

JULY 2024

ASSOCIATION
BUSINESS

Table of Contents

Budget Ratification Membership Meeting Report

B.O.D. Motions

Summary of Operations

B.O.D. Meetings Schedule

BUDGET RATIFICATION MEMBERSHIP MEETING REPORT

2024-2025 Budget Ratification Membership Meeting – May 31, 2024 – 9:00 a.m.

Per Nevada State Law unless a majority of all owners, or 3,891 Owners, cast a “No” vote in person or by valid proxy, the budget passes.

Announcement by Dick Clark, Board Vice President, that the 2024-2025 Budget has been ratified. Total “NO” votes including in person ballots and proxies was 35. This is 3,856 under the required number needed. The 2024-2025 budget has been ratified.

B.O.D. MOTIONS

Sun City Summerlin Community Association, Inc. Meeting of the Executive Board of Directors

Owner Attendance was in person, by Zoom and teleconference. June 11, 2024

MOTIONS

Board Members in Attendance in person: Jeff Rorick, Dick Clark, Ellen Bachman, Gerry Sokolski, Judy Williams, Erik Braun, Steve Commander, Lynn Kasner Morgan, Kenneth Resnik (arrived at the meeting at 9:03 am)

Board Members in Attendance by Zoom:
None

Board Members Absent: None

Board Member Kenneth Resnik was not in attendance to vote on the first item on the agenda.

Acceptance of June 11, 2024, Executive Board of Directors Meeting Agenda

MOTION by Dick Clark to **accept** the Agenda for the June 11, 2024, meeting of the Executive Board of Directors as **presented**.

SECOND by Lynn Kasner Morgan
UNANIMOUSLY APPROVED

Board Member Kenneth Resnik was in attendance to vote on the second item on the agenda and all agenda items for the remainder of the meeting.

B.O.D. MOTIONS

Acceptance of the Executive Board of Directors Meeting Minutes from the May 14, 2024, Board Meeting

MOTION by Jeff Rorick to **approve** the Minutes from the May 14, 2024, meeting of the Executive Board of Directors as **presented**.

SECOND by Judy Williams

MOTION PASSED 8-0-1, Steve Commander Abstained

CONSENT CALENDAR

MOTION by Dick Clark that there being no objection to **approving** items **A through G** as presented on the Consent Calendar that these items be adopted and the full text of the resolutions, reports or recommendations contained, be recorded in the Minutes of this meeting.

SECOND by Jeff Rorick

MOTION PASSED 8-0-1, Steve Commander Abstained

VI. UNFINISHED BUSINESS

A. Removal of vehicles improperly parked or abandoned on Association Owned Property – Quality Towing Contract

MOTION by Jeff Rorick to **accept** the contract from Quality Towing to post required signage with wording that is required and compliant with NRS 116.3102 and NRS 487.038 in all Association owned parking lots. The cost and installation of the signs will be provided by Quality Towing. All costs for services for vehicle towing provided by Quality Towing to its secure storage lot will be the responsibility of the vehicle owner/agent and paid directly

to Quality Towing, with no expense charged to the Association.

SECOND by Kenneth Resnik

UNANIMOUSLY APPROVED

VII. NEW BUSINESS

A. Financial Statement

Acceptance—Previously Distributed to the SCSCAI Board of Directors and posted on the webpage at suncitysummerlin.com

MOTION by Gerry Sokolski to **accept** the recommendation from the Finance Committee from their meeting on May 30, 2024, to accept the previously distributed March 31, 2024, Financial Statement without comments, subject to audit, and to acknowledge that pursuant to NRS 116.31083 (7) the Board of Directors have been given the opportunity to review the financial information listed in NRS 116.31083 (7) (a thru e).

SECOND by Ellen Bachman

UNANIMOUSLY APPROVED

B. D&O Insurance Renewal

MOTION by Gerry Sokolski to **accept** the recommendation from the Finance Committee from their meeting on May 30, 2024, the approval of Ironshore Indemnity, Inc. renewal proposal, provided by Risk Placement Services, Inc., for Directors & Officers Liability (including Employment Practices Liability) and Fiduciary Liability Insurance, to be effective July 01, 2024, at the proposed annual premium of \$87,700.00. This is an Operating Expense, budgeted at \$98,332.00 for the fiscal year ending, June 30, 2025, and will be under budget by \$10,632.00.

