions.

- Property Owners Forum – Northwest roofing made initial repairs on A and B buildings (not I and J) to repair issues caused by Roundtree roofing.

MOTION: Sharon Shutz made a motion to approve the minutes as corrected. Don Cacace seconded and the motion carried unanimously.

The minutes from the August 29th BOD meeting were reviewed. The following revisions were suggested.

- Lake Committee Report – change “semi regular dredging” to “a dredging” – change “improvements to the dam” to “rebuild the dam”.



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- Landscape Committee Report – Don did not meet with Two V's landscaping. Change to "met with two landscape architects"

MOTION: *Peter made a motion to approve the minutes as corrected. The motion carried unanimously*

Furnace Replacements – The BOD approved the expenditure of \$26,000 to repair broken furnaces via e-mail.

MOTION: *Paul made a motion to approve the expenditure. Sharon seconded and the motion carried unanimously.*

VI. **FINANCIAL REPORT**

Steve Duree has worked on the 2021 budget and provided the BOD with two memos including proposed budgets. One option included a \$28,000 increase to the reserve fund contribution. The dues increase would be effective January 1st at the start of the next fiscal year. Peter mentioned that while a dues increase is never ideal, it is eventually inevitable. The proposed budget, with reserve increase, results in a \$27 increase to 1 bedroom units, a \$38 increase to 2 bedroom units, and a \$6 increase for homes. 2020 was not a kind year to the operating budget. There were significant overages due to roof snow removal, legal fees, and the labor portion of the management contract. There will be a significant negative net operating result for the year. This will prevent a transfer from operating to the reserve fund at the end of the year, reducing working capital. The principal drivers of the budget increase are the new management contract, building snow removal, and the establishment of a higher contribution to the roof snow removal reserve. There are also slight increases for insurance. As of October 31st the Condos have a negative operating variance of roughly \$17,000. The HOA has a positive variance of \$4,800. A/R is in much better shape than previously. One HOA association member is two years delinquent on dues. Scott Willis noted that BMM has been working to collect and will be assessing late fees and interest.

Jim Greene asked why the Association was spending money on the maintenance of the lake. Don noted that all financials are published monthly and available to owners to review. The major drivers of the increase are inflation and the new management contract. The BOD conducted an extensive RFP process when looking for a new management company. The Lake was not a driver of the budget increase. All related costs have come out of the reserve fund



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which is well funded. The long term costs to maintain the lake are roughly \$10,000 per year. Steve mentioned that the new management agreement is all inclusive and the association will not be billed for on site labor.

Steve reported on the MCR study and indicated that items were added that were not included on the last MCR which was completed roughly 15 years ago.

MOTION: was made to approve the budget for condos. Steve then moved to table the motion until the MCR was reviewed. Don seconded.

Don reviewed the MCR that was presented to the BOD in his November 19th email. The updated MCR included the adoption of the \$28,800 annual increase to the reserve fund. Don indicated that the MCR is a financial planning tool, rather than a scheduling tool, and not set in stone. All items requiring upkeep by the association are included on the MCR. Costs for maintenance, replacement, and the items lifespan are determined. The MCR helps to ensure that the reserve balance never goes negative.

MOTION: Steve made a motion to adopt the Condo MCR study as presented to the BOD in Don's November 19th email including the adoption of a \$28,000 annual increase to the reserve contribution. Don seconded and the motion carried unanimously.

MOTION: Steve made a motion to adopt the HOA MCR study as presented to the BOD in Don's November 19th email. David seconded and the motion carried unanimously.

MOTION: Steve made a motion to approve the 2021 CONDO budget with an \$83,808 increase to the operating budget that includes a \$28,000 annual contribution increase to the reserves resulting in a \$27 increase to 1 bedroom units, a \$38 increase to 2 bedroom units. Meredith seconded and the motion carried unanimously.

MOTION: Steve made a motion to approve the 2021 HOA budget with an \$21,167 increase to the operating budget resulting in a revenue requirement for 2021 of \$274,332 and a dues increase of \$6 per unit. Sharon seconded and the motion carried unanimously.

VII. ASSOCIATION BUSINESS

Management Transition – Peter reported that Mountainside was parting ways with Buffalo Mountain Managers and Summit Resort Group would take over as the new management company effective 12/1/20.



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Kevin Lovett (SRG President) thanked the Board and BMM for assisting with the transition. SRG has been working to build the management team as well as back office accounting and admin projects. SRG will send an e-mail intro to owners shortly that will include how to make December dues payments.

Kevin Carson reported that SRG has various financial controls in place. SRG has a 4 person accounting team and all work is peer reviewed. Separate ledgers and bank accounts are maintained for each association and the Board is provided with online access to the accounts. Financial reports are sent to the BOD for review each month and are also reviewed by the CAM. Reconciliation is performed by an individual that does not process AR or AP. SRG maintains \$500,000 of insurance for employee dishonesty, and is also covered under the HOA policy.

Peter thanked SRG for coming on early to start the transition process, and thanked BMM for assisting SRG with the transition.

Sharon asked who she would work with in order to build the new website. Kevin Carson will reach out to discuss that process.

Steve asked Scott if the current owner list was accurate. Scott indicated that there are a few bounce backs with the current e-mail list and these need to be worked through regardless of the transition.

Building Maintenance – Scott provided an update on the roof replacements for buildings I, H, and G. The project took longer than expected and the quality of work was lacking. Buildings I and J were initially re-roofed by AT Sunset from October 2019 to March 2020. The job was very late in completion and found to be sub-standard requiring a complete tear-off to resolve. In the fall of 2020, buildings I and J were re-roofed by Northwest, and building G was re-roofed by Axe. Paul noted that all of the skylights were also replaced and crickets were added behind them. All of the roof work was completed other than the final follow up on the heat tape. Peter indicated that no payments have been made to AT Sunset.

Clubhouse Step Project – Scott provided an update on the project which has been going on since April. Mike spoke with the contractor earlier this week and a top rail needs to be replaced which is holding up the final inspection. The project should be completed by the end of the month and Scott will follow up with the contractor. Jim Baer indicated he found a cap, likely from a chimney, that needs to be replaced.



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Furnaces – Paul reported that the new furnaces are high efficiency which allows PVC to be used for venting. The new furnaces are 96% efficient. This will be considered when the MCR is updated in the first half of 2021.

VIII. CORRESPONDENCE AND REPORTS

There were no questions on the reports included in the meeting packet

IX. NEXT MEETING SCHEDULE

Peter suggested the next meeting date should be February 20th at 8:00am. All BOD members approved and the meeting date was set.

Condo Campus Inspections:

- December - Lucinda
- January – Colleen
- February – Sharon

X. ADJOURNMENT

Peter thanked BMM for continuing through the end of their contract and assisting with the transition, and thanked SRG for starting early. Paul echoed Peters sentiment.

Paul mentioned that he and Don were available to discuss the reserve study with any interested owners.

Peter indicated that the dues increase was proposed in order to avoid any special assessments.

With no further business the meeting was adjourned at 10:11am.