

Sun Vail Condominium Association
Board Meeting Minutes
Tuesday, March 31, 2020, at 4:30PM MT
Via Conference Call

BOARD MEMBERS PRESENT VIA CONFERENCE CALL: Jennifer Barp, Mike Block, Charles Croney, Shari Grant and Brian Wilson

ALSO PRESENT VIA 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 telephone, a quorum was established. Jennifer Barp called the meeting to order shortly after 4:30PM.

- II. Review and Approval of the Minutes of the February 26, 2020, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board for review prior to the meeting. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE FEBRUARY 26, 2020, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.

- III. February 29, 2020 Financial Review. Dave Zippie, CPA, prepared and presented the February 29, 2020, financial reports, representing the first five months of the current fiscal year. According to the Balance Sheet, the association has \$628,225 in total assets, liabilities and equity, including \$359,748 cash in the bank, \$15,785 in owner assessments receivable, \$8244 in garage rent receivables from Vail Resort Rentals, \$27,509 in prepaid insurance premiums and \$6405 in prepaid expenses. Fixed assets total \$210,534. The balance on the loan to Alpine Bank is \$73,938.

Dave noted that as of the date of the meeting, there are three owners who still owe for the current quarter (reminders have been sent). A fourth owner owes for the past two quarters and is on a payment plan.

The Income Statement reveals that five months through the current fiscal year, the association currently has a net operating surplus of \$45,142 in the operating account. This compares to a budgeted surplus of \$31,026 at this point in the year. Therefore, the

association is \$14,116 under budgeted expenses. Overages have been experienced in the DirecTV Equipment Payments, Front End Loader, Snow Shoveling and Insurance. Savings have been achieved in Natural Gas, Grounds, Interest Expense, Maintenance Buildings, Fire Alarm Systems and Maintenance Pool.

The 2019-20 fiscal year beginning balance in the Reserve Capital Fund was \$118,733. Funding through regular assessments has totaled \$22,000 so far, \$150,000 was added from previous years' net operating surpluses and \$14 in interest has been earned. 2019-20 fiscal year-to-date capital expenses total \$30,612 and includes \$2032 for the balustrade project, \$3290 for roof repairs, \$20,110 for a new snow melt boiler, \$330 to update the professional reserve study, \$1950 for engineering work related to the Garage #1-4 conversion project and \$2900 for a new pool cover. The current fiscal year ending balance in the Reserve Capital Fund is \$260,635.

The Board requested that Dave "true up" the funds in the reserve and savings accounts to reflect the actual amount in the reserve ledger. He will email notice of the transfer to Jennifer and Charles.

Dave reported that the tax return is now complete; no income tax is owed. After brief discussion, there was consensus to have Charles review the return via email and to have Dan sign it as managing agent.

IV. Manager's Report. Mark Sauerman, Maintenance Manager submitted the following report via email prior to the meeting:

- All of the heat tape was working when we turned it off last week.
- All of the heat in the mechanical rooms in each building is turned off.
- We have been picking up trash and have also swept cinders from the parking lot.
- The baluster project in Buildings A, B and C is done.
- The heaters for the hot tubs and pool are off and all common facilities are closed until further notice. We did sanitize the surfaces in the common hallways after the ski area closed. All of the common hallways and stairs are vacuumed, and we will put that service on hold for a while.

- The roof leaks that I received reports on this year were in 34-C, 32-C and in the hallway by the door of 33-A. 34-C has been repaired by Turner Morris and interior repairs were done. 32-C was not active and completely dry when I checked it out. Turner Morris has not inspected this one yet. I am waiting for all the snow to melt off the roof to reduce costs as it is not an active leak. We still need to make a very minor repair in the unit. The leak in the hallway outside 33-A was repaired by Turner Morris as it was an active leak when it was reported to me. We still need to make a minor repair to the ceiling in the hallway.
- We currently have two bids for the office to garage conversion project, one from HMR and one from ULF.
- We currently have two bids for security cameras, one from Summit Video and one from Vail Electronics.
- There is currently an issue with the pool heater. The heat exchanger started leaking. Poseidon bypassed the heater so it could still circulate. Shane from Poseidon has been working with Pentair who is the manufacturer of the heater. It sounds like the only option to try to get it warrantied would be to ship it back to them and have them check it out for manufacturer's defect. I was told by Shane that he has done this before and has never seen them actually warranty the heat exchanger. They will always blame it on pool chemistry. Corey checks and balances the pool daily and has chemistry logs. So, this is an option, but paying for shipping there and back and most likely them not warrantying it, is a tough decision to make. Poseidon is getting me a quote to replace the heat exchanger and they said that they would do it at their cost.
- There are also currently issues with the pool cover system. The new motor burned out and was replaced with a new motor at no cost. Poseidon didn't charge labor to swap it out. The new replacement motor burned out as well. Poseidon had set up an on-site meeting with the manufacturer of the motor (Intermountain Pool Covers of Salt Lake City) for March 20th. The owners of the company were going to come out free of charge and evaluate the entire cover system to see why these motors keep burning out, but they elected not to come because of the statewide stay at home mandates. Poseidon seems to think that the issue is with the surface mounted track system, but we want to get the experts' opinion before doing anything. I will let you know when the meeting is rescheduled and invite anyone who can attend to attend. The cover is currently closed. We are able to manually open it to test and balance the chemicals
- I have not received any reports of internet or satellite TV issues, basically because there are very few occupied units.

- We have received very few fire, life, safety trouble signal emails lately from Johnson Controls. There seems to be a possible correlation between the amount of people in residence and the number of trouble signals that we receive. Is it possible that radiofrequency interference has an effect on the wireless fire devices communication with the panel? Possibly. This has been a theory from Johnson Controls in the past.

Dan reported that he was unable to negotiate the payoff of DirecTV equipment with Groove Entertainment. After discussion, there was consensus to delay the switchover to Xfinity as the television provider until mid to late summer to avoid the early termination fees of \$5000.

The Board is targeting building maintenance projects that focus on safety and property values during the uncertain economic conditions caused by the COVID-19 pandemic. Therefore, the security camera installation and pool gate / fence project will be scheduled for the coming fiscal year.

The Board discussed the two construction proposals for the garage conversion project. Dan was asked to go back to the contractor with the lower bid to try and negotiate a better price. In the meantime, there was consensus to renew the listing agreement with McNeill Property Management for the sale of Garage Condo Unit #6 and to lower the price by \$5000 (to \$90,000). The Board asked Sara to send a history of all sales in the Sun Vail Garage Association to them.

The Board discussed the possibility of renting Garage Units #1—4 once they are converted. Michael Block offered to compile a survey to owners to determine their willingness to pay to either purchase or lease this type of space.

V. Other Business. The Board was updated on the status of the lawsuit with Dale Bugby. There has been no change of status since the last Board Meeting.

The next Board Meeting was scheduled for Wednesday, May 27, 2020, at 4:00PM. The Sun Vail Garage Condo Association Board of Directors will meet immediately following this meeting.

The Spring Walk Through will be scheduled once the stay at home orders have been lifted.

The 2020 Annual Meeting is scheduled for Saturday, August 29, 2020, beginning at 1PM MT at the Vail Public Library, and management can also set up an internet platform for this meeting (zoom.us) for those who would prefer to attend remotely. The Sun Vail Garage Condominium Association Annual Meeting will be held after this meeting. A social gathering for owners and their guests is planned at the pool beginning at 4PM that day.

VI. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 5:40PM.

Respectfully submitted,

Secretary to the Meeting