SECOND by Ellen Bachman

UNANIMOUSLY APPROVED

C. Fiscal Year Ending June 30, 2024,

Audit and Income Tax Return

Engagement

MOTION by Gerry Sokolski to **accept** the recommendation from the Finance Committee from their meeting on May 30, 2024, RubinBrown's Audit Engagement Letter for the fiscal year ending June 30, 2024, and preparation of the U.S. Corporation Income Tax return for the fiscal year ending June 30, 2024. The fee for the audit services and tax services is \$60,500.00, with a notation that if unexpected circumstances are encountered during the engagement and additional fees are deemed necessary, the circumstances and fees will be discussed and agreed to before any additional fees are incurred. This is an Operating Expense, budgeted at \$60,000.00 for the fiscal year ending June 30, 2024, and will be over budget \$500.00.

SECOND by Ellen Bachman

UNANIMOUSLY APPROVED

D. Annual Uniform Agreement with Unifirst for Landscape Maintenance Department and Facility Maintenance Department

MOTION by Dick Clark to **accept** the recommendation from the Common Area Properties Committee from their meeting on May 21, 2024, the approval of the renewal of the annual agreement with Unifirst as a price per item agreement for the Landscape Maintenance and Facility Maintenance Departments as noted in the Unifirst Customer Service Agreement # 0317842 dated 04-18-2024 in an amount not to exceed \$40,000.00 to be paid as an Operating Expense for the fiscal year ending June 30, 2025. This is an Operating

Expense, budgeted at \$17,000.00 for the Landscape Maintenance Department and \$20,462.00 for the Facility Maintenance Departments for the fiscal year ending June 30, 2025, and will be under budget by a combined \$2,538.00. If hiring practices cause the amount to go above that, the disclosure will be made at a Common Area Properties Meeting and at a Board of Directors Meeting.

SECOND by Judy Williams

UNANIMOUSLY APPROVED

E. 202-2023.2024 – Greenbelt #7 – Sidewalk Repair

MOTION by Dick Clark to **accept** the recommendation from the Common Area Properties Committee from their meeting on May 21, 2024, that the 26 (twenty-six) 5'X5' concrete sidewalk panels at Greenbelt #7 be replaced by Titan Construction Services in the amount of \$14,200.00 including sales tax and labor. This is an Operating Expense.

SECOND by Ellen Bachman

UNANIMOUSLY APPROVED

F. Palm Valley #5 Lake – Lake Liner Replacement

MOTION by Dick Clark to **accept** the recommendation from the Common Area Properties Committee from their meeting on May 21, 2024, the quote from Conterra Inc. for the replacement of the lake liner for Palm Valley #5 Lake in the amount of \$152,411.00, including supplies, installation sales tax and delivery. The scope of work will be done in accordance with industry standards for lake lining construction. This

B.O.D. MOTIONS

expenditure was included in the 2023-2024 Reserve Fund Expense Budget in the amount of \$130,620.00 and will be over the budgeted amount for the fiscal year ending June 30, 2024, by \$21,791.00.

SECOND by Gerry Sokolski

UNANIMOUSLY APPROVED

G. Fitness – Preventative Maintenance

Contract – Provider Change

MOTION by Judy Williams to **accept** the recommendation from the Fitness Committee from their meeting on May 09, 2024, to enter into a contract with Silver State Assembly, LLC effective July 01, 2024, in the amount of \$1,200.00 a month, for preventative maintenance services on our gym equipment in all fitness centers. This is an Operating Expense and was budgeted at \$14,400.00 for the fiscal year ending June 30, 2025.

SECOND by Gerry Sokolski

UNANIMOUSLY APPROVED

H. Pickleball – Common Area Use Permit – December 7th and 8th, 2024

MOTION by Lynn Kasner Morgan to **approve** the request from the Sun City Summerlin Pickleball Chartered Club to host a resident and non-resident Pickleball Tournament on December 6th, 7th, and 8th, 2024, to benefit the Marine Corp Toys for Tots. Exclusive use of the Pickleball Courts only. No Tennis Courts will be used for this event. Banners will also be attached to the court fencing by SCSCAI maintenance staff and removed by SCSCAI maintenance staff and adherence by Sun City Pickleball

Chartered Club to the requirements set forth in the “Charter Club Common Area Use for Tournaments, Fund Raisers or Events with Participant or Attendees that Include Non-Residents” form.

SECOND by Judy Williams

UNANIMOUSLY APPROVED

J. Gas Floor Fryer Purchase – Summit Restaurant

MOTION by Jeff Rorick to **approve** the replacement at the Summit Restaurant of one (1) Gas Floor Fryer Model No. IFS-50 and two (2) sets of universal, grease resistant casters from Cresco Resco in the amount of \$1,940.82 including tax, delivery and a one-year parts and labor warranty. This is an unbudgeted Reserve expense for fiscal year ending June 30, 2024.

