

Rio Del Sol
Special Meeting Minutes
March 23, 2021

The Special Meeting was called to order @ 10:02 AM. In attendance were Board Members Greg Befort, Rita Jackson, Neal Anthony and Darryl Migdol via telephone. Also present was Trudy Nelson.

The first Item of the Special Meeting was discussion and vote to elect the Secretary. Rita Jackson stated an email was sent to all members regarding the open position, asking anyone interested to submit an application. They received one application from Trudy Nelson. Greg Befort made a motion & Neal Anthony seconded. Vote 4-0.

The second item of the Special Meeting was Review and approval of March 5th Special Meeting Minutes. Rita Jackson stated there was one correction to the minutes adding Randy Frederick's last name. Greg Befort made a motion. Rita Jackson seconded. Vote 5-0.

The third item of the Special Meeting was review and approval of the 2019 audit conducted by Carole Coleman, CPA. Greg Befort discussed two particular items. Item #3 regarding Future Major Repairs and Replacements. A reserve study has not been done by the board of directors. This will be addressed further down on the agenda. Item #6 addresses the need to release Ratliff painting from their contract. Greg Befort will send an email to them today to complete the release. Rita Jackson questioned whether there is a prepayment penalty on the current loan for painting. Darryl Migdol stated that he did not believe there was, but that the contract should be reviewed to determine. Greg Befort made a motion to approve the auditor's report with the caveat of the items mentioned being addressed, seconded by Neal Anthony. Vote 5-0.

The fourth item of the Special Meeting was discussion and possible action regarding property management replacement and the transition process. To date the board has meet with three potential Association Management candidates. Patti Mentch from Integrity Property, Todd from Mad Viking Property Management and Maya Perez Property Management were interviewed. Integrity Management has bowed out due to their current workload. The board of directors feel Todd from Mad Viking has the most experience and knowledge to manage this commercial property. With the hiring of Mad Viking Management, consolidation of association management and janitorial duties will add a significant savings to RDS monthly. Greg Befort made a motion to offer the contract to Mad Viking Management and to notify current property manager, Amy Telnes, of the transition to get this process started. The current property

manager will also sever the custodial contract with Jerry Burton, giving him a two-week notice. Seconded by Rita Jackson, Vote 5-0.

The fifth item of the Special Meeting was discussion and possible action regarding the Ratliff paint contract. Neal Anthony stated he had contact with Breezy from Ratliff Painting. She would like to cancel the contract with RDS. Greg Befort made a motion to sever the contract with Ratliff painting per the attorney's recommendation. Property Manager will direct our attorney to write a letter to Ratliff's attorney that the association agrees to void the contract. Seconded by Trudy Nelson. Vote 5-0.

The sixth item of the Special Meeting is the reserve study update. The Board Members met with Stephanie Mueller from Reserve Advisors. She has received all historical information and financial history from current property manager, Amy Telnes. She anticipates she will have the first draft of the study completed and to us by the end of the first week in April.

The seventh item of the Special Meeting is the Treasurer's report on cost and availability of quarterly audits. Neal Anthony added as of now he has not had any response from Carol Coleman, CPA regarding the quarterly audits. Neal Anthony stated his accountant has agreed to do the quarterly audit at a cost to be determined pending the amount of transactions. Rita Jackson suggested that the quarterly audits and annual audits be done by separate CPAs for checks & balances. The board has put the Accounts Payable and Accounts Receivable transactions back in the Treasurers hands. The board discussed signatories for the association checking.

The eighth item of the Special Meeting is New Items. Darryl Migdol expressed concerns with the difference of bids from Give Back Painting. Neal Anthony will clarify costs and expectations with Randy from Give Back Painting. Ghaster Painting & Coating visited the facility and will submit a bid.

The last new item addressed was the reserve study. Greg Befort expressed the necessity of producing a strategic palatable presentation to the association and owners regarding probable assessments.

ACTION: With there being no further business, Greg Befort made a motion to adjourn the Special Meeting. Neal Anthony seconded. Vote 5-0.

Meeting Adjourned

RECONVENED @ 10:52 AM to address the signatories on the RDSHOA bank account. Greg Befort made a motion that the President, Treasurer and Secretary be signatories on the bank account also requiring two signatures on any checks over the amount of \$5,000. Seconded by Rita Jackson. Vote 5-0.

ACTION: With there being no further business, Greg Befort made a motion to adjourn. Trudy Nelson seconded. Vote 5-0

Meeting Adjourned

Trudy Nelson

Secretary