# ROYAL ST. ANDREW ASSOCIATION, INC.
## Board of Directors Meeting – In Person & Zoom Conference
## Thursday, February 20, 2025

## Minutes

Annual Meeting:

Call to Order by Manager Steve Mannik at 6:02pm

Board Members Present: President, Tom Dudar; Vice President, Mark Rosenfeld; Board Member, Justin Barnes, and Property Manager Steve Mannik.

President Tom Dudar appointed Steve Mannik the chairperson for the annual meeting.

**Introduction of Tellers**: Steve introduced tellers, owner Erika Joaquim, and owner Terry McDonald.

**Quorum Established** – Steve said there were 42 proxies submitted prior to the meeting starting so there is a quorum established.

**Confirmation of Proper Meeting Notice** – Steve Mannik confirmed the first (60-day) meeting notice went out to owners on Friday January 20, 2025, and the second (14-day) notice went out on February 6, 2025. Also on February 6, 2025 a notice of the special assessment discussion was sent out along with details of the special assessment. meeting the required notice, and all was posted in the mail room.

**Report of Officers**: There were none.

**Committee Reports**: There were none.

**Board Member Election**: Steve noted that there was no need for a board member election this year because there were 2 open positions and 2 candidates to fill those positions. The 2 candidates are the same board members whose terms are expiring (Bahr Mahoney, Mark Rosenfeld) so the board members will remain the same.

Board member Tom Dudar made a motion to keep the board member positions the same as in the past year. Justin seconded the motion, all were in favor.

**Proxy Votes:**

<u>Question #1</u>
Should the members waive the statutory year-end financial reporting requirement for an audit and permit the Board to present the year-end financial statements in a reviewed format for the fiscal year, **01/01/25 - 12/31/25**? The cost associated with this needs to be planned for in the

2026 Budget. The Board needs to know which expense to budget for in 2026. A Financial Review costs around $3,000 and an Audit $5,000.

Yes: 26 No: 16

Question #2

Do you give your permission to borrow funds from the Reserve account to pay for the 2025 Association insurance policies in full to save the cost of financing payments over the course of the year? This would save over $10,000 in interest payments. The borrowed funds will be reimbursed from the operational account as quarterly payments are received.

Yes: 42 No: 0

**Special Assessment**

A spreadsheet (attached) showing the first approved special assessment #1, the special assessment #2 to be discussed, and assessment #3 estimates were displayed on the screen. Steve went through the projects in Assessment #2 which are the Carport project, Concrete spalling repairs, and items from the Reserve Budget (Common HVAC, Stairwell handrail painting, hallway furnishings, generator replacement). Steve noted the board had said they would establish special assessment amounts based on solid estimates and there are a couple of projects (Paving/Drainage and Decorative Block) that we do not have good numbers for yet, so they were moved out to a third special assessment to be done in the future.

There was discussion about the projects, the project manager, and the timeline for when the money is needed. There was some discussion on financing or allowing multiple payments, and it was noted that this was all discussed during the first special assessment meeting, and it was decided that it was not a good idea for the association to be involved in any financing but always an option for individual owners. There was additional discussion on the need for future special assessments to keep up the property.

Steve noted that the board treasurer, Bahr, had requested this second assessment have a 60-day payment window which would make it due on April 21, 2025.

Motion: Justin made a motion to approve the special assessment in the amount of $1,090,442 with a due date of April 21, 2025. Tom second, all board members present were in favor.

Steve said he will send owners individuals their special assessment invoices once RealManage has them loaded into the system. In the meantime, a breakdown by unit is on the Owner's page of the RSA website.

Tom asked if there were any other questions.

There was some discussion on the new AC preventive maintenance program, water heater replacement, the roof project, and the generator replacement.

Adjournment: Tom made a motion to adjourn, Mark second, all were in favor. The meeting adjourned at 7:27 PM.

Respectfully submitted, Approved:

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Steve Mannik, Manager

**Assessment #1 - Approved at Board Meeting on June 25, 2024**

| Project | Est Cost | Reserves | Assessment | Notes |
|---|---|---|---|---|
| Elevators | 780,000 | 169,333 | 610,667 | TKE $646k + $47k Interior Cabs + $17k Doghouse + Contingency $70k = $780k |
| Project Manager | 46,800 | | 46,800 | Based on 6% of Elevator MOD Cost |
| Roof | 400,000 | 140,000 | 260,000 | Sutter Bid $364k + Contingency $36k = $400k |
| Subtotal | 1,226,800 | 309,333 | **917,467** | |

**Assessment #2 - Approved at Annual Meeting on February 20, 2025**

| | | | | |
|---|---|---|---|---|
| Carport | 874,212 | 254,650 | 619,562 | $718,885 + $11,550 Demo + Contingency |
| Project Manager - Carport | 52,453 | | 52,453 | 6% of Carport |
| Attorney - Carport | 10,928 | | 10,928 | 1.25% of Carport |
| Concrete Spalling | 140,000 | | 140,000 | |
| Reserves | 267,500 | | 267,500 | HVAC Roof, Stairwell Handrail, Hallway Furnishings, Generator |
| Subtotal | 1,345,092 | 254,650 | **1,090,442** | |

**Assessment #3**

| | | | | |
|---|---|---|---|---|
| Paving/Drainage | 300,000 | 49,000 | 251,000 | Estimate $120k + 150k Drainage + Contingency $30k = $300k |
| Decorative Block | 700,000 | 100,000 | 600,000 | $625k Estimate + Contingency $75k = $700k |
| Engineering | 50,000 | | 50,000 | Cavoli Civil Engineering + $35k to TT |
| Project Manager | 60,900 | | 60,900 | Based on 6% of Carport, Paving/Drainage, Decorative Block, and Engineering (less TT Phase I expense) |
| Attorney | 15,000 | | 15,000 | Estimate |
| Insurance Claim | | 66,000 | -66,000 | Ian Claim Payments Received; Reduces assessment amount. |
| Subtotal | 1,125,900 | 215,000 | **910,900** | |
| | | | | |
| **Total** | 3,697,792 | 778,983 | **2,918,809** | |