



Rimfire Lodge Condominium Association, Inc.  
PO Box 382, Snowshoe, WV 26209

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**MINUTES OF THE ANNUAL MEETING OF THE MEMBERSHIP  
AUGUST 3<sup>rd</sup>, 2019  
Rimfire Lodge Hearth Room**

Current Board Members in Attendance: Kevin Elvin, President, Units 160 & 162  
Geoff Truslow, Secretary/Treasurer, Units CU1, CU2, CU4

Owners in Attendance: Please see sign-in sheet on file

Owners in Attendance via Telephone: Jim Armbrust, Vice President, Unit 424

Others in Attendance: Meredith McNeely, Association Manager, Mountain Life, LLC  
Gregory McNeely, Owner, Mountain Life, LLC  
Gary Spiers, Property Manager, Mountain Life, LLC  
Katie Bright, CPA, Williams & Bright, A.C.  
Patti Duncan, President & COO, Snowshoe Mountain

**CALL TO ORDER**

The meeting was called to order at 9:33am EST.

**CERTIFICATION OF QUORUM**

A quorum was established with at least 20% of the membership represented in person and via proxy.

**Resort Update Provided by Patti Duncan, Snowshoe President & COO**

Ms. Duncan provided owners with an overview of the past year including information on new ski and mountain biking terrain and new development on the mountain.

**“State of the Rim” by Kevin Elvin, HOA President**

Mr. Elvin gave an update for the ownership which highlighted various topics. Some of the topics discussed include:

Interior Design Committee – The Board is meeting with an interior design firm out of New York and will be reaching out to homeowners to solidify the Interior Design Committee. The Committee will work with a designer to come up with a design plan for implementation in the Spring/Summer of 2020. Primary focus will be on carpet, wallpaper, paint, woodwork, and furnishings.

Rimfire Dedicated Maintenance Personnel – Mr. Elvin introduced the dedicated maintenance and custodial personnel for Rimfire. These employees fulfill the maintenance and custodial needs that were previously performed under a service contract with Snowshoe which was terminated on July 1<sup>st</sup>, 2019.

Saflok Replacement – Snowshoe is working with DormaKaba and the GreenBank Observatory on a plan to change out all Saflok door locks on the Mountain. By coordinating Rimfire's replacement with the rest of the Mountain, the HOA will be able to recognize a savings through economy of scale. The current plan is to start the changing of the locks immediately following the closing of ski season in March/April 2020.

Parking in the Garage – The Parking Fee that is being charged by Snowshoe to rental guests was discussed along with the Boar's consideration of charging a higher daily rate for Rimfire's underground parking garage. By charging a higher fee for parking in the garage, the HOA would be able to utilize the unique revenue opportunity that exist within the HOA while offsetting other HOA expenses within the budget. The goal is to have a parking meter installed in the garage by Opening Day of ski season. The Board is looking at charging guests \$20/day to park in the garage. Owners will not be charged for parking in the garage.

Fireplace Igniter Conversions – Mr. Elvin informed the ownership that the Board was continuing the fireplace replacement project. Thirty fireplaces in the South building were replaced in the Spring and the plan is to convert an additional thirty units in the fall. This project will be spread out over the next several years until all fireplaces in the building have been converted. Mr. Elvin explained the cost savings in propane expenses that the HOA could recognize by doing this conversion. This project could yield a 5 year ROI with approximately \$30,000 in propane savings per year.

Roof Replacement – Mr. Elvin informed the ownership that the Board is planning on replacing the roof in 2020/2021 and due to the cost of replacement, the HOA will likely accomplish replacement of one building per year (North in 2020, South in 2021). The HOA is continuing scheduled siding maintenance as well.

Nitrogen Generator Installation – Mr. Elvin discussed the installation of a nitrogen generator on the fire suppression system that will significantly reduce the corrosion of the existing piping as well as condensation in the lines. The elimination of condensation will also reduce the likelihood of another leak similar to the leak that occurred in the North Building in November 2018.