SECOND by Dick Clark

UNANIMOUSLY APPROVED

L. Stacie Coppens – Independent Contractor Agreement – Social Media

MOTION by Erik Braun to **approve** the Independent Contract with Stacie Coppens in the amount of \$1,263.92 per week, to perform the duties as described within the contract.

SECOND by Judy Williams

UNANIMOUSLY APPROVED

M. Pinnacle – Replacement of 5 (Five) HVAC Units

MOTION by Dick Clark to **approve** the recommendation from the Common Area Properties Committee from their meeting on May 21, 2024, the purchase of (5) five HVAC units at the Pinnacle Fitness Center Massage Hallway, Weight Room, and Multi-

Purpose Room. The Summit Restaurant Manager's Office and the Pinnacle Community Center Hallway from A Step Above in the amount of \$65,000.00, including the removal and disposal of the old HVAC units, installation of the new units, and crane services. The sales tax is included and there is no additional cost for freight/shipping. HVAC expenditures for the Association was approved in the 2023/2024 Reserve Fund Expenses Budget in the amount of \$180,000.00. The remaining balance after the purchase of the 5 (five) units for Pinnacle will be \$4,016.10.

SECOND Kenneth Resnik

UNANIMOUSLY APPROVED

N. Renewal of Annual Fire Inspection and Monitoring Agreements with Cosco Fire Protection

MOTION by Dick Clark to **approve** the recommendation from the Common Area Properties Committee from their meeting on May 21, 2024, the approval of the service agreements from Cosco for the Fire System Monitoring and Fire System Inspections at Desert Vista Fitness Center (Building A), Desert Vista Community Center (Building B), and Desert Vista Patrol Base (Building C) for \$3,565.00, Mountain Shadows Arts and Crafts Building and Community Standards Office for \$690.00, Mountain Shadows Fitness for \$690.00, Mountain Shadows Community Center for \$1,710.00, Pinnacle Community Center, Pinnacle Fitness, Pinnacle Arts and Crafts, Eagle

Crest Pro Shop and Summit Restaurant for \$7,145.00, and Sun Shadows for \$1,645.00 for a total of \$15,440.00 for all. This is an Operating Expense. For fiscal year ending June 30, 2025, the budget for Fire Inspection and monitoring for 2025 is \$4,800.00, and this line item will be over budget by \$10,640.00 for the year. Any repairs discovered in the inspections would not be included in the agreement and would be billed separately.

SECOND by Erik Braun

UNANIMOUSLY APPROVED

VIII. ADJOURNMENT

MOTION by Kenneth Resnik, that there being no further business to come before the Board of Directors, that the meeting be adjourned at 10:40 am.

SECOND by Erik Braun

UNANIMOUSLY APPROVED

SUMMARY OF OPERATIONS

Sun City Summerlin Community Association, Inc.

Consolidated Balance Sheet - Unaudited April 30, 2024

	Operating Fund	Reserve Fund	Consolidated Funds
ASSETS			
Cash and cash equivalents	4,388,116	3,340,380	7,728,496
Fixed income securities (Investments)	6,254,757	16,044,627	22,299,384
Interest receivable	21,069	78,517	99,586
Accounts receivable, net	4,750,156	-	4,750,156
Prepaid Expenses	792,575	-	792,575
Inventory	192,111	-	192,111
Interfund receivables (payables)	(117,724)	117,724	-
Fixed Assets	45,983,109	-	45,983,109
Deferred Tax Asset	330,780	3,416,911	3,747,691
Other Assets (includes ROU Assets)	189,419	-	189,419
TOTAL ASSETS	62,784,368	22,998,159	85,782,527
LIABILITIES & FUND BALANCES			
Accounts payable and accrued expenses	1,385,469	46,774	1,432,243
Lease Liabilities	24,419	-	24,419
Contract liabilities (revenue received in advance)	844,363	-	844,363
Contract liabilities (annual assessments) *	6,644,146	15,883,762	22,527,908
Contract liabilities (new cap assessments) *	204,653	-	204,653
Contract liabilities (NORA) *	-	106,485	106,485
TOTAL LIABILITIES	9,103,050	16,037,021	25,140,071
Accumulated other comprehensive loss	44,476	(498,993)	(454,517)
Fund Balances	53,636,842	7,460,131	61,096,973
TOTAL FUND BALANCES	53,681,318	6,961,138	60,642,456
TOTAL LIABILITIES & FUND BALANCES	62,784,368	22,998,159	85,782,527

* Note regarding contract liabilities for assessments:

Operating Fund annual assessments are recognized pro rata over each homeowner's annual billing cycle, New capital assessments in operations are recognized as expenses are incurred, NORA and Reserve Fund annual assessments are recognized as expenses are incurred.

