

Fairway Springs Ski & Golf Owners Association

Annual Meeting

March 7th 2024
3:00 pm MST
Zoom

Agenda

1. Quorum Verification, Call to Order, Meeting Procedures
2. Welcome & Introductions
3. Approval of 2023 Annual Meeting Minutes
4. President's Report
5. Financial Review:
 - 2023 Year-end Financials
 - Reserve Study Summary
 - 2024 Budget
6. Management Company Report
7. Presentation of Board Candidates and Election
8. Owner Comments
9. Adjournment

Quorum Verification, Call to Order, Meeting Procedures

Quorum Verification

- Determine if greater than 25% of total voting interest is present or represented via proxy as required to conduct Association business.
- If quorum is not attained, the meeting will be re-scheduled to a date 5-30 days in the future.

Call to Order

Meeting Procedures

- Owners will be invited to speak at specific sections of the meeting. Please remain on mute unless speaking.
- Voting will be conducted using the Zoom Polling feature. Please do not vote more than once per unit owned. If two owners are on the Zoom, please designate one owner to vote on behalf of the unit.
- If you are joining via phone or if you hold a proxy for another owner, email your vote to info@modelhoa.com and include the name and address of the owner you are representing as a proxy.

Welcome & Introductions



Board of Directors

Troy Dryer (President)

Steve Davis (Vice President)

Blake Winchell (Treasurer)

Erik Levin (Secretary)

Bob Ginnetti (Member-at-large)



Model HOA

Allyson Dickey - Owner & General Manager

Eyreka Smith - Community Manager

Patrick Murray - Capital Projects Manager

2023 Minutes Approval

2023 Annual Meeting Minutes - link [here](#) to the minutes from the 2023 annual meeting.

Voting:

- The ballot to approve the minutes will be via the Zoom polling feature so please log onto the Zoom videoconference to vote.
- If you are joining via phone, then please email your vote to Model HOA at info@modelhoa.com.
- If you have a proxy for another owner, please submit your proxy vote via email and include the address of the unit for which you have a proxy.

President's Report

President's Report with Troy Dryer



Financial Review - 2023 Balance Sheet

Balance Sheet as of 12/31/23

ASSETS

Operating	64,028
Reserve	150,114
CDs	201,351
Accounts Receivable	<u>(46,188)</u>
TOTAL ASSETS	369,305

LIABILITIES & EQUITY

Liabilities

Accounts Payable	<u>7,938</u>
Total Liabilities	7,938

Equity

Retained Earnings	346,920
Net Income	<u>14,446</u>
Total Equity	361,366

TOTAL LIABILITIES & EQUITY	369,305
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Financial Review - 2023 Budget vs. Actual