All owners were reminded of the HOA's website – [www.rimfirelodgeatSnowshoe.com](http://www.rimfirelodgeatSnowshoe.com) – where owners can access association information such as meeting minutes, condo documents, newsletters, etc.

### **Board Election**

By the start of the meeting, there were four candidates running for the three available positions on the Board of Directors: Kevin Elvin, James Armbrust, Geoff Truslow, and Kandy Ramos. The following candidates were elected to the Board through proxy and in-person vote: Kevin Elvin, James Armbrust, and Geoff Truslow.

### **Financial Report through June 30, 2019**

Katie Bright then presented the following concerning the recent financials and the Board-adopted budget for the upcoming fiscal year:

FINANCIAL REPORT THROUGH JUNE 2019 (preliminary YTD, FYE 9/30/19 subject to review)

REVENUES (\$1,144,866) EXCEEDED BUDGET BY \$259,818

Primarily due to:

- Late fees – \$8,084, over budget by \$4,584
- Parking Revenue- \$42,733, over budget by \$2,032
- One-time Buyer Fee - \$4,500, over budget \$3,500
- Miscellaneous Revenue - \$248,405, not budgeted – sprinkler line break insurance reimbursement

TOTAL OPERATING EXPENSES **OVER BUDGET** BY \$223,570

\*But **Under Budget** by \$30,136 if you do not consider the sprinkler line break expenses.

Common: **Under Budget** by \$26,654

Primarily due to savings of:

- \$21,040 Maintenance Personnel
- \$14,105 Building Maintenance - Common
- \$3,200 Legal Expense
- \$2,286 Loan Interest expense
- \$1,445 Snow Removal

Offset by overage:

- \$4,122 Sprinkler Maintenance
- \$7,193 Insurance
- \$2,989 Management Fees
- \$1,358 Telephone

LCE-R & CRU-3 Shared Expenses: **Over Budget** by \$1,872

Primarily due to overages of:

- \$11,219 Building Maintenance-LCER
- \$1,206 Carpet Cleaning
- \$3,742 Elevator Maintenance
- \$4,549 Emergency Light Inspection

Offset by savings of:

- \$14,172 Cleaning & Janitorial
- \$4,672 Electricity

Residential Only by Percentage: **Over Budget** by \$249,345

(**Under Budget** by \$4,361 if you do not consider the sprinkler line break expenses)

Primarily due to overages of:

- \$11,039 Building Maintenance-Res by %
- \$253,706 Sprinkler Line Water Damage

Offset by savings of:

- \$4,631 Hot Tub Expenses
- \$2,345 Garage Repairs and Maintenance
- \$6,516 Water & Sewer

Residential Only split Equally: **Under Budget** by \$1,006

Primarily due to savings of:

- \$3,036 Satellite TV

Offset by overage:

- \$974 Telephone Service

BALANCE SHEET

CASH - Citizens National Bank as of June 30, 2019

- Checking Account = \$62,904
- Debit Card = \$4,558

MARKET VALUE OF RESERVES as of June 30, 2019

- Cetera Investments = \$456,454

HOA LOAN – Citizens National Bank as of June 30, 2019

- Loan Balance = \$124,862

ACCOUNTS RECEIVABLE as of June 30, 2019

- Regular Assessments = \$57,662 (includes adjustment for prepaid assessments)
- Deck Assessments = \$150,782
- Parking Revenue = \$2,372
- Collection Status:
  - o 9 Units over 90 days delinquent
  - o 2 lawsuits in progress
  - o 8 units with Liens
  - o 1 unit in Notice to Cure status

**PROPOSAL AND RATIFICATION OF BOARD-APPROVED PROPOSED BUDGET FOR 2019-2020 FISCAL YEAR**

On July 8<sup>th</sup>, 2019, the Board reviewed and the Proposed FY 2019-2020 budget for October 1, 2019 – September 30, 2020. Mrs. Bright gave an overview of the budget as follows:

