

Rimfire Lodge Executive Board Call  
January 10, 2017

Attendees: Board members Kevin Elvin, Jim Armbrust, and Amy Aubin. Property Manager, Kevin Wingfield, Property Manager Assistant, Brent Casto, CPA for HOA, Katie Bright, Building Manager, Mark Barnes, and Administration Assistant, Pam Turner.

The meeting started at 1 pm.

**Financial Update** – by Katie Bright

Based on December 2016 financials, under budget by \$44K

Parking revenue slightly over stated by about \$2,500. Will see if it evens out over ski season, still in better shape than last year. The forecast for this line item is different for each month based on estimate on past year figures; it is not broken out equally, but based on actual monthly expenses.

Under Common Expenses -

Mostly saving here YTD due to the following:

Alarm System Monitor & Maintenance under budget by \$1,500

Building Maintenance-Common is slightly over budget for the month, which could be a timing issue, but not over budget yet for the year.

Kevin and Katie will review any overage areas to confirm accurate coding.

Loan Interest Expense is a little over budget, since it has been paid a few months ahead to see how they will handle. The Board discussed this and asked Katie to review cash flow and then if feasible with no issues to pay full interest payment for the year. The bank reviews the loan rate percentage every September.

So far to date, have not had to utilize the money for Major Repairs-Common and Sprinkler Maintenance.

Total Common Expenses are under budget by about \$26K.

LCE-R & CRU-3 Shared Expenses -

Major saving so far in Cleaning and Janitorial line item and Electricity line item this could be from over estimating a little bit in month to month. Will have better idea of where this line item is after January and February.

Total LCE-R & CRU-3 Shared Expenses has roughly a \$9,400 saving YTD currently.

Residential only by percentage -

Running under budget YTD in Building Maintenance-Res by percentage and Garage Repairs and Maintenance.

Hot Tub Expenses slightly over monthly budget YTD but have not exceeded annual budget.

Major Repairs/Maintenance-Residential - The HOA has utilized some from this line item but utilized full for what was budgeted for the annual amount. Therefore, we will need to watch.

Preventive Maintenance Programs line item is over for the month but under budget YTD due to the timing of the quarterly invoices.

Water and Sewer running under budget since new increased sewer rates have not hit yet. Will watch this line item depending on when the new sewer plant opens this could offset the budget by showing a profit. If that were the case then would suggest amending the budget, so it does not affect at the end of the year with taxes.

Residential only Split Equally –

Propane saving to date of nearly \$5K  
Total Expenses are under budget by a little over \$44K.

Other Income/Expense –

Still receiving invoices from Seal Engineering for the decks of around \$20K. Kevin Elvin is working with David at Seal Engineering now concerning their significant-completed form. There is about \$66,500 left in retainage, they want this paid down to \$30,000 and since we have exhausted the HOA loan, this will have to come out of budget somewhere.

On unit 143, the deck still needs to be sloped correctly. After some discuss, the Board agreed not to charge the owner interest until deck repair is considered completed, as they did with other homeowners with construction issues

Balance Sheet as of December 31, 2016

Total account receivable due is around \$745K with the deck assessment currently around \$640K. Total investments are just over \$657K, which includes the General Operating Reserve. Under Liabilities, the deck loan is just shy of \$739K.

Citizens Bank – Deck Project Loan (Total)	\$738,902.55
Less: Accounts Receivable – Deck Project (Outstanding assessments owed from homeowners towards the deck project)	\$640,918.83
Deck Loan – Association Responsibility	\$ 97,983.72
Additional Deck Expenses – Association Responsibility (In addition to loan)	\$ 90,882.61

Do we know out of the 21 units making payments on their loan, what the total is out of the current deck assessment figure, it looks like that amount is around \$328,500. There is around \$220K of deck assessments that owners are making no payemtns; but the HOA is paying the interest on these decks. However, there is around \$80K from the last billing, which was assessed in October 2016. Therefore, these could still come through. Some owners have stopped paying their HOA dues once they received their deck assessment invoice.

Board discussed the possibility of speaking with an attorney to see what would be involved in the HOA taking ownership of units that have large balances and are not attempting to pay. Board approved Katie to contact Mike Doss, Attorney at Law to start debt collection proceedings on these properties.

