

Sun Vail Condominium Association
Board Meeting Minutes
Wednesday, February 23, 2022, at 4:00PM MT
Via Zoom.us

BOARD MEMBERS PRESENT VIA VIDEO CONFERENCE CALL: Mike Block, Charles Croney, Sharie Grant, Bruce Johnson, and Brian Wilson

ALSO PRESENT VIA VIDEO CONFERENCE CALL: Dan McNeill, Managing Agent, Dave Zippie, CPA, Jamie McCluskie of Mac Design and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With all five Board members present by Zoom, a quorum was established. Dan McNeill called the meeting to order shortly after 4:00PM.

- II. Review and Approval of the Minutes of the December 15, 2021, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board within a week of the meeting. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE DECEMBER 15, 2021, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.

- III. Financial Review. Dave Zippie, CPA prepared and presented the current financials (December 31, 2021). According to the Balance Sheet, three months through the fiscal year the association has \$500,079 in total assets, liabilities and equity, including \$412,511 cash in the bank, \$18,564 in accounts receivable, \$16,927 in fixed assets and \$52,077 in prepaid expenses. As of the date of the meeting, there are six owners that owe for two or more quarters. Management has sent reminders to all.

The Income Statement reveals that the association currently a net surplus of \$2394 in the operating account. This compares to a budgeted surplus of \$4844 at this point in the year. Therefore, the association is \$2450 over budgeted expenses. Overages have been experienced in the line items of Cable TV and Maintenance Buildings (primarily due to recent leaks). Savings have been achieved in Insurance, Maintenance Pool and Roof Shoveling.

The 2021-22 fiscal year beginning balance in the Maintenance Capital Reserve Account was \$276,215. Funding through regular assessments totals \$13,500 so far, \$63,517 was

added from the 2020-21 fiscal year-end operating surplus, \$60,659 was added from the gain on the sale of Garage Unit 2 and \$10 in interest has been earned. 2021-22 capital expenses total \$19,917 so far and include \$11,665 to convert Garage Unit 1 from office space to a garage (owned by SVCA and now rented to a Sun Vail owner), \$4491 for roof consultant fees and \$3761 for landscaping upgrades. The ending balance in the Maintenance Capital Reserve Account is \$393,984. Another \$40,500 is slated to be contributed to reserves this fiscal year.

IV. Manager's Report. Mark Sauerman sent the following maintenance report to the Board via email prior to the meeting:

- I have already reported on the leak that affected Units 14-E, 24-E and 34-E. So far, the roof repairs have worked, and we have not seen any leaks since the repairs. Everything has been restored with the exception of the more major repairs in 24-E. These costly repairs (wood flooring and trim) should wait until after the roof is replaced in May / June. The owner's property manager agrees with me, and it is totally livable in the meantime.
- There was another leak in Building E. It appeared in the shower ceiling in Unit 23-E. Therefore, I thought it was a leak from the shower in Unit 33-E which is the unit above. However, after many hours of investigation, it was determined to be a leak from the roof. The next morning, we got on the roof and found that the leak was from an area around a pipe penetration. We temporarily patched it until the roofers could come for a more permanent repair. SteamMaster dried out the area and drywall repairs in the unit are done. There are still drywall repairs that will need to be done in the hallway upstairs; this will have to wait until warmer weather as they are in the cold exterior hallway.
- We did shovel all of the snow off of the roofs of Buildings D and E as a preventative measure in light of the two roof leaks already this year.
- Corey continues to service the pool and hot tubs 7 days a week. The hot tubs and pool have been getting plenty of use this winter. Myra continues to clean the bathroom and shower room 3 times a week.
- We have had another round of loader work since the last report to move back the piles of snow. We may need to have yet another round if we continue to see more snow.
- There are currently quite a few loose pavers on the stairs. I am hoping to have the appropriate weather next Wednesday to get these pavers back in place. The loose bricks are marked with cones, but more can come loose at any time. This is an ongoing issue.
- Trash on the property continues to be an issue and we do our best to keep up with it.
- I met with Johnson Controls a few times at the property to give us an idea of costs to update and replace the current fire / life / safety system.
- Unit 33-A is having an issue with their range; it has tripped their house breaker a few times. I instructed Vacasa to unplug the range and do not use it until it gets replaced.

- We recently involved the Vail police to remove an individual and his campervan and car from the parking lot. I noticed that he was living there, and he actually had a separate car that he was using to commute with.

Bruce asked Dan if drain line jetting was warranted more often than every three years given the fact that there have been recent back-ups and leaks. Dan explained that the most recent leaks were caused by roofing system failures and not from clogged drain lines.

Dan reviewed the Reserve Study with the Board. The Study identifies all of the common elements that the association is responsible to repair and replace, estimates a useful remaining life for each element and its cost for replacement. In this manner, the Board can effectively plan and budget for future capital projects.

The next large-scale capital project to be addressed will be roof replacement on Buildings D and E (spring / summer 2022). A comprehensive, professional landscape architect plan and a fire / life safety system evaluation have been completed and will appear on the next quarter's financial statements. Exterior painting, reworking of the fire / life / safety system and execution of the landscaping plan (including walkway and staircase replacement, irrigation system modifications, the replacement of landscape lighting, planting bed modifications and the installation of cobble borders around the structures) are all indicated in the Reserve Study in the next few years, totaling about \$800,000 in capital expenditures. In addition, asphalt mill and overlay is planned for 2027 and is currently estimated to cost \$300,000.

It was duly noted that funding for these capital projects will require one or more special assessments. The Declarations require a majority of the owners to approve any special assessments between \$300,000 and \$900,000. A special assessment of over \$900,000 requires consent of at least 67% of the owners.

The Board discussed future capital projects and agreed that they should be prioritized according to safety concerns. There was also consensus that protecting the integrity of the structures and that improving curb appeal are essential to maintaining and enhancing property values.

- V. Other Business. Dan then introduced Jamie McCluskie to the Board. Jamie presented his comprehensive landscaping plan (with the various elements noted above) and the Board had an opportunity to ask him questions and comment on the plan. Some of the modifications to the landscaping elements can be addressed as maintenance items through the operating budget. However, the replacement of the brick walkways along with the

timber and brick exterior staircases, the lighting project and irrigation system work are all fairly large-scale capital projects.

The Board asked Jamie to get costs for the walkways, staircases, lighting and irrigation system work so that they can present his plan and its associated costs to the owners prior to the Annual Meeting in August, and then discuss these projects at the meeting. The Board thanked Jamie for his presentation and his plan, and all agreed that the scope of work identified would be beneficial to safety and curb appeal.

The next Board Meeting is scheduled for Wednesday, April 27, 2022, at 4PM MT. The meeting will be held via Zoom.

The 2022 Annual Meeting was scheduled for Saturday August 20, 2022, at 1:00PM MT. The meeting will be held at Vail Public Library Community Room and via Zoom. A social gathering will be planned for homeowners in residence at the pool later than afternoon.

VI. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 5:20PM.

Respectfully submitted,

Secretary to the Meeting