REVENUE

\$17,106 Association Fees

\$150,000 Garage Parking Fee Income

EXPENSES

**INCREASES**

- \$8,948 Insurance (Common)
- \$58,091 Maintenance Personnel (Common)
- \$200,000 Maintenance - Painting Project (Common)
- \$24,969 Management Fees (Common)
- \$14,460 Professional Services (Common)
- \$1,813 Telephone (Common)
- \$16,009 Maintenance Personnel – (LCER)
- \$2,482 Cleaning & Janitorial (LCER)
- \$2,433 Elevator Maintenance (LCER)
- \$49,029 Maintenance Personnel – Res % Allocation (Res by 0%)
- \$20,000 Garage Parking Attendance/Maintenance Overflow (Res by %)
- \$32,518 Internet (& Telephone) service (Res Equal)

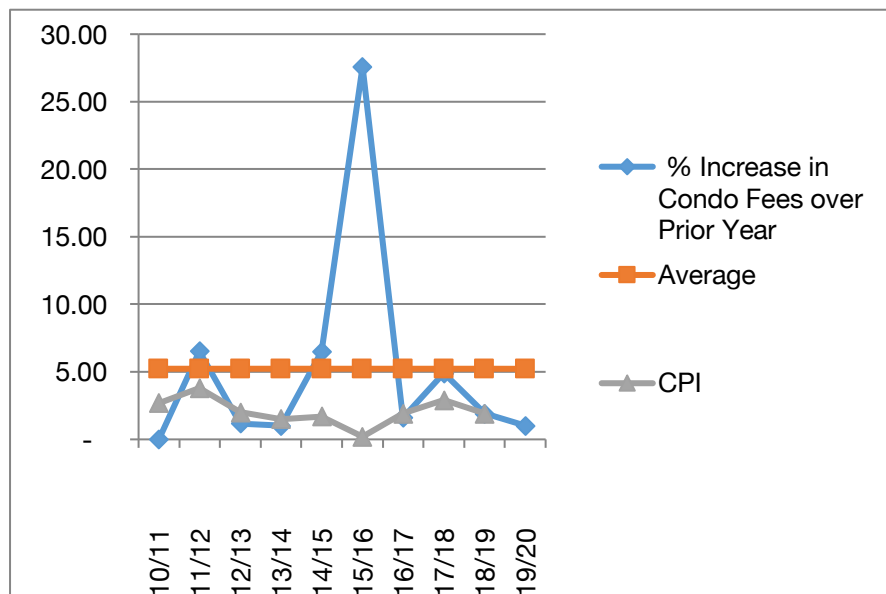
**DECREASES**

- \$50,000 Maintenance Personnel (Common)
- \$18,300 Major Repairs/Building Maintenance - COMBINED – (Common)
- \$4,029 Loan Principal (Common)
- \$1,901 Loan Interest (Common)
- \$31,640 Maintenance Fees (Common)
- \$139,000 Maintenance Reserves (Common)
- \$1,445 Snow Removal (Common)

- \$3,500 Carpet Cleaning (LCER)
- \$8,650 Major Repairs/Building Maintenance – COMBINED (LCER)
- \$1,151 Emergency Light Inspection (LCER)
- \$5,000 Bed Debt (Res by %)
- \$8,600 Major Repairs/Building Maintenance – COMBINED (Res by %)
- \$5,000 Garage Repairs & Maintenance (Res by %)
- \$20,306 Hot Tub Expenses (Res by %)
- \$7,420 Preventative Maintenance Programs (Res by %)
- \$14,092 Water & Sewer (Res by %)
- \$5,000 Propane (Res Equal)
- \$4,131 Satellite (Res Equal)
- \$30,901 Telephone Service (Res Equal)

