

Sun Vail Condominium Association
Board Meeting Minutes
Wednesday, March 8, 2023, at 3:00PM MT
Via Zoom.us

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

BOARD MEMBERS NOT PRESENT: Mike Block and Charles Croney

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

- I. Roll Call. With three of five Board members present by Zoom, a quorum was established. Sharie Grant called the meeting to order shortly after 3:00PM.
- II. Review and Approval of the Minutes of the October 26, 2022, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE OCTOBER 26, 2022, 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 (January 31, 2023). According to the Balance Sheet, four months through the fiscal year the association has \$503,509 in total assets, liabilities and equity, including \$378,128 cash in the bank, \$39,265 in accounts receivable, \$37,809 in fixed assets and \$48,307 in prepaid expenses (trash and insurance). As of the date of the meeting, there are several owners who are over 60 past due on their assessments. Late fees and interest are being applied, per the Collections Policy.

The Income Statement reveals that the association currently has a net surplus of \$12,258 in the operating account. This compares to a budgeted surplus of \$3811 at this point in the year. Therefore, the association is \$7397 ahead of budgeted expenses. Overages have been experienced in Snow Shoveling, Snow Loader, Roof Shoveling and Trash; all other line items are tracking very close to or under budgeted amounts. Dave commented that the natural gas bill will exceed budgeted amounts for the month of February due to a spike in rates. This will be reflected in the next set of financial reports.

The 2022-23 fiscal year beginning balance in the Maintenance Capital Reserve Account was \$251,094. Funding through regular assessments has totaled \$18,000 so far, \$31,776 was added from the 2021-22 fiscal year-end operating surplus, \$77,000 was added from the gain on the sale of garage units and \$13 in interest has been earned. 2022-23 capital expenses total \$24,820 so far and includes \$10,290 for brick paver walkway work, \$9560 for various expenses related to a leak in Building E, \$4820 for the purchase and installation of three new doors for the pool mechanical room and the pool chemical room and \$150 for a professional update to the Reserve Study. The ending balance in the Maintenance Capital Reserve Account is \$353,063.

Bruce Johnson asked Dan whether the current balance in reserves is adequate to address the capital projects currently facing the association. Dan responded that he will review this in greater detail during his manager's report later in the meeting. There are adequate reserves to address the prioritized projects targeted for 2023, including walkway work and landscaping lighting. However, the larger-scale capital projects identified for future years, including painting (and partial siding and trim replacement, as needed), driveway replacement and modifications to the outdated fire / life / safety system will need to be funded by special assessments.

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

- The fire / life / safety system is a concern for us. The A, B and C Buildings are wireless systems that are often having issues. The D and E Buildings are hard wired and also sprinkled. The panels in the D and E Buildings are antiquated and parts for them are no longer manufactured. It is possible that if something were to go wrong with them, they may not be serviceable. Updating the system will be very intrusive and will require a lot of management and access hours. It will be necessary at some point soon.
- There was that recent issue at Unit 34-D (that was reported) where I had to be on fire watch from 1am to 9am on a Sunday morning. Johnson Controls replaced the pull station, and that issue is resolved.
- The loose paver steps were temporarily repaired by AMMI. I will do another inspection this week to look for more loose steps. This is the time of year where we will experience the worst of it.
- There was some water damage reported in Unit 24-C in their middle bathroom ceiling. We believe this from an old, currently inactive leak. The owners in Unit 24-C were very adamant that it was coming from the unit above Unit 34-C, but after many hours of troubleshooting we could not identify the source of the old water damage.

- Corey continues to service the hot tubs and pool 7 days a week. Judging by the recycling and trash at the pool, a lot of people are having a good time there.

Dan reviewed the Reserve Study with the Board. As noted previously, capital projects prioritized for the summer of 2023 include walkway repairs and the replacement of the landscape lights. Dan will get more information on the replacement of the fire / life / safety system from the consultant who provided a proposal to management last year. If every building has a hard wired and plumbed fire sprinkler system installed, the consultant expects that this large-scale and intrusive project could run upwards of \$1.5 million. Driveway replacement is currently slated for 2026 at an estimated cost of \$350,000 (expenses for this project will need to be refined by a consultant at least one year prior to the work and will be directly related to the costs for oil and labor) and will need to be funded via special assessment. A comprehensive exterior painting project is planned for 2024 and 2025 at a cost of \$250,000.

Dan will work to garner bids for the replacement of the landscape lights.

Once more information is available on the replacement of the fire / life / safety system, management will prepare a letter to go out to all owners notifying them of this and the other future capital projects currently being considered. Capital projects will be discussed at the 2023 Annual Meeting, scheduled for Saturday, August 26, 2023, at 1PM MT.

V. Other Business. The next Board Meeting was scheduled for Tuesday, May 30, 2023, at 4PM MT. This will be the budget planning meeting. The meeting will be held via Zoom.

The Spring Walk Through was scheduled for Tuesday, May 30, 2023, beginning at 9AM. This is the on site meeting where the Board and members of management inspect the common elements and compile the 2023 Projects List.

VI. Adjournment. There being no further business to come before the Board, the meeting was adjourned at approximately 3:50PM.

Respectfully submitted,

Secretary to the Meeting