

**SUN VAIL CONDOMINIUM ASSOCIATION  
NOTICE OF ANNUAL MEETING AND PROXY**

**MEETING DATE:** Saturday August 26, 2006  
**MEETING LOCATION:** Vail Public Library Community Room  
 292 W. Meadow Drive, Vail, CO 81657  
**TIME:** 1:00PM

**NOTE: PLEASE ASSIGN A PROXY FOR THIS MEETING EVEN IF YOU CURRENTLY PLAN TO ATTEND SO THAT A QUORUM WILL BE ASSURED.**

Please sign, date and return the proxy to the office of the Sun Vail Association managing agent on or preferably before the last business day prior the date of the Association meeting. The proxy may be returned by mail or by fax. The Sun Vail Association managing agent is: Vistar Real Estate, 635 N. Frontage Road, #1, Vail, CO 81657. Fax: (970) 476-5026

**PLEASE CHECK THE APPROPRIATE BOX**

	I plan to attend the Sun Vail Condominium Association Meeting of Members (the "Meeting"), August 26, 2006, at 1:00PM, however I wish to assign my proxy as indicated below in the event I am unable to attend.
	I will not be able to attend the Sun Vail Condominium Association Meeting of Members (The "Meeting"), August 26, 2006, at 1:00PM. In my absence, I wish to assign my proxy as indicated below.

**PROXY FOR ANNUAL MEETING OF THE MEMBERS OF THE  
SUN VAIL CONDOMINIUM ASSOCIATION, A COLORADO NON-PROFIT CORPORATION**

The undersigned is the owner(s) of a condominium unit(s) subject to the Condominium Declaration for Sun Vail Condominiums and hereby appoints the current President of the Sun Vail Condominium Association, or if not the current President, \_\_\_\_\_ to be my true and lawful attorney-in-fact and proxy, with full power of substitution and revocation, to attend and represent me at the Meeting to be held August 26, 2006, at 1:00PM, or at any adjournments or postponements thereof; and on my behalf I authorize such proxy to vote on any question, proposition, resolution, or any other matter which may properly come before the Meeting upon which I would be entitled to vote if I were present in person.

By the execution of this proxy, the undersigned hereby revokes any and all proxies heretofore delivered with respect to any foregoing Meeting of the Members of Sun Vail Condominium Association.

**THIS PROXY SHALL BE VOID, AND OF NO FORCE AND EFFECT, IF I PERSONALLY  
ATTEND THE MEETING.**

The Condominium Unit(s) represented by this proxy: Unit # \_\_\_\_\_ Unit # \_\_\_\_\_

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature if jointly held Date

**Please sign, date, and return this proxy on or preferably before the last business day prior to the  
Date of the Association meeting by mail or Fax to Vistar Real Estate  
635 N. Frontage Road, #1, Vail, CO 81657 Fax: (970) 476-5026**

**Sun Vail Condominium Association  
Annual Meeting Agenda**

*(notice of meeting must be mailed not less than 10 or more than 50 days in advance)*

**August 26, 2006  
1:00PM**

**Vail Public Library Community Room**  
*(across the street from the ice arena, park in the Lionshead lot or walk over)*  
**292 W. Meadow Drive  
Vail, CO 81657**

**970-476-6223 Vistar Real Estate, Association Manager**

**AGENDA**

**Roll Call – Verification of Proxies/Establish Quorum**  
*(30% of membership present in person or by proxy required)*

- **Robert's Rules of Order –for speed and courtesy**
- **Motion to open discussion**
- **Second to the motion is required**
- **Discussion on the motion only**
- **Vote on the motion**
- **Only reports by officers, manager, or motions and their votes will appear in the association minutes.**

**1) Old Business**

- i) Approval of annual meeting minutes held 8/27/2005**

**2) New Business**

- i) Management Co. Report – Vistar Real Estate**

**(a) Property Report**

- 1. Landscaping**
- 2. Buildings**
- 3. Wireless High Speed Internet Installation**