Reserve Fund Calculation of Funding Level April 30, 2024

Cash and cash equivalents	3,340,380
Fixed income securities (Investments)	16,044,627
Interest receivable	78,517
Interfund receivables (payables)	117,724
(Less) Accounts payable and accrued expenses	(46,774)
	<u>19,534,474</u> **
Fully funded 06.30.24 per Reserve Study	40,374,145 **

** Notes regarding reserve study:

A new full reserve study was accepted by the Board 04.09.24. The current fund level does not account for potential current year projects that are still in motion that will have future cash outlays during this fiscal year. The presented funded amount is only based on the current balance sheet figures as of month end against the fiscal year ended fully funded reserve fund study amount. Please see reserve cash flow analysis contained in the full internal financial package for actual projections of year end fund levels.

SUMMARY OF OPERATIONS

Sun City Summerlin Community Association, Inc.

Summary of Operations - Operating Fund - Unaudited
For the Period from July 1, 2023 to June 30, 2024

	Current Month - April 2024			Fiscal Year To Date (July 2023 - June 2024)		
	Actual	Budget	Variance Favorable/ (Unfavorable)	Actual	Budget	Variance Favorable/ (Unfavorable)
OPERATING REVENUES						
Assessments - Operating	1,199,900	1,199,900	-	11,924,454	11,924,454	-
Assessments - New Capital	77,478	36,960	40,518	532,520	367,500	165,020
Golf courses and pro shops	670,587	546,010	124,577	4,602,657	4,181,105	421,552
Beverage Carts	17,196	15,900	1,296	129,384	114,275	15,109
Restaurants-Summit/Tavern	172,537	166,168	6,369	1,365,383	1,299,491	65,892
Restaurant-Millers Tavern (leased)	7,043	5,940	1,103	55,001	55,805	(804)
Newsletter/LINK	49,344	49,705	(361)	470,029	519,215	(49,186)
Interest Income	8,227	5,500	2,727	81,610	55,000	26,610
Other Income	146,982	105,443	41,539	1,109,817	1,004,513	105,304
TOTAL OPERATING REVENUES	2,349,294	2,131,526	217,768	20,270,855	19,521,358	749,497
OPERATING EXPENSES						
Golf course pro shops	188,745	193,033	4,288	1,707,316	1,805,329	98,013
Golf Course Maintenance	369,970	441,256	71,286	3,842,641	4,440,866	598,225
Beverage Carts	12,742	12,334	(408)	105,982	106,911	929
Restaurants-Summit/Tavern	262,265	205,669	(56,596)	2,091,793	1,842,241	(249,552)
Restaurants-Millers Tavern (leased)	3,593	2,490	(1,103)	25,512	24,905	(607)
Newsletter/LINK	61,123	56,840	(4,283)	587,414	583,779	(3,635)
Administration	295,580	287,058	(8,522)	2,792,821	2,873,185	80,364
Information Technology	31,391	38,709	7,318	342,619	387,210	44,591
Landscaping	174,527	191,119	16,592	1,756,467	1,896,987	140,520
Community Services	116,377	92,213	(24,164)	935,872	906,741	(29,131)
Facility Maintenance	352,586	332,296	(20,290)	3,464,636	3,341,466	(123,170)
Fitness	68,573	70,604	2,031	602,449	600,857	(1,592)
Patrol	5,622	5,765	143	67,268	73,865	6,597
Other Expenses	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	1,943,094	1,929,386	(13,708)	18,322,790	18,884,342	561,552
OPERATING SURPLUS/(DEFICIT)	406,200	202,140	204,060	1,948,065	637,016	1,311,049
G/(L) on Investments	-	-	-	667	-	667
G/(L) on Fixed Asset Disposals	-	-	-	407	-	407
Depreciation Expense	(229,732)	-	(229,732)	(2,157,892)	-	(2,157,892)
NET SURPLUS/(DEFICIT)	176,468	202,140	(25,672)	(208,753)	637,016	(845,769)