	Actual	Budget	Variance
OPERATING INCOME			
QUARTERLY DUES	447,828	447,829	(1)
CVMA DUES	69,397	42,706	26,691
LATE FEES & FINES	1,618		1,618
UTILITY CHARGEBACK (BLDG A)	4,857		4,857
INTEREST INCOME	74		74
TOTAL OPERATING INCOME	523,775	490,535	33,240
OPERATING EXPENSES			
BUILDINGS			
BUILDING MAINT. & REPAIR	28,873	18,000	10,873
WINDOW WASHING	10,000	10,000	-
FIRE SUPPRESSION	15,627	11,040	4,587
FIRE ALARM MONITORING - CONTRACT	4,070	3,960	110
GROUNDS			
SNOW REMOVAL - CONTRACT	7,400	6,125	1,275
SNOW REMOVAL - EXTRA	4,190	1,225	2,965
LANDSCAPING - CONTRACT	21,520	20,700	820
LANDSCAPING - EXTRA	6,076	7,000	(924)
IRRIGATION SYSTEM	3,855	3,395	460
TREE TREATMENTS - CONTRACT	5,480	5,480	-
PEST CONTROL	1,860	1,800	60
SEASONAL LIGHTING	4,168	4,000	168
MISC. GROUNDS MAINTENANCE	1,313	3,600	(2,287)
ROADS & DRIVEWAYS			
SNOW MELT SYSTEMS	1,038	8,000	(6,962)
UTILITIES			
GAS	21,993	13,500	8,493
ELECTRIC	26,011	18,000	8,011
WATER	38,693	35,000	3,693
PROFESSIONAL FEES			
MANAGEMENT - CONTRACT	28,500	32,400	(3,900)
MANAGEMENT - EXTRA	639	1,500	(862)
TRASH CAN SERVICE	3,600		3,600
LEGAL		500	(500)
ACCOUNTING/TAX PREP	2,972	2,200	772
ADMINISTRATIVE			
WEBSITE/SOFTWARE	1,202	1,500	(298)
BANK FEES/NEW CHECKS	1,392	1,200	192
INSURANCE	24,621	25,000	(379)
CVMA DUES EXPENSE	69,397	42,706	26,691
FROSTWOOD MASTER DUES	30,444	30,954	(510)
MISC ADMINISTRATIVE	198		198
TOTAL OPERATING EXPENSES	365,132	308,785	56,347
NET OPERATING INCOME	158,643	181,750	(23,107)
<i>Transfer to reserve</i>	<i>(158,643)</i>	<i>(181,750)</i>	<i>23,107</i>

	Actual	Budget	Variance
RESERVE INCOME			
RESERVE CONTRIBUTION	158,643	181,750	(23,107)
REINVESTMENT FEE	36,738		36,738
RESERVE ACCOUNT INTEREST	1,914		1,914
TOTAL RESERVE INCOME	197,295	181,750	15,545
RESERVE EXPENSES			
CAPITAL PROJECTS MGMT.	6,188		6,188
SIDING REPLACEMENT	150		150
PAINTING/STAINING	118,700	125,000	(6,300)
STUCCO	655		655
DECK REPAIR/REPLACEMENT	1,839		1,839
RAILING REPLACEMENT	947		947
HEAT TAPE / GUTTERS	21,206	10,000	11,206
STRUCTURAL REPAIRS	12,769		12,769
ASPHALT	3,488	5,000	(1,513)
CONCRETE	170		170
LANDSCAPE IMPROVEMENTS	15,990	10,000	5,990
WATER FOUNTAIN & LINER	43		43
MAILBOXES	212		212
COMMUNITY SIGNAGE	493	500	(7)
TOTAL RESERVE EXPENSES	182,849	150,500	32,349
NET RESERVE INCOME	14,446	31,250	(16,804)
NET INCOME	14,446	31,250	(16,804)

Notes:

- 2023 net surplus of ~\$14K which was \$17K worse than budgeted driven by rooftop snow/ice dam removal, gas, electric.
- Reserve contribution of \$159K which was \$23K lower than budgeted.

Reserve Study Summary

Background:

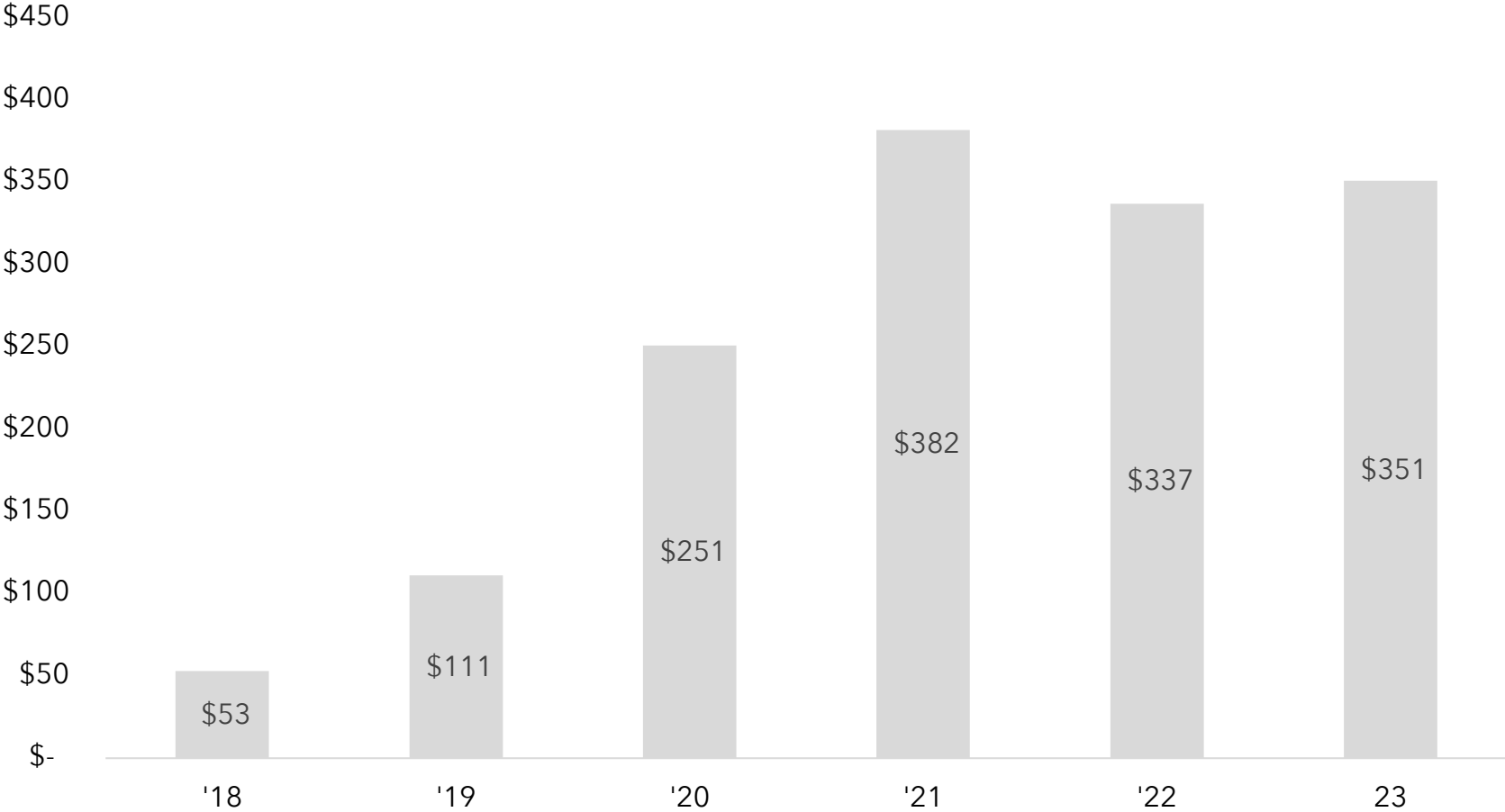
- The State of Utah requires HOAs to conduct a reserve study every 3 year years.
- Reserve studies analyze the capital assets of an HOA to 1) identify the assets, 2) estimate the useful life, 3) estimate the remaining useful life, 4) estimate the replacement cost, 5) calculate the necessary funds needed to cover those expenses over a 30-year time period, 6) recommend the annual reserve “contribution” needed to cover those expenses.
- Funding levels range from 100% (i.e., enough money “in the bank” to cover future expenses at the end of each component’s useful life) to 0% funded (i.e., expenses each year are covered by the dues and/or special assessment).