**(b) Financial Report July 31, 2006 YTD**

- 1. Balance Sheet**
- 2. Bank Balances**
- 3. Income Statement (currently \$30,175 ahead of budget)**
- 4. Accounts Receivable**

**(c) Budget Presentation for 12 months starting 10/1/06**

**(d) Questions from the Membership on Financials**

- ii) Vote to ratify the Budget for the 12 months starting 10/1/06 already approved by the Board. (There is a dues increase of 10% to \$1650 per quarter, there has not been a dues increase in eight years)**

***iii) Other motions from members to vote upon***

***iv) Election of Two Board Members*** (There are five Board Members with 2 year terms expiring on alternating years) (Board Officer's positions are elected by the Board Members; with one year terms of office following the Annual Meeting.)

***Current Board Members:***

*Dr. Hal Magoun – term expires 8/06 (member at large)*

*Robert Newblatt – term expires 8/06 (current vice president)*

*Barry Radell – term expires 8/07 (current treasurer)*

*Bruce Anderson – term expires 8/07 (current president)*

*Cheryl Miller – term expires 8/07 (current secretary)*

***3) Adjourn***

***4) Refreshments barbecue and informal discussions poolside at Sun Vail***

***Enclosures:***

***(Proxy Form)***

***(Budget for 2006-07 and Income Statement from July 2006 YTD)***

***(Budget Notes)***

***(non included items on the website)***

***(Minutes from 8/27/05)***

Sun Vail Condominium Assoc.  
 c/o Vistar Real Estate, Inc.  
 635 N. Frontage Road. #1  
 Vail CO 81657

IN DOLLARS	YTD	YTD	YTD	2005-06	2006-07
	ACTUAL	BUDGET	VARIANCE	BUDGET	BUDGET
	10/01/05	10/01/05		10/01/05	10/01/06
	TO 07/31/06	TO 07/31/06		TO 09/30/06	TO 09/30/07

## INCOME

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5000 Association Dues	359002.31	360000.00	-997.69	360000.00	396000.00
5100 Interest	358.18	0.00	358.18	0.00	360.00
5200 Miscellaneous	12729.16	0.00	12729.16	0.00	0.00
5300 Special Assessment	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----
INCOME TOTAL	372089.65	360000.00	12089.65	360000.00	396360.00
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GROSS PROFIT (LOSS)	372089.65	360000.00	12089.65	360000.00	396360.00
	=====	=====	=====	=====	=====

## EXPENSES

## EXPENSES

4000 Accounting	700.00	1000.00	300.00	1000.00	1000.00
4050 Bank Fees	47.74	100.00	52.26	120.00	120.00
4100 Electric-Commons	13440.11	14700.00	1259.89	17700.00	18000.00
4110 Natural Gas	20794.30	16200.00	-4594.30	17200.00	23500.00
4120 Cable TV	18885.92	18000.00	-885.92	21600.00	22800.00
4150 Income Taxes	0.00	0.00	0.00	0.00	0.00
4200 Insurance	16755.23	22100.00	5344.77	22100.00	22000.00
4250 Landscaping-Commons	29864.13	64500.00	34635.87	86000.00	44500.00
4300 Legal Fees	750.00	2000.00	1250.00	2400.00	2400.00
4350 Maintenance-Grounds	20400.49	16000.00	-4400.49	20000.00	30000.00
4400 Maintenance-Buildings	12703.13	13000.00	296.87	16000.00	37992.00
4410 Fire Alarm Systems	4480.68	2160.00	-2320.68	2880.00	7200.00
4420 Building Janitorial	10035.78	7500.00	-2535.78	9000.00	13200.00
4430 Maintenance - Pool	14263.98	17500.00	3236.02	21000.00	21000.00
4450 Management Fees	25806.00	21400.00	-4406.00	25800.00	29600.00
4500 Miscellaneous	0.00	0.00	0.00	0.00	0.00
4550 Office Expense	1564.85	2000.00	435.15	2400.00	2400.00
4560 Onsite Office Concierge	3588.12	3000.00	-588.12	3600.00	6000.00
4570 Pool Open/Close	3920.00	4000.00	80.00	4800.00	4800.00
4600 Snow Shoveling	19121.54	16000.00	-3121.54	16000.00	16000.00
4610 Snow Plowing	7995.37	7200.00	-795.37	7200.00	7800.00
4650 Trash	7150.00	5750.00	-1400.00	6900.00	7200.00
4700 Water & Sewer	21757.28	18000.00	-3757.28	21600.00	27600.00

