

B.O.D. MOTIONS

ASSOCIATION BUSINESS

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

Owner Attendance was in person, by Zoom and teleconference. August 08, 2023

MOTIONS

Board Members in Attendance in person: John Berthelsen, Jeff Rorick, Gerry Sokolski, Ellen Bachman, Kenneth Resnik, Leo Crawford, Judy Williams

Board Members in Attendance by Zoom: Steve Commander

Board Members Absent: Dick Clark

Acceptance of August 08, 2023, Executive Board of Directors Meeting Agenda

MOTION by John Berthelsen to **accept** the Agenda for the August 08, 2023, meeting of the Executive Board of Directors as **amended:** The removal of Roman Numeral VIII, New Business, Item K – Proposed Cell Tower Lease Renewal – American Tower site # 415899 – 9610 Del Webb Blvd. The addition of Roman Numeral VIII, New Business, Item S – NFL Package at the Summit Restaurant.

SECOND by Jeff Rorick
UNANIMOUSLY APPROVED

Acceptance of the Executive Board of Directors Meeting Minutes from the July 11, 2023, Board Meeting
MOTION by Jeff Rorick to **approve** the Minutes from the July 11, 2023, meeting of the Executive Board of Directors as **presented**.

SECOND by Gerry Sokolski
UNANIMOUSLY APPROVED

CONSENT CALENDAR

MOTION by John Berthelsen 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 Kenneth Resnik
UNANIMOUSLY APPROVED

UNFINISHED BUSINESS

NONE

NEW BUSINESS

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

No report for this month, the Finance Committee did not meet in the month of July.

Facilities Maintenance Department – Purchase of Two (2) Utility Carts

MOTION by John Berthelsen to **approve** the recommendation from the Common Area Properties Committee from their meeting on July 17, 2023, to approve the purchase of two (2) Utility Carts for the Facilities Maintenance Department from TSF Golf & Utility in the amount of \$35,849.80, including sales tax and delivery to be paid as a New Capital Expense. This item was budgeted for in the FY 2024 New Capital Budget in the amount of \$32,525.00 and will be over the budgeted amount by \$3,324.80. These vehicles will be added to the Reserve Study once purchased.

SECOND by Jeff Rorick

UNANIMOUSLY APPROVED

Highland Falls – Purchase of Two (2) Roll Up Doors for Cart Barn

MOTION by John Berthelsen to **approve** the recommendation from the Common Area Properties Committee from their meeting on July 17, 2023, to approve the purchase and installation of two (2) rollup doors for the Highland Falls Cart Barn from Husky Garage Doors in the amount of \$8,386.43, including labor to remove the old doors and install the new doors, sales tax, and delivery, to be paid as a New Capital Expense. The cart barn doors were not included in the current Reserve Study and were not budgeted for in the FY 2024 New Capital Budget and will cause the New Capital Budget to be over budget. The cart barn doors will be added to the Reserve Study once installed.

SECOND by Judy Williams

UNANIMOUSLY APPROVED

Proposed Rules & Regulations – from Legal Review Committee

MOTION by Kenneth Resnik that the Board of Directors approve and publish the revisions to the Sun City Summerlin Rules and Regulations as recommended by the Legal Review Committee from their meeting on July 19, 2023, as **amended in the blue line** as deemed expedient and within the authority outlined in the Bylaws and the CC&R's/Master Declaration are effective as of publication and distribution on September 30, 2023, to appear in the October 2023 Link Magazine.

SECOND by Ellen Bachman

UNANIMOUSLY APPROVED

NOTE: The Rules & Regulations will go into effect on November 01, 2023.

Miller's Tavern LLC – Lease Renewal

MOTION by John Berthelsen to **approve** allowing Miller's Tavern LLC to exercise the option to renew their current lease with Sun City Summerlin Community Association, Inc, a Nevada Non- Profit Corporation for five (5) additional years with an end date of October 15, 2028, per the renewal clause in the lease, even though the option to renew deadline has passed.