2019 – 2020 AVERAGE RESIDENTIAL RATE INCREASE OF 1.0%  
 10 YEAR – AVERAGE RESIDENTIAL RATE INCREASE OF 5.23%

Year	% Increase in Condo Fees over Prior Year	Average
09/10	15.77	5.23
10/11	0.01	5.23
11/12	6.54	5.23
12/13	1.18	5.23
13/14	1.02	5.23
14/15	6.50	5.23
15/16	27.60	5.23
16/17	1.60	5.23
17/18	4.90	5.23
18/19	1.90	5.23
19/20	1.00	5.23



MAINTENANCE RESERVE BUDGET

<b>FY 18-19</b>	
As of May 30, 2019	\$ 234,572.00
FY 18-19 MR Contributions - remaining	
June '19	29,167.00
July '19	29,167.00
Aug '19	29,167.00
Sept '19	29,167.00
FY 18-19 MR Draw on Completed Projects to Date	(44,058.00)
FY 18-19 MR Projects Remaining to be Billed/Drawn	
West Elevation Siding Replacement/Painting	(45,936.00)
Siding Project - Seal Engineering	(2,860.00)
Nitrogen Generator - JA Electric	(800.00)
Garage Sweeper	(7,000.00)
Fireplace Conversion	(18,000.00)
MR Estimate for FYE 9/30/19	232,586.00
<b>FY 19-20</b>	
FY 19-20 MR Contributions	211,000.00
Door Locks	(50,000.00)
Roof - one building (smaller)	(350,000.00)
MR Estimate for FYE 9/30/20	43,586.00
<b>FY 20-21</b>	
FY 20-21 MR Contributions	400,000.00
Sprinkler Improvements	(110,000.00)
Roof - other building (larger)	(450,000.00)
MR Estimate for FYE 9/30/21	(116,414.00)
<b>Other Major Projects Funded via Operating Budget</b>	
Building Painting	(200,000.00)

Recommended Reserve Balance - \$805,241 to \$1,969,406 (cash flow vs. component) calculation.

DECK PROJECT

Summary of Current Status:

- # of Outstanding Deck Assessments: 15
- % of Total Assessments Outstanding: 9.4%
- 3 related liens
- 2 lawsuits in progress

	Deck Project				
Owners	Count	Assess.	Int.	Amt Paid	Bal. Due
Paid in full	78	\$1,338,954			
Monthly pymts	11	\$225,812	\$25,958	\$152,415	\$99,355
Partial Pymts	1	\$19,048	\$2,179	\$13,560	\$7,667
Unresponsive	3	\$44,688	\$10,894	\$10,190	\$45,392
<b>Totals</b>	<b>93</b>	<b>\$1,628,502</b>	<b>\$39,031</b>	<b>\$177,155</b>	<b>\$152,414</b>

With all votes in favor, the 2019-2020 proposed, Board-adopted budget was ratified by the ownership.

**MAINTENANCE UPDATE**

A maintenance update was provided by Mrs. McNeely:

2019 Fiscal Year High Priority Maintenance Completions:

- North Building Sprinkler Line Break repairs
- Nitrogen Generator
- Garage Door Replacement
- Lobby Furniture & TV Replacement
- Elevator Siding Painting (Eastern Elevation Ongoing)
- Lobby Staining
- 30 units in Fireplace conversion project
- Garage Sweeper
- Garage Block Wall

2019/2020 Under Review Maintenance Plans:

- Upgrading all fireplaces in the facility to electronic ignition – no pilot light
- Bulk HVAC Replacement Project
- Replace stairwell carpet for all stairwells
- Continue exterior siding repairs and replacement - caulking and painting
- Replace north laundry room linoleum
- Relocate commercial tenant cooling equipment in garage – heat buildup
- Saflok (electronic key card reader) Replacements
- Common Area Update (Paint, Wallpaper, Woodwork, Carpet, Furnishings)

Adjournment

With no further business, Mr. Copland made a motion to adjourn the meeting at 12:08 pm. Mr. Elvin seconded the motion and the meeting was adjourned.