## A/R Aging

There are 4 units that might need a NTC letter but need to watch until at the end of January since over the past couple of months they have been paying more than the minimum so some of this has gone to back assessments but they have not paid anything toward the deck assessment.

In the Maintenance Reserve, balance is roughly at \$536K.

## **Maintenance Update** – by Kevin Wingfield

Inspections and day-to-day maintenance are all under control.

During this last cold spell, there were no known issues with frozen pipes.

Need additional repairs on the garage door, it is still working but on the last leg with broken springs. The springs are ordered, but will not arrive for another two weeks and will schedule the installation during low occupancy. We now know the life span of these 100,000 cycle springs are 5-6 years so can plan for the next replacement during the off-season.

Sewer line still needing working, contractor buried the line but never fixed the drains. Have ordered the drains and will coordinate with contractor on the installation. Once that work is complete will order asphalt cold patch to have it sealed back up. Contractor has not invoiced for the work, so he knows it is an uncompleted job.

Looking at fixing or replacing the health club bike.

90% complete on the hot tub hand rails, working on finalizing the product needed for the replacement windbreak glass around hot tub, but all the post and framing is in place. Still need to replace the skirt board in the front, which will interrupt the satellite TV since they will need to remove the satellite dish in order to replace this board.

With the LED, lighting project being refunded, trying to be the first ones into the program. Just discovered the inventory list given to the board early did not include everything. The first list only included replacing the existing can lights. Will be finalizing the actual inventory list and submitting it to First Energy for approval. The consumption level will go down slightly but will lighten up the hallways and the garage. We are still working to make sure electric consumption is at a minimum until the project is completed.

Still in the process of working with unit 410/411 owner to help rid unit of the odor. Smell appears to be gone currently so as long as nothing is reintroduced back in the unit this odor issue should be taken care of. It is at the point where the ductwork needs replaced, which is the owners responsibility. Once that is completed, the HOA is responsible for the dry wall repairs and the wall preparations. Therefore, the HOA has to wait until the owner has that work completed.

Unit 311 owner wanted the water remediation company to access his ceiling cavity from the unit above. Since the area was rebuilt this did not happen. If there is other work required within the unit, it will have to initiate between the owner, water remediation company, and the HOA insurance provider, Travelers Insurance. The work would likely not happen until after ski season is over. The board encouraged this unit owner to keep a dialog directly with John Wood of the Crossroad Property Rescue.

### **Other Business:**

Board discussed the issue of the health club toilet tissue and paper towels taken by owners for use in their personal units that are not on a rental program but they rent through programs such as VRBO. The Board requested Kevin Wingfield research lockable dispensers.

The Board discussed the action item from annual meeting concerning the rental survey. Only four owners have reached out to the Board enquiring when this survey will come out. However, none of them wanted to help in the process of getting questions together. In order to make this happen there is a need for greater participation from the homeowners.

Board discussed the option of hiring a different Building Envelope Engineering Company localized to the area to give the Board an idea of the repairs to seal the building. There are several areas when the shake shingles are or have fallen off especially on the North Building. They want to research options now so a plan can be in place by spring, without having another special assessment. Board approved for Kevin Wingfield to get a proposal from a building envelope-engineering firm based in Charlottesville, VA that works frequently in WV.

The board discussed on the date of the annual meeting. Since the annual meeting is usually the same time as Treasure on the Mountain, but this year the event is one week early. After discussion it was decided the **annual homeowner meeting will be set for Saturday, August 5, 2017.**

The meeting adjourned at 2:17 pm.

### **Action Items:**

1. Katie Bright to contact Mike Doss, Attorney at Law to start debt collections proceedings on outstanding balances.
2. Katie Bright to remove current interest charges to unit 143/145 until deck is repair it completed.
3. Kevin Wingfield to research lockable dispenser for bathroom toilet tissue and paper towels for health club.
4. Kevin Wingfield to contact engineering firm in Charlottesville, VA for building envelope proposal.
5. Kevin Wingfield and Katie Bright will review various budget line item overages to confirm accurate coding.