SECOND by Leo Crawford

MOTION PASSED – 7-1, Steve Commander

Fall Garage Sales – Friday, October 20, 2023 & Saturday, October 21, 2023

MOTION by Ellen Bachman to **approve** the proposed dates of the Fall Sun City Summerlin Community Garage Sales as Friday, October 20, 2023, and Saturday, October 21, 2023. Advertising to be done within Sun City Summerlin and an ad to be run in the Las Vegas Review Journal.

SECOND by Judy Williams
UNANIMOUSLY APPROVED

AARP Request for Room Use in Sun City Summerlin

MOTION by Ellen Bachman to **approve** the American Association of Retired People (AARP) Tax Aide to provide free tax preparation to senior citizens at the Mountain Shadows Community Center, in the Mint Room on Thursdays, Fridays and Saturdays from February 01, 2024, to April 13, 2024. On the days that the Mint Room is being used for tax preparation, all card and game use will be cancelled, except for Saturday evenings after 6pm. AARP will be responsible to provide all services and equipment needed to facilitate this program, with SCSCAI only providing, free of charge, the use of the Mint Room, restrooms, tables, chairs, storage for supplies and equipment and set up of the tables and chairs. All items in storage to be promptly removed by April 15, 2024.

SECOND by Kenneth Resnik
UNANIMOUSLY APPROVED

Permit Fees for the Community Standards, Ceramics and Sewing Room Expansion Project

MOTION by John Berthelsen to **approve** the permit fee for the Community Standards, Ceramics and Sewing Room Expansion Project. The permitting fees were unavailable at the time of the contract and are in the amount of \$2,998.00. This is a New Capital Expense that was not budgeted for and with the permit fees will take the project to \$37,498.00.

SECOND by Jeff Rorick
UNANIMOUSLY APPROVED

Summit Restaurant Remodel – Men's Restroom Lighting Fixture

MOTION by John Berthelsen to **approve** Option A as a change for the Summit Restaurant Remodel Men's Restroom Lighting Fixture. The fixture chosen as part on the original design is not currently available.

SECOND by Judy Williams
UNANIMOUSLY APPROVED

Sun City Night Out – Vendor Donation

MOTION by John Berthelsen to **approve** the Neighborhood Preparedness Team to request the Executive Office reach out to Association vendors for complimentary door prizes for the Sun City Night Out on September 29, 2023.

SECOND by Jeff Rorick
UNANIMOUSLY APPROVED

Golf Maintenance – Equipment Replacement – Price Increase

MOTION by Jeff Rorick to **approve** the price increase of \$26,456.23 for four (4) pieces of Golf Maintenance equipment:

- Fairway Mower for Highland Falls 25-22-002
- Rough Mower for Palm Valley 20-22-004
- Rough Mower for Eagle Crest 27-22-001
- Spray Rig for Eagle Crest 27-22-004

that were previously approved at the February 01, 2022, Board of Directors meeting. When the original bids were received the bid was for the 2022 model year, the next year model begins production in October so the equipment that Sun City Summerlin Community Association will now receive is the 2023 Model. Pricing is not guaranteed and the new pricing for the four (4) pieces of Golf Maintenance equipment with 2023 pricing is \$52,912.46 over combined. Stotz Equipment is offering to discount the price by 50% which is \$26,456.23 and brings the total for the purchase of these four (4) pieces of equipment to \$339,039.55.

SECOND by Gerry Sokolski
UNANIMOUSLY APPROVED

Eagle Crest Pump Repairs – Ratification

MOTION by Jeff Rorick to **ratify** the repair work required on Eagle Crest Pump #3 in the amount of \$9,714.21 for the replacement of the bearings, seals, and the shaft between the pump and the motor. The cost included the removal and replacement of the motor and hook and laser leveling of the pump. This was an emergency repair and was approved per the terms of the Executive Directors Spending Authority dated March 21, 2023. This repair was not budgeted for in the FY 2024 Reserve Budget.

SECOND by Kenneth Resnik
UNANIMOUSLY APPROVED

Operating Liquidity – Short-Term Treasury Opportunity

MOTION by Gerry Sokolski to **approve** the reinvestment of the \$2.5 million in a 3-month treasury that will mature on August 15, 2023, for an additional 3-month treasury with Wells Fargo.

