

# **Casolar Del Norte Homeowners Association Annual Meeting 2016**

## **Letter to Homeowners**

### **Dear Fellow Homeowners,**

The following is a brief recap of the 2015-2016 fiscal year of the Association.

#### **The Board**

Our new members made a seamless transition to the Board. Brendan has been very busy as Treasurer but has also taken on the added responsibilities of supervising the spring repair project, the irrigation turn-on and shut-off, and other tasks that require “boots on the ground”. He has been a tremendous asset for the Board. Allie has brought her wealth of experience to the Board and always voices a thoughtful and well-reasoned opinion. Nancy, as always, is the keeper of past knowledge of the HOA, which is invaluable to the rest of us. Everyone was settling in nicely when we received the bad news in mid-December that Board President Kenny Friedman was resigning immediately due to health reasons. Kenny’s wife, Monique Friedman, volunteered to join the Board but for obvious reasons, couldn’t do so right away. We all agreed that having another full time Vail resident was useful on the Board, so we decided to wait until Monique was able to serve. I am pleased to say that day has come, and you will see her name on the ballot enclosed in this packet. I have been serving as President since Kenny’s resignation, and am prepared to continue to do so. We were able to have several of our winter meetings in person; it is always nice to get to know each other. We all miss Kenny’s warm personality and dedication to Casolar, and wish him all the best as he continues his recovery. Also be sure to congratulate Brendan on his recent nuptials!

The Board members have all agreed to sit for another term for the 2016-2017 fiscal year, and with the addition of Monique Friedman, the proposed slate is:

Donna Pylman Hurwitz  
Allie Frick  
Brendan McCarthy  
Nancy Bigsby  
Monique Friedman

#### **A Recap of the Years Activities**

##### *Expenses*

After 5 years, 2015-2016 proved to be the year that several of our key expenses increased. Our annual snowplow contract, our landscaping costs, and water bills all increased. Although we had budgeted for minor increases, the increases were larger

than our budget had anticipated. In addition, prior to becoming aware of these increases, in October the Board voted to hire Vail Valley Tax and Accounting to help with the financial reporting, which was another unbudgeted expense. These increases were partially offset by other budget line items coming in under the amounts budgeted (irrigation repair, legal), but the net result is that our expenses were over budget by \$1900.

For the last 10 years, our dues have, remarkably, remained constant at \$1900. As you are aware, in the past few years we have used a portion of our large reserves to fund landscaping improvements along the roadways in our neighborhood, to pay for the wildfire mitigation project, and to pay for this year's spring diversion project. The reserves are now at a comfortable level of \$24,000. In order to maintain this level of reserves and offset the increases in annual expenses, the Board has determined it is fiscally responsible to increase our dues. The Board is proposing a budget that calls for a dues increase to \$2250.

### *Accounting*

The treasurer role on the Board requires the most specific expertise and at the recommendation of outgoing Treasurer Marshall Turley, the Board voted to hire an accountant to help with the bookkeeping and financial reporting. Brendan has worked closely with Vail Tax and Accounting and we have been pleased with their work and added value. We will continue to monitor their work and explore ways to keep costs at a minimum.

### *Governing Documents*

In January we had a revote on the Second Amended and Restated Declaration of Covenants and Restrictions, which passed, thereby completing our task of bringing our governing documents into compliance with Colorado law. I appreciate all of you who responded to my emails and phone calls-it was nice to get to know some of the HOA members and to hear your perspectives and concerns. In addition, the Board adopted revised Rules in May. They were revised to reflect the changes in the Declaration and the By Laws, and to incorporate a Town of Vail requirement that common wall neighbors need to sign off on proposed architectural changes. I am happy to report that we are now fully up to date on all of our legal documents.

### *Underground Spring*

As mentioned earlier, the resurgence of the underground spring was an unexpected event. In the past the spring had occasionally caused soggy ground and a minor water flow on the east side of 1141A Casolar Drive. Over the course of the Fall the water flow was much heavier than usual and continued to flow through December, resulting in a perpetual and hazardous ice build up at the entrance to Casolar Drive. Our landscapers, Scott Halstead and Carlos Rodriguez, proposed a solution of trenching and piping the water across the driveway at 1141A and into the storm drain. Brendan, on the Board's behalf, met with an engineer who concurred with their proposed course of action. The work was completed in June and the road has been dry since. As this was an unexpected and thus unbudgeted event, the Board took money from the reserve fund to finance the project.

### *Snow Removal*

Our snow removal contract increased by \$3000. This was the first increase since 2010 and was more than we had anticipated. The Board agreed to approve the increase, in large part, because of our long standing relationship and good service from our service provider. Despite the spring causing more ice on the road, the expense for the amount of sand and ice melt used was in line with prior years at \$2600. This is an annual fluctuating expense, and in recent years it has ranged from \$2300- \$2800.

### *Landscaping*

I am happy to report that all of our new landscaping is growing in nicely and looks beautiful. As we hadn't budgeted for additional landscaping improvements this fiscal year, and the spring diversion project used any reserve funds we could have spent on landscaping, we made no further investments in landscaping this year. Due to the new planting beds we added in the last few years, our monthly maintenance costs, as well as water expenses, have increased.

### *A note about the Reserve Fund*

As I mentioned, our reserve fund is now at a comfortable level. It is obvious however, that unexpected costs like the spring diversion project can quickly diminish it. In the past, we have used reserve funds to pay for non-recurring projects rather than special assessments. Going forward, we can plan on conducting a major tree trimming for wildfire mitigation every 5-6 years (last done in summer of 2015) and resealing the roads every 6-7 years (last done in 2011 and anticipated for fall 2017). Our dues increase will most likely allow us to annually replenish our reserve fund so that we can continue to keep it at a financially prudent level (40-50% of the operating budget).

In closing, the HOA is in excellent shape, both aesthetically and financially. I would like to say goodbye to longtime members Jack and Diane Shearer, and Marshall and Carolyn Turley, and to thank them for all of their contributions to the HOA. They will be missed. In turn, we are happy to welcome our new neighbors, Lori Sullivan and John Armstrong, and Hugh O'Winter and Ashley Sands. We wish you many years of enjoyment in our Vail community! The Board will continue to maintain and improve our Casolar neighborhood while being fiscally responsible. The dues increase still puts us at levels well below our neighbors and we will continue to manage the spending of HOA monies judiciously to get the most for your hard earned dollars.

Thank you for your continued support.

Donna Pylman Hurwitz  
Casolar HOA Board President