Summary of Operations - New Capital - Unaudited

	Current Month	Year to Date
Operating expenses	-	-
Fixed asset purchases	77,478	532,520
Total Expenditures	77,478	532,520
Interest and gain on investments	-	-
Earned Assessment revenue	77,478	532,520
Total Revenues	77,478	532,520

Summary of Operations - Reserves - Unaudited

	Current Month	Year to Date
Operating expenses	8,353	32,612
Fixed asset purchases	52,788	2,161,832
Total Expenditures	61,141	2,194,444
Interest and gain on investments	49,902	318,625
Earned NORA revenue	11,239	872,955
Earned Assessment revenue	-	1,002,864
Total Revenues	61,141	2,194,444

Supplemental Information

	Current YTD	Prior YTD	Change	
Home Sales	458	402	56	13.9%
NORA Refunds	3	11	(8)	-72.7%
NORA Collected, net of refunds	836,776	716,203	120,573	16.8%
Rounds of Golf Played	91,744	88,755	2,989	3.4%

For additional SCSCAI financial information, please log on to www.scsc.ai

B.O.D. MEETINGS SCHEDULE

Official Notice Board of Directors

January to December 2024 Meeting Schedule

All meetings held in person and via Zoom

Month	BOD Meetings
January	1/9/24
February	2/13/24 • 2/28/24* • 2/29/24**
March	3/12/24 (Evening)
April	4/9/24
May	5/14/24 • 5/31/24***
June	6/11/24
July	7/9/24
August	8/13/24 (Evening)
September	9/10/24
October	10/08/24
November	11/12/24
December	12/10/24

*Annual meeting Wednesday, 2/28/2024, at 8 a.m.

** Organizational Meeting Thursday, 2/29/2024 at 9 a.m.

*** **Budget Ratification Meeting Friday, 5/31/2024.**

All daytime meetings will be held at Starbright Theatre, at 9 a.m., unless noted otherwise. Executive Sessions are typically held after the Board Meetings; however, Executive Sessions are sometimes held during a recess of the Board Meeting for various reasons.

Evening Meetings: All evening meetings will be held at Starbright Theatre, at 6 p.m. Executive Sessions are typically held prior to any evening meeting(s).

Note: A resident has the right to:

- ◆ Have a copy of the minutes, a summary of the minutes or a recording of the meeting upon request (\$.10 per page and \$1.00 for the recording per meeting) (NRS116.31083). Copies of the minutes and recordings of recent Board meetings may be downloaded from the website without charge.
- ◆ Speak to the Executive Board, unless the Executive Board is meeting in Executive Session (NRS116.31085).
- ◆ The Agenda is posted on the Association bulletin boards and website on the Friday prior to the meeting.

Recordings of Board meetings will be made. The recordings will be kept for a period of ten years in the Administration's Executive Director's office in the Mountain Shadows Community Center.

Recordings, minutes or a summary of minutes will be available not more than 30 days after the meeting (NRS116.31083). Depending upon meeting schedules, on occasion, the minutes or summary of the minutes may be in draft form.

All scheduled Board of Director meetings are held at Starbright Theatre and/or by Zoom. All scheduled Committee Meetings are held at Desert Vista Committee Room and/or by Zoom.

SCSCAI Board of Directors and Committee Meetings

The Board agenda is posted on the Administrative bulletin board, on the website, and in the community centers. Copies may be obtained in the Administration office on the Friday prior to the meeting. All meetings will be held at Desert Vista except where noted on the calendar. For updates, please visit www.suncitysummerlin.com

ARC	Architectural Review Committee
BOD	SCSCAI Board of Directors
CAP	Common Area Properties
CCOC	Clubs and Community Organizations Committee
HC	Hearing Committee
IT	Information Technology

SCSCAI Board and Committee Meetings Schedule

BOD	Tuesday, July 9	9 a.m. (SBT & Zoom)
Legal	Thurs., July 11	11 a.m. (DV & Zoom)
Fitness	Thurs., July 11	2:30 p.m. (DV & Zoom)
HC Closed Mtg.,	Mon., July 15	9 a.m. (DV)
CAP	Tues., July 16	9 a.m. (DV & Zoom)
ARC	Weds., July 17	9 a.m. (DV & Zoom)
Golf Oversight	Weds., July 17	2 p.m. (DV & Zoom)
CCOC	Thurs., July 18	9:30 a.m. (DV & Zoom)
IT	Tues., July 30	10:30 a.m. (DV & Zoom)
Finance	<i>No Meeting</i>	
Coffee w/Board	Fri., July 19	9:30 a.m. (DV & Zoom)