Sun Vail Condominium Assoc.  
 c/o Vistar Real Estate, Inc.  
 635 N. Frontage Road, #1  
 Vail CO 81657

	<b>YTD</b>	<b>YTD</b>	<b>YTD</b>	<b>2005-06</b>	<b>2006-07</b>
	ACTUAL	BUDGET	<b>VARIANCE</b>	BUDGET	BUDGET
IN DOLLARS	10/01/05	10/01/05		10/01/05	10/01/06
	TO 07/31/06	TO 07/31/06		TO 09/30/06	TO 09/30/07

EXPENSES (Continued)

EXPENSES	TOTAL	254024.65	272110.00	18085.35	325300.00	345112.00
NET PROFIT (LOSS)		118065.00	87890.00	30175.00	34700.00	51248.00

## **Sun Vail Condominium Association Budget Notes 2006-2007**

**Association Dues** This is the anticipated dues collections based on \$1650 per quarter per unit. A 10% dues increase. The last increase was in 1998.

**Interest** Interest is earned on existing savings accounts. There had been very little savings previously to earn interest on.

**Miscellaneous** No budgeted income is planned for late fees even though there were significant late fees received in 2006.

**Special Assessment** No special assessment for special projects is budgeted.

**Accounting** Budget figure includes annual tax return preparation.

**Bank Fees** Checking account fees or new bank deposit books.

**Electric Commons** Common exterior lighting, heat in utility rooms, with a minimal increase in utility rates projected in this cost. Energy saving bulbs will be tested this year.

**Natural Gas** Natural gas prices are anticipated to increase. Gas heats the pool deck, restrooms, swimming pool, and hot tubs. The 2005-06 budget was inadequate due to a lack of good utility history figures to budget on.

**Cable TV/Wireless** The association pays for basic cable service to all units at a rate of \$33 per month. Owners can add premium programming to their own account through Comcast Cable. High speed internet is being installed with wireless transmitters in the fall of 2006. Rental guests will pay for access, condo owners will have free access.

**Income Taxes** None anticipated. HOA only pays taxes on other sources of income, not dues.

**Insurance** The current policy is with State Farm Insurance for the structure of the buildings and hazards, and liability. Each owner should carry liability and content insurance for their own unit interiors and furnishings.

**Landscaping** There is a significant variance in 2006 due to less work being done than anticipated. Due to cost over runs in other areas, management held off on added upgrades to re-balance the budget in 2006.

**Legal Fees** No significant legal fees are projected.

**Maintenance Grounds** The budget reflects costs to repair sidewalks, fix exterior lighting etc. This account is for repairs and not general landscaping. Wiring problems were found in 2006-07 that needed to be corrected causing the majority of the negative variance.

**Maintenance Buildings** This account is for repair to the common elements of the buildings. Future costs may include railing caps to prevent moisture deteriorating the wooden caps. Bid estimate for copper caps is over \$20,000. No painting is budgeted for 2007 even though the buildings will be needing it by then. Reserves will have to pay this cost and are currently inadequate. The budgeted dues increase should provide adequate funds by 2008 for a complete paint job.

**Fire Alarm System** All five buildings are monitored by a central station alarm. Buildings D & E also have fire sprinkler systems that need to be inspected and repaired on a regular basis by outside contractors. We under budgeted in 2006 due to no knowledge that inspection costs had not been done in prior years on all systems.

