

**MINUTES
BOARD OF MANAGERS
PARADISE CONDOMINIUM OWNERS' ASSOCIATION
THURSDAY, MAY 12, 2022
5:00 P.M.**

Present by Zoom:

Betty Mudd
Karl Wolf
Joseph Schwartz
Bryan Lyerly
Chet Boyce, Toad Property Management

Chet called the meeting to order at 5:03 p.m. and confirmed that a quorum was present. Chet said that notice of the meeting had been given on May 6.

Joseph made a motion to approve the minutes of the July 9, 2021 meeting. Betty seconded the motion, and it was unanimously approved.

Chet explained that the key purpose of the meeting was to discuss the draft budget for 2022-2023, which he had circulated to the Board via email.

Board members noted that the auditor was still waiting for Vail to provide a significant amount of the documentation he had requested. The auditor was considering submitting an incomplete audit as a result, which was not the desire of the Board.

Chet said that he was also waiting to receive documentation from Vail. The most recent quarterly report indicated that the Association owed Vail \$59,000, but it was unclear what the charge was for, and Vail had not yet provided an invoice or clarified the charge.

Joseph suggested the Board request that the auditor write a formal letter stating that he was unable to complete the audit because Vail had not been forthcoming with information owed as a fiduciary to the Association.

Chet said that, while Vail had apparently paid Hidden River Construction in full for the dormer replacement while managing the Association, only about a third of the work had been completed. Chet said that the contractor had been unresponsive to calls, texts, and emails. The contractor did not have a physical office.

Joseph noted that it would also be important to follow up with Vail to find out what terms Vail had agreed upon with the contractor. Chet reviewed the invoices from the contractor paid by Vail, and Board members expressed frustration that Vail had apparently paid the contractor in full for work not yet completed.

Karl noted that the Board needed to consider how to move forward in the likely event that the contractor did not intend to complete the work. Chet said that it was currently extremely difficult to source contractors in the Valley. There was a discussion of possible stop-gap measures to be used in the case that it was not possible to complete the dormer project before winter.

It was agreed that Chet would continue to follow up with Vail, and Bryan would draft an email to Hidden River Construction inquiring about the status of the work and a timeline for completion. It was suggested that the Board could approach local and state licensing authorities to report the contractor if they were unable to make contact and elicit a response.

Discussion of the draft budget continued, and Chet explained that he had based the line item for insurance on the cost of renewal that he received from the insurance provider. Betty noted that the cost on the most recent statement was higher than the budget line item, and it was agreed to change the line item for insurance to \$32,000.

Chet said that the damage to 201, 202, and 204 would be covered by the insurance policy, because the damage was attributable to a storm. Chet said that the work was almost complete on repairing those units, and the work would well exceed the \$5,000 insurance deductible. Chet confirmed that the deductible had not yet been paid, and agreed to increase the line item for insurance claim expenses by \$5,000.

There was some discussion of the cost and frequency of auditing. It was agreed that the Association may not need to audit every year, but should complete an audit in the to include \$2,500 in the budget for the audit line item.

It was agreed to eliminate the line item for the Annual Owners' Meeting, since Zoom meetings saved the Association money and increased participation.

The Board said that they preferred to include some money in the operating contingency/improvement fund, but it was agreed to decrease the line item to \$5,000.

Bryan noted that it had been recommended to stain the wood in the garages once every 3-5 years, and the wood had been stained the previous year. There was a discussion of the potential need for painting and carpet replacement inside the buildings. It was suggested to budget at least for repainting interior and exterior doors, and to include \$5,000 in the budget for painting.

There was a discussion of the cost of hot tub maintenance. Chet said that closing the hot tub down for off season would create some savings. It was noted that heavy use and frequent refilling of the hot tub had contributed to a higher cost of hot tub maintenance over the previous year.

Bryan noted that there were few wood-burning fireplaces remaining in the Association and the Board had determined that inspection of the remaining wood-burning fireplaces and flues would be scheduled by Toad and charged to the individual owners. Chet agreed to work on scheduling the wood-burning fireplace inspections for the summer.

For landscaping and grounds maintenance, the Board discussed planting the area of grass around the hot tub with wildflowers so that it would not need to be mowed.

Chet said that the new dumpster appeared to be working well and preventing issues with trash escaping the dumpster.

Chet agreed to separate out the cost of internet and tv service in the budget. It was discussed that Sundial, the Association's former satellite tv provider, was no longer providing tv services. Toad had begun paying Dish Network directly for service, but without Sundial there was no local company able to service the Association's satellites. Some units did not currently have TV service due to dish alignment issues. The Board agreed that the Association needed a local service representative and needed the satellite dishes to be permanently mounted to prevent future alignment issues. Bryan said that he was awaiting a call back from the Dish Network regional representative Dan Tolbertson, who could help the Association locate the needed providers.

Chet said that he would make the requested changes to the budget and circulate the updated budget to the Board. Once approved, the Budget would then be circulated to all owners as part of the Annual Owners Meeting documents.

Chet explained that it was up to the Board to approve the budget. Owners would then ratify the budget at the Annual Meeting, but could only veto the budget with a 67% vote.

Bryan Lyerly made a motion to approve the budget. Joseph Schwartz seconded the motion, and it was unanimously approved.

Chet said that there was one owner who was working with Toad to reconcile his account. Two additional owners owed a significant amount of late dues. Chet agreed to send a letter to both owners asking them to update their contact information and pay their dues. If no response was received, the next step would be to involve a lawyer.

Betty said that she would likely be closing on the sale of her unit at Paradise by the end of the month. The Board thanked her for her work.

Joseph made a motion to adjourn the meeting at 6:42 p.m. Bryan seconded the motion, and it was unanimously approved.

Prepared by Rob Harper, Toad Property Management