Reserve Study Summary:

- Link to reserve study [here](#)
- Reserve funding strategy to meet minimum funding requirements to meet anticipated future replacement costs.
- Budgeted 2024 reserve contribution = \$100Kk

Reserve Funding Status

Reserve Account Balance (in '000s)



Financial Review - 2024 Budget

	2023 Budget	2024 Budget		2023 Budget	2024 Budget
OPERATING			RESERVE		
Income - Operating			Income - Reserve		
Quarterly Operating Dues - Fairway Springs	\$ 235,925	\$ 256,620	Quarterly Dues - Reserve	\$ 181,750	\$ 101,558
Quarterly Dues - Frostwood Master	\$ 30,954	\$ 25,592	Reinvestment Fees	\$ -	\$ -
Quarterly Dues - CVMA	\$ 42,706	\$ 106,765	Interest Income	\$ -	\$ -
Late Fees & Fines	\$ -	\$ -	Total Income - Reserve	\$ 181,750	\$ 101,558
Utility Chargebacks (Building A)	\$ -	\$ -	Expenses - Reserve		
Operating Account Interest	\$ -	\$ -	Capital - Building		
Special Assessments	\$ -	\$ -	Roof Replacements	\$ -	\$ -
Total Income - Operating	\$ 309,585	\$ 388,976	Siding	\$ -	\$ 1,000
Expenses - Operating			Paint/Stain	\$ 125,000	\$ -
Buildings			Stucco	\$ -	\$ 1,000
Building Maintenance & Repairs	\$ 18,000	\$ 22,000	Decks	\$ -	\$ 2,000
Window Washing	\$ 10,000	\$ 10,000	Railings	\$ -	\$ 1,000
Fire Suppression System Maint. & Repair	\$ 11,040	\$ 10,500	Garage Doors	\$ -	\$ -
Fire Alarm Monitoring - Contract	\$ 3,960	\$ 3,960	Gutters / Heat Cable	\$ 10,000	\$ 10,000
Grounds			Structural Repairs	\$ -	\$ -
Snow Removal - Contract	\$ 6,125	\$ 6,375	Roads & Driveways		
Snow Removal - Extra	\$ 1,225	\$ 1,275	Asphalt	\$ 5,000	\$ 5,000
Landscaping - Contract	\$ 20,700	\$ 24,415	Concrete Driveways & Cub/Gutter	\$ -	\$ -
Landscaping - Extra	\$ 7,000	\$ 5,000	Boiler Replacement	\$ -	\$ -
Mulch	\$ -	\$ -	Grounds & General Community		
Irrigation Sytem	\$ 3,395	\$ 3,395	Landscape Improvements	\$ 10,000	\$ -
Tree Treatments - Contract	\$ 5,480	\$ -	Retaining Wall Repairs	\$ -	\$ -
Pest Control - Contract	\$ 1,800	\$ 1,800	Water Fountain and Liner	\$ -	\$ 500
Seasonal Lighting	\$ 4,000	\$ 4,000	Mailboxes	\$ -	\$ 250
Grounds Maintenance Other	\$ 3,600	\$ 3,300	Community Signage	\$ -	\$ 500
Roads & Driveways			Other	\$ -	\$ -
Snow Melt System Maint & Repair	\$ 8,000	\$ 5,000	Capital Projects Management Fee	\$ -	\$ 1,913
Utilities			Total Expenses - Reserve	\$ 150,000	\$ 21,250
Gas	\$ 13,500	\$ 15,000	Net Reserve Surplus / (Deficit)		
Electricity	\$ 18,000	\$ 25,000		\$ 31,750	\$ 80,308
Water	\$ 35,000	\$ 35,000	NET PROFIT / (LOSS)		
Professional Fees				\$ 31,750	\$ 80,308
Management - Base Contract Fees	\$ 32,400	\$ 37,200			
Management - Extra	\$ 1,500	\$ 1,000			
Legal	\$ 500	\$ 500			
Accounting / Tax Prep	\$ 2,200	\$ 3,000			
Reserve Study	\$ -	\$ -			
Trash Can Service	\$ -	\$ 10,800			
Administrative					
Website/Software	\$ 1,500	\$ 1,200			
Quickbooks Online Payment Fees	\$ 1,200	\$ 1,400			
Insurance	\$ 25,000	\$ 25,000			
Misc Admin	\$ 800	\$ 500			
Subtotal Expenses - Operating	\$ 235,925	\$ 256,620			
Master Association Dues					
Frostwood Master Dues	\$ 30,954	\$ 25,592			
CVMA Dues	\$ 42,706	\$ 106,765			
Subtotal Expenses - Master Association	\$ 73,660	\$ 132,357			
Net Operating Surplus / (Deficit)	\$ (0)	\$ -			

Notes:

- 2023 budget anticipates a net surplus of \$80K which includes a budgeted reserve contribution of ~\$100K.
- No large capital projects planned for 2024.