**Building Janitorial** This account covers expenses for cleaning the stairwell carpets, handrails and windows, restroom cleaning at the pool, sauna, and shower room. We were over budget in 2006 and have raised this figure in 2007.

**Maintenance Pool** There is a contract service with Specialized Pool Services to maintain the boiler equipment and chemicals in the spas and pool. There service is currently 3 times per week and does not include parts or supplies which are additional. No major parts failed in 2006 so we had a positive variance in this account.

**Management Fees** This is the monthly property management fee charged by Vistar to provide accounting and management services. A built in cost of living increase of 4% has changed this number for part of 2006 and 2007.

**Miscellaneous** Nothing budgeted.

**Office Expense** This budget amount will cover postage costs, printing and stationary supplies for the Association.

**Onsite Office Concierge** There is a \$300 per month payment to VRR for use of their offices for package delivery, information and concierge services to all owners including rental and non-rental owners. SVCA does not pay directly for any staff, rent, phones, utilities or office equipment traditionally anticipated by most associations.

**Pool Open/Close** VRR is contracted to unlock the pool and spas and close them seven days a week. No fee is charged to open the pool on the weekdays.

**Snow Shoveling** Fees for hand shoveling vary due to weather. In 2005-06 winter there were record snowfalls for the past forty years. The negative variance is not budgeted to increase.

Snow Plowing Fees for a plowing contractor are normally a flat monthly rate. Loader work to move excess snow is billed hourly depending upon need.

Trash The trash dumpsters are located at both entries to the parking lot. Service is currently scheduled for three times per week. Additional pick ups are sometimes needed.

Water & sewer Each building has a water meter. The pool house never had one installed during construction, it was added in July 2005. Pool water use is expected to be less than irrigation and domestic use. We missed on this budget item in 2006 and have increased it for 2007. Water rates have increased significantly.

Reserve Fund It is not good accounting to budget reserves as an expense line. We stopped doing using this line item in 2006. The net operating income from 2005-06 and 2006-07 will be added to reserves. See Net Profit/Loss line.

Net Profit (Loss) A budgeted gain of \$34,700 was anticipated in 2005-06 fiscal year. This money will go to reserves. The good news is that we are \$30,175 ahead of budget for this current year that will also go toward reserve funding at year end. There has not been an addition made to the reserves in the prior four years. It appears that by year end on 9/30/06 the Association will actually have over \$64,000 to place in the reserve account. The 2006-07 budget anticipates a Net Profit of \$51,248 that will be added to reserves also.

Fiscal Year The fiscal year of the Association was changed last year to now end on 9/30 of each year.

Reserve Fund Balance We will update you annually as to the reserve fund balance placed in to a separate bank account. The June 2006 bank balance is \$1,013.39 for reserves. See the balance sheet and comments under Net Profit/Loss.

The following items are not included in this packet that will be available later on the website or at the meeting in order to save printing and mailing costs.

Go to [www.svhomeowners.com](http://www.svhomeowners.com)

- July Balance Sheet
- July Bank Statements
- July Accounts Receivable
- July Bank Reconciliation

**DRAFT**

**MINUTES OF THE 2005 ANNUAL MEETING OF  
THE MEMBERS  
OF  
SUN VAIL CONDOMINIUM ASSOCIATION**

**August 27, 2005**

A meeting of the Members of Sun Vail Condominium Association, a Colorado nonprofit corporation, was held on August 27, 2005 at the Vail Public Library Community Room.