SECOND by Jeff Rorick
UNANIMOUSLY APPROVED

Emergency Purchase of Freezer for Tavern at the Falls - Ratification

MOTION by Jeff Rorick to **ratify** the emergency freezer replacement at Tavern at the Falls in the amount of \$6,314.66. This purchase was not budgeted for in FY 2024. This item is listed in the Reserve Study to be replaced in the year 2030 at a cost of

\$9,000.00. This was an emergency replacement and was approved per the terms of the Executive Director's Spending Authority dated March 21, 2023.

SECOND by Ellen Bachman
UNANIMOUSLY APPROVED

Broiler Replacement – Tavern at the Falls – Ratification

MOTION by Jeff Rorick to **ratify** the emergency broiler replacement at Tavern at the Falls in the amount of \$4,416.50. This purchase was not budgeted for in FY 2024, however is listed in the Reserve Study for \$6,000.00 to be replaced in the FY 2025. This was an emergency replacement and was approved per the terms of the Executive Director's Spending Authority dated March 21, 2023.

SECOND by Judy William
UNANIMOUSLY APPROVED

Emergency Purchase of Fryer Replacement at Tavern at the Falls - Ratification

MOTION by Jeff Rorick to **ratify** the emergency fryer replacement at Tavern at the Falls in the amount of \$2,973.79 plus sales tax. This purchase was not budgeted for in FY 2024. This item is listed in the Reserve Budget for \$6,000.00 for two (2) fryers. This was an emergency replacement and was approved per the terms of the Executive Director's

Spending Authority dated March 21, 2023.

SECOND by Kenneth Resnik
UNANIMOUSLY APPROVED

NFL Package at the Summit Restaurant

MOTION by John Berthelsen to **deny** the renewal of the DirectTV NFL Package at The Summit Restaurant for the 2023-2024 season. This package would have been \$9,500.00 if we were to subscribe.

SECOND Gerry Sokolski
UNANIMOUSLY APPROVED

ADJOURNMENT:

MOTION by Kenneth Resnik, that there being no further business to come before the Board of Directors, that the meeting be adjourned at 6:45pm.

SECOND by Jeff Rorick
UNANIMOUSLY APPROVED

SUMMARY OF OPERATIONS

Sun City Summerlin Community Association, Inc.

Consolidated Balance Sheet - Unaudited June 30, 2023

| | Operating Fund | Reserve Fund | Consolidated Funds |
|--|-------------------|-------------------|--------------------|
| ASSETS | | | |
| Cash and cash equivalents | 3,414,082 | 4,059,940 | 7,474,022 |
| Fixed income securities (Investments) | 6,033,052 | 15,684,173 | 21,717,225 |
| Interest receivable | 18,321 | 61,335 | 79,656 |
| Accounts receivable, net | 4,902,230 | - | 4,902,230 |
| Prepaid Expenses | 821,443 | - | 821,443 |
| Inventory | 159,112 | - | 159,112 |
| Interfund receivables (payables) | (137,534) | 137,534 | - |
| Fixed Assets | 45,448,112 | - | 45,448,112 |
| Deferred Tax Asset | 337,048 | 3,453,688 | 3,790,736 |
| Other Assets | 167,250 | - | 167,250 |
| TOTAL ASSETS | 61,163,116 | 23,396,670 | 84,559,786 |
| LIABILITIES & FUND BALANCES | | | |
| Accounts payable and accrued expenses | 1,056,761 | 524,402 | 1,581,163 |
| Contract liabilities (revenue received in advance) | 714,924 | - | 714,924 |
| Contract liabilities (annual assessments) * | 7,174,455 | 15,931,126 | 23,105,581 |
| Contract liabilities (new cap assessments) * | 369,673 | - | 369,673 |
| Contract liabilities (NORA) * | - | 142,665 | 142,665 |
| TOTAL LIABILITIES | 9,315,813 | 16,598,193 | 25,914,006 |
| Accumulated other comprehensive loss | (116,567) | (757,656) | (874,223) |
| Fund Balances | 51,963,870 | 7,556,133 | 59,520,003 |
| TOTAL FUND BALANCES | 51,847,303 | 6,798,477 | 58,645,780 |
| TOTAL LIABILITIES & FUND BALANCES | 61,163,116 | 23,396,670 | 84,559,786 |

