

Sun Vail Condominium Association
Board Meeting Minutes
Wednesday, October 26, 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 and Sara Thurston McNeill, Secretary to the Meeting

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

- II. Review and Approval of the Minutes of the July 21, 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 JULY 21, 2022, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.

- III. Review and Approval of the Minutes of the August 20, 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 AUGUST 20, 2022, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.

- IV. Fiscal Year-End Financial Review. Dave Zippie, CPA prepared and presented the current financials (September 30, 2022). According to the Balance Sheet, at the end of the 2021-22 fiscal year the association had \$436,208 in total assets, liabilities and equity, including \$372,955 cash in the bank, \$10,173 in accounts receivable, \$38,433 in fixed assets and \$13,149 in prepaid expenses (trash and insurance). As of the date of the meeting, accounts receivable has been reduced to only one delinquent account.

The Income Statement reveals that the association currently ended the fiscal year with a net surplus of \$51,228 in the operating account, plus the fiscal year-beginning surplus of

\$100,000. This compares to a budgeted fiscal year-end surplus of \$18,525. Therefore, the association is \$29,609 ahead of budgeted expenses. Overages were experienced in the line items of Natural Gas, Insurance, Fire Alarm System, Snow Shoveling and Trash. Savings were achieved in Electricity, Cable TV & Internet, Landscaping, Garage Association Dues, Janitorial, Maintenance Pool, Snow Plowing and Snow Loader.

The 2021-22 fiscal year beginning balance in the Maintenance Capital Reserve Account was \$276,215. Funding through regular assessments totaled \$54,000, \$67,990 was added from the 2020-21 fiscal year-end operating surplus, \$78,697 was added from the gain on the sale of Garage Unit 2 and \$36 in interest was earned. 2021-22 capital expenses totaled \$223,584 and included \$11,665 to convert Garage Unit 1 and Unit 2 from office space to garages (SVCA retained ownership of Garage Unit 1 and now rents it to a Sun Vail owner), \$10,329 for roof consultant fees, \$3761 for landscaping upgrades, \$3050 for wildfire mitigation, \$7316 for landscape architect fees, \$133,669 to replace the roofs on Buildings D and E and over Garage Unit 1, \$5052 for a new sauna heater, \$17,401 for tree removal, \$9675 to sand and paint deck railings and caps, \$2016 for asphalt crack filling and some patching, and \$24,604 to repair and remediate roof leaks. The fiscal year-ending balance in the Maintenance Capital Reserve Account is \$253,354.

There was a MOTION: TO TRANSFER \$110,000 FROM THE 2021-22 FISCAL YEAR END OPERATING SURPLUS INTO RESERVES. The motion was seconded and approved unanimously.

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

- The tree removal project went well, and the stumps were ground. Not all of the three proposed for removal were approved by the TOV. They said to apply again next year, and they may get approved. Either way, I think that tree removal should be evaluated annually.
- I turned on all of the heat in the mechanical rooms and the heat tapes. Everything is working except the heat tape on the Building D. I am working on getting an electrician scheduled for the repair. It could be related to the roof project and I will find out when the electrician is on site.
- The pool/hot tub deck snow melt was turned on and is working. The heat in the pool house is also turned on and working.
- The new sauna is working well, and it seems to be a much better unit than the previous one.

- It has been difficult getting the repairs done in Units 24E and 34E from the roof leak last year. I have been in touch with their property manager and the contractor (Timberlee Construction) said that he will have the repairs done by Thanksgiving.
- Arapahoe Roofing is not done with the punch list items yet. I have talked with Mike Gardner (the roof consultant) several times about this over the last few months. I spoke with Mike again today and he said that he will press the roofers again. Mike is aware of the heat tape issue on Building D and if they caused damage during the project that they will be held responsible for the repairs.
- There was some water damage in Unit 24D under one of their master bedroom windows. It was caused when some renters left the window open when it was raining. The property manager is aware of the issue. It will be the owner's expense to repair.

Dan presented a cost-effective option for replacement of the brick staircases and landings at Sun Vail. Timberlee Construction feels that the steps can be made safer with a new masonry design and the walkways / landings can suffer from less damage with a better sealing compound. After detailed discussion and review, there was a MOTION: TO PROCEED WITH A "TEST CASE" OF THIS SOLUTION IN FRONT OF BUILDING B AT A COST NOT TO EXCEED \$6000. The motion was duly seconded and carried unanimously. Dan will direct the contractor to begin work as soon as the snow melts next week and will take photos of the work to keep the Board apprised. If the test case is deemed a success next spring, the Board can decide to move forward with the same work throughout the community at an estimated cost of \$100,000.

The Board requested that the juniper bushes in front of the patios be removed.

Charles Croney reported that the new pest control contractor (Vail Valley Pest Control) has been working well with management to address concerns in a timely and pro-active manner.

- VI. Other Business. Aaron Goodlock, legal counsel prepared two amended policies for the Board's review and approval: Collection of Unpaid Assessments and Enforcement of Covenants. Recent statutory changes have mandated that all community associations in Colorado modify these policies. The Collections policy now has a maximum of interest rate of 8%, a late fee of \$25 and gives a delinquent owner up to 18 months to become current. The Enforcement of Covenants policy specifies maximum fines and extends the period in which an owner must cure violations, unless they are considered "emergent" concerns. After review and discussion, there was a MOTION: TO ADOPT THE AMENDED POLICIES AS PRESENTED. The motion was seconded and approved unanimously.

The current tenants of Garage Unit 1 would like to renew their lease for another year. The rate they are currently paying is \$350 per month. The Board discussed the fact that the Town of Vail is raising its parking rates for the coming winter season and that they want to act in the best interest of the homeowners at Sun Vail when considering the lease renewal. After detailed discussion, there was consensus to renew the Schneiders' lease at the monthly rate of \$385 per month for 2023. Management will communicate this to the Schneiders.

Dan reported that the association's insurance policy is up for renewal on November 15th. He has been in contact with American Family to determine if there will be any rate increases expected but has not yet heard back. The Board will need approve any renewal via email.

The next Board Meeting was scheduled for Wednesday, February 8, 2022, at 4PM MT. The meeting will be held via Zoom.

- VII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 5:00PM.

Respectfully submitted,

Secretary to the Meeting