Management Update

Projects completed in 2023:

- Exterior staining of buildings: A, B, C, H & J
- Roof, heat cable, gutter repairs after the epic 22-23 winter
- Landscaping gravel refresh

Challenges:

- Large amounts of snowfall resulting in ice dams / roof leaks
- Issues with heated driveways (age of boilers for some driveways)
- Continued cost pressure for services in Park City

Reminders:

- Weekly property checks
- Please keep decks shoveled and clear of snow
- Keep your thermostat set to at least 50 degrees to prevent frozen pipes
- Park in garages or in overflow parking areas (move daily for snow removal)
- Report any issues to the ticketing system via help.modelhoa.com

HOA vs. Owner Responsibility

HOA:

- Building exteriors (roofs, siding, fascia, trim, garage doors, gutters, heat tape, decks) except damage due to owner neglect or misconduct
- Fire suppression system
- Landscape maintenance
- Snow removal from guest parking
- Driveways
- Annual gutter cleaning
- Window cleaning
- Building interior damage exceeding \$25,000 (excluding personal property)

Owner:

- Snow removal from decks
- Windows, sliders
- Exterior modifications by current or previous owners
- All interior components and personal contents
- Building interior damage up to \$25,000, regardless of cause (owners should purchase Coverage A on their homeowners insurance HO6 policies to cover this deductible in the event of a loss)

Board Election

- Board members serve two-year terms
- The Board appointed Blake Winchell to fill the remainder of Sandy Brumley's term upon Sandy's vacated seat
- Three seats up for election: Bob Ginnetti, Erik Levin, Blake Winchell
- Nominations from the floor
- Candidate statements: John McGuire, Erik Levin & Blake Winchell
- The Board election ballot will be via the Zoom anonymous polling feature so please log onto the Zoom videoconference to vote. If you are joining via phone or if you have a proxy, then please email your vote to Model HOA at info@modelhoa.com.

Candidate Statements

Erik Levin: Erik has over 15 years as an executive in the Association management and real estate industry. Skilled in Negotiation, Budgeting, Operations Management, Customer Service, and Strategic Planning. He holds professional designations in the association management career field of Professional Community Association Manager, (PCAM) and Association Management Specialist, (AMS) awarded by the Community Associations Institute, and Certified Manager of Community Associations, (CMCA) awarded by the Community Association Managers International Certification Board (CAMICB). Erik graduated Cum Laude, Bachelor of Science in Business Administration focused in Management from University of Florida.

John McGuire: As an avid outdoor enthusiast, my primary passion is skiing in addition to hunting, fishing, and biking. This passion for skiing and coaching my daughters alpine race team throughout high school, led me to become actively involved in our local ski area and serving as a board member for the 501C nonprofit for over 12 years. My wife and I own a technology company and as I am now retired, I have been afforded the time to serve my community. Although we still enjoy our home in Minnesota during the summer months, our love for the Park City area brought us to our current home in Fairway Springs, where we spend 6 months of the year and have made Utah our permanent residency.

Blake Winchell: Blake is a Texan who came to Park City in 2021 via New England and California with his wife Lou Ann. We own the 'double-wide' (thanks, Troy!) units C2 and 3. While we are not quite full time, we spend more time in Park City than anywhere else we wander, so for us it's home. We love all things outdoors and when I'm not fishing, hiking, golfing, shooting or biking, I manage a Venture Capital fund, Partner Ventures.

Owner Comments

- Owners wishing to speak or ask questions will be given up to 5 minutes each.



Adjournment

Thanks for coming!