* 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 June 30, 2023

| | |
|--|-------------------|
| Cash and cash equivalents | 4,059,940 |
| Fixed income securities (Investments) | 15,684,173 |
| Interest receivable | 61,335 |
| Interfund receivables (payables) | 137,534 |
| (Less) Accounts payable and accrued expenses | (524,402) |
| | 19,418,580 |
| Fully Funded as of 6/30/2023 per Reserve Study ** | 21,139,801 |
| Current Percent Funded based on 6/30/2023 Fully Funded level ** | 91.9% |

** Notes regarding published reserve study:

The published reserve study was prepared for FYE 6/30/2020; therefore, due to recent high inflation rates the amount could be significantly understated. The Board has approved a full reserve study to be done to assure numbers are aligned to recent economic environments.

The Board in January 2023 approved transfer of prior year excess working capital in the amount of \$1.75 million to be moved into the Reserve Fund.

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

SUMMARY OF OPERATIONS

Sun City Summerlin Community Association, Inc.

Summary of Operations - Operating Fund - Unaudited
For the Period from July 1, 2022 to June 30, 2023

| | Current Month - June 2023 | | | Fiscal Year To Date (July 2022 - June 2023) | | |
|-------------------------------------|---------------------------|------------------|-----------------------------------|---|-------------------|-----------------------------------|
| | Actual | Budget | Variance Favorable/ (Unfavorable) | Actual | Budget | Variance Favorable/ (Unfavorable) |
| OPERATING REVENUES | | | | | | |
| Assessments - Operating | 1,184,041 | 1,184,041 | - | 13,066,151 | 13,066,151 | - |
| Assessments - New Capital | 19,758 | - | 19,758 | 424,872 | 110,678 | 314,194 |
| Golf courses and pro shops | 486,121 | 350,763 | 135,358 | 5,327,365 | 4,477,043 | 850,322 |
| Restaurants-Summit/Tavern | 152,313 | 95,550 | 56,763 | 1,778,626 | 1,429,820 | 348,806 |
| Restaurant-Millers Tavern (leased) | 3,839 | 3,575 | 264 | 52,239 | 51,010 | 1,229 |
| Newsletter/LINK | 22,781 | 45,812 | (23,031) | 562,265 | 572,650 | (10,385) |
| Interest Income | 6,894 | 5,000 | 1,894 | 116,309 | 60,000 | 56,309 |
| Other Income | 126,170 | 98,183 | 27,987 | 1,256,448 | 1,226,094 | 30,354 |
| TOTAL OPERATING REVENUES | 2,001,917 | 1,782,924 | 218,993 | 22,584,275 | 20,993,446 | 1,590,829 |
| OPERATING EXPENSES | | | | | | |
| Golf course pro shops | 171,727 | 169,590 | (2,137) | 1,953,024 | 2,000,661 | 47,637 |
| Golf Course Maintenance | 459,988 | 538,029 | 78,041 | 4,858,264 | 5,310,367 | 452,103 |
| Restaurants-Summit/Tavern | 224,844 | 157,047 | (67,797) | 2,498,312 | 2,042,417 | (455,895) |
| Restaurants-Millers Tavern (leased) | 1,589 | 1,325 | (264) | 25,239 | 24,010 | (1,229) |
| Newsletter/LINK | 53,782 | 50,616 | (3,166) | 637,698 | 621,613 | (16,085) |
| Administration | 267,919 | 271,394 | 3,475 | 3,178,736 | 3,310,741 | 132,005 |
| Information Technology | 33,082 | 33,587 | 505 | 366,487 | 403,881 | 37,394 |
| Landscaping | 188,424 | 205,526 | 17,102 | 2,017,750 | 2,248,047 | 230,297 |
| Community Services | 79,765 | 78,714 | (1,051) | 1,000,055 | 1,002,889 | 2,834 |
| Facility Maintenance | 303,608 | 259,849 | (43,759) | 3,492,890 | 3,121,627 | (371,263) |
| Fitness | 61,094 | 69,179 | 8,085 | 669,398 | 715,632 | 46,234 |
| Security | 6,627 | 5,423 | (1,204) | 80,884 | 80,883 | (1) |
| Other Expenses | - | - | - | - | - | - |
| TOTAL OPERATING EXPENSES | 1,852,449 | 1,840,279 | (12,170) | 20,778,737 | 20,882,768 | 104,031 |
| OPERATING SURPLUS/(DEFICIT) | 149,468 | (57,355) | 206,823 | 1,805,538 | 110,678 | 1,694,860 |
| G/(L) on Investments | - | - | - | 312 | - | 312 |
| G/(L) on Fixed Asset Disposals | - | - | - | 7,964 | - | 7,964 |
| Prior Year Payroll Tax Refund | - | - | - | 1,818,163 | - | 1,818,163 |
| Depreciation Expense | (206,174) | - | (206,174) | (2,485,500) | - | (2,485,500) |
| NET SURPLUS/(DEFICIT) | (56,706) | (57,355) | 649 | 1,146,477 | 110,678 | 1,035,799 |