<b>Unit</b>	<b>Proxy Given To</b>	<b>Here in Person</b>
11-A		
12-A	Wilson	
13-A		
14-A		
21-A		
22-A	Magoun	
23-A		
24-A		
31-A		
32-A	Magoun	
33-A		
34-A	Magoun	
11-B	Magoun	
12-B	Magoun	
13-B	Bugby	
14-B	Bugby	
21-B		
22-B		Wilson
23-B		Segelke
24-B		
31-B		
32-B	Magoun	
33-B	Magoun	
34-B		Piedra
11-C		
12-C		Volkers
13-C		Bugby
14-C		Schneider
21-C		Sikorski
22-C	Magoun	
23-C		Cranor

24-C		
31-C		Sikorski
32-C		Anderson
33-C		Magoun
34-C	Bugby	
11-D		Newblatt
12-D		
13-D	Schneider, Mike	
14-D	Magoun	
21-D	Magoun	
22-D		Radell
23-D		
24-D	Wilson	
31-D		
32-D	Bugby	
33-D	Bugby	
34-D		Kohler
11-E	Bugby	
12-E		
13-E		Miller
14-E		Anderson
21-E		
22-E		
23-E		Anderson
24-E		
31-E		
32-E		Jacquet
33-E		Jacquet
34-E	Magoun	
<b>Totals</b>	20	19
<b>39 of</b>		
<b>60</b>		
<b>present</b>		

**Roll Call, Call to Order and Verification of Quorum**

Dale Bugby, as manager of the Association and Bruce Anderson, the Board Secretary verified the proxies and a quorum was established.

**Notice of Meeting**

Notices of the meeting were mailed to all members of record on July 21, 2005.

**Old Business**

Approval of annual meeting minutes held 8/21/04. Motion passed.  
Approval of special meeting minutes held 12/11/04. Motion passed.

## **New Business**

Officers of the Board gave a short report on Board activities.

### **Vistar Real Estate gave a management report by Dale Bugby its President.**

The monthly newsletter has been very popular and will be continued at the direction of the new President.

There were delays in receiving financial records and Association documents from Vail Management Co. There was only \$25,638 left in the Association accounts received from VMC and those funds were not turned over until July. Future quarterly financial statements will be sent to the Board and are available to all homeowners upon request. A sample of the bank balances, balance sheet, income statement and accounts receivable was distributed. Handouts were distributed showing the past years paid bills from VMC for 6/1/04-4/30/05.

The 2005-2006 budget was presented. No dues increase is planned, however only \$34,700 is slated for addition to the Reserves.

Landscaping projects completed during 2005 included new irrigation trenches for sprinklers on the berm, west end of buildings D & E, east and west end of the parking lot, along with repairs to the rest of the system. New entrance planters were installed with rock walls and new plant materials. Sign lighting was improved. New sod was laid on the majority of the entire property. New plant beds were added throughout the property along with edging and sprinklers. Handouts were distributed showing before and after photos of the landscape.

Future projects to be considered are repairs to the balcony railing caps, roof leaks in D building parapet walls, high speed internet to all units, sidewalk lighting on the west walkway, added trees and bushes to buffer highway impact.

Current office hours have been expanded to include Saturdays during the summer. The office is open 7 days a week during ski season. Office costs and salaries are not paid by the Association.

**Fiscal Year.** A motion was made to change the fiscal year from 6/1 to 10/1. Motion passed.

**Budget Ratification.** A motion was made to approve the budget presented by the Board. A subsidiary motion was made to modify the budget whereby \$15,300 would be re-allocated from landscaping to reserves. Motion was defeated. The vote on approval of the budget passed.

**Two Membership Meetings.** A motion was made to have a second general membership meeting during ski season. The motion was defeated.

**Carport Feasibility.** Discussion was raised on placing carports in the parking lot between the dumpsters along the Frontage Road berm. A motion was made to poll the membership for interest. Motion passed.

**Parking Concerns.** A motion was made to have the Board re-write the house rules that govern parking. Motion passed.

**Election of Three Board Members.** Nominations for Board members were taken. Barry Radell, Cheryl Miller and Bruce Anderson were nominated. The motion to elect all three candidates passed.

**Annual Meeting 2006.** A motion was made to hold the 2006 annual membership meeting on August 26, 2006. Motion passed.

**Motion to Adjourn.** The meeting was adjourned at 2:45PM

The minutes of this meeting were hereby approved by the Membership on this date:

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Secretary

Date