Summary of Operations - New Capital - Unaudited

| | Current Month | Year to Date |
|----------------------------------|---------------|----------------|
| Operating expenses | - | - |
| Fixed asset purchases | 19,758 | 424,872 |
| Total Expenditures | 19,758 | 424,872 |
| Interest and gain on investments | - | - |
| Earned Assessment revenue | 19,758 | 424,872 |
| Total Revenues | 19,758 | 424,872 |

Summary of Operations - Reserves - Unaudited

| | Current Month | Year to Date |
|----------------------------------|----------------|------------------|
| Operating expenses | - | 29,030 |
| Fixed asset purchases | 623,915 | 2,486,906 |
| Total Expenditures | 623,915 | 2,515,936 |
| Interest and gain on investments | 28,483 | 300,869 |
| Earned NORA revenue | 595,432 | 2,215,067 |
| Earned Assessment revenue | - | - |
| Total Revenues | 623,915 | 2,515,936 |

Supplemental Information

| | Current YTD | Prior YTD | Change | |
|--------------------------------|-------------|-----------|-----------|--------|
| Home Sales | 543 | 841 | (298) | -35.4% |
| NORA Refunds | 13 | 23 | (10) | -43.5% |
| NORA Collected, net of refunds | 971,100 | 1,448,859 | (477,759) | -33.0% |
| Rounds of Golf Played | 111,105 | 114,513 | (3,408) | -3.0% |

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 2023 Meeting Schedule

All meetings held in person and via Zoom

| Month | BOD Meetings |
|-----------|--------------------------------|
| January | 1/10/23 |
| February | 2/14/23 • 2/22/23* • 2/23/23** |
| March | 3/14/23 (Evening) |
| April | 4/11/23 |
| May | 5/9/23 |
| June | 6/1/23 • 6/1/23*** |
| July | 7/11/23 |
| August | 8/8/23 (Evening) |
| September | 9/12/23 |
| October | 10/10/23 |
| November | 11/14/23 |
| December | 12/12/23 |

*Annual meeting Wednesday, 2/22/2023, at 8 a.m.

** Organizational Meeting Thursday, 2/23/2023

*** **Budget Ratification Meeting Thursday, 6/1/2023.**

Board meeting will commence after budget ratification.

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, Sept. 12 | 9 a.m. (SBT & Zoom) |
| ARC | Wednesday, Sept. 13 | 10 a.m. (DV & Zoom) |
| Fitness | Thursday, Sept. 14 | 2:30 p.m. (DV & Zoom) |
| HC | Closed Mtg., Sept. 18 | 9 a.m. (DV) |
| CAP | Tuesday, Sept. 19 | 9 a.m. (DV & Zoom) |
| Legal | Wednesday, Sept. 20 | 10 a.m. (DV & Zoom) |
| Golf Oversight | Wednesday, Sept. 20 | 2 p.m. (DV & Zoom) |
| CCOC | Thursday, Sept. 21 | 9:30 a.m. (DV & Zoom) |
| Finance | Thursday, Sept. 28 | 2:00 p.m. |
| IT | <i>No Meeting This Month</i> | |
| Coffee w/Board | Friday, Sept. 15 | 10:30 a.m. (DV & Zoom) |