

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
January 21, 2015**

I. CALL TO ORDER

The meeting was called to order at 6:04 p.m. by Richard Garcia via teleconference.

Board members participating were Richard Garcia and Bob Price by tele-conference, Paul Hage, Mike Kurth, Glenn Johnson and Sylvia Dowty by tele-conference (joined at 6:22 p.m.).

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price made a motion to approve the November 19, 2014 Board Meeting minutes as presented. Glenn Johnson seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were not questions or comments.

IV. FINES AND HEARINGS

Geoff Merker said there were no fines issued.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. Bob Price made the following comments:

1. Bob thanked Geoff for tracking down the wiring problem between Q105 and Q205.
2. Bob requested an update on the leaking spa jet. Geoff said it was repaired the following day and is now working properly. The O rings were changed and it was a fairly inexpensive repair. In the future, Geoff will send notification to owners who have requested it when the spa will be closed unexpectedly.

B. Delinquency Report

Gary Nicholds distributed the written Delinquency Report. The total balance was \$9,895 down from about \$11,000 last month. The top three are on payment plan or liens have been filed. He is working with one owner to get back on track.

Bob Price made the following comments:

1. Owner #3 appears to be getting deeper into debt. Gary said he was working with the owner on this issue. Margarita Sherman recommended that the owner be required to pay at least \$300/month.
2. There were four owners who appear not to have made a payment in January. Margarita said some owners pay after the due date. These particular owners should be tracked next month.
3. Owner #13 – Margarita was directed to contact the owner to make an offer to write off 50% of the late fees.

VI. TREASURER'S REPORT

A. 2015 Year-End Report as of December 31, 2014

1. Total Income - \$1,687,737 actual vs. \$1,687,600 budget (on budget).
2. Total Expenses - \$1,480,597 actual vs. \$1,546,673 budget (4.3% under budget). Including the Balance Sheet Budgeted Items, expenses were \$1,616,056 actual vs. \$1,682,637 budget (4% under budget).
3. Net Income – \$71,681 actual net income versus \$4,962 budget.

Mike Kurth recommended having the audit done before making a decision about moving the net income to the Reserve Fund. For the time being, it will be kept in Retained Earnings on the Balance Sheet. It might also be possible to make a lump sum payment on the loan principle. Margarita Sherman and Mike will work on getting a bid for the audit.

Year-to-date Reserve income was \$292,518 with \$189,617 in expenses, resulting in net income of \$102,901. There is about \$30,000 remaining in the loan fund. This could be used for the parking lots, xeriscaping or to pay down the loan balance. This topic should be added to the February meeting agenda for discussion.

Paul Hage noted that some of the bank balances exceeded the FDIC-insured limit. The Association has \$175,000 in four CDAR's laddered with six-month maturities. Mike Kurth pointed out that the Association is paying more interest on the loan than it is earning on the CDAR's. A decision will be made about investing some of the funds after the audit. Meanwhile, Paul Hage and Margarita Sherman will meet to how much money can be invested.

Glenn Johnson made a motion to approve the Financial Report. Mike Kurth seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the snow plowing was going well. The piles have been moved to provide better visibility when exiting onto the road.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius was not present to provide a report.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*
Glenn Johnson said he checked the November and December books and all were in order.
- B. *Basic Property Management Contract*
Sylvia Dowty made a motion to approve the Basic Property Management contract. Mike Kurth seconded and the motion carried.
- C. *2015 Budget*
Bob Price made a motion to approve the 2015 Budget. Sylvia Dowty seconded and the motion carried.

X. NEW BUSINESS

- A. *Extension Cord Request*
The owner of Unit C301 has requested approval to run an extension cord from his third floor unit to his vehicle in order to provide power to an engine block heater. Richard Garcia was concerned about setting a precedent and the potential for a tripping or fire hazard. Bob Price suggested offering to accommodate the owner by allowing him to connect somewhere near the Clubhouse. It was noted that this issue would need to be addressed in the future in light of power needs for electric cars.

Bob Price made a motion to deny the request for the extension cord and for Geoff Merker to look for a way to accommodate the request near the Clubhouse. Paul Hage seconded and the motion carried.
- B. *Building Painting*
Gary Nicholds said Allman Painting provided a proposal for a three-year contract for \$38,000/year to paint five buildings each year. There was general agreement that Allman had done a good job on the buildings painted this year.

Paul Hage made a motion to approve the contract for \$38,000 for a three-year contract to paint five buildings per year. Sylvia Dowty seconded and the motion carried.
- C. *Comcast*
Bob Price asked Gary Nicholds to approach Comcast about a bulk pricing for cable and internet for individual owners.

D. Staff Bonuses

Paul Hage said there was \$3,000 in the 2015 Budget for staff bonuses that is traditionally paid in February.

Paul Hage made a motion to authorize \$3,000 out of the Director Expense line item for property management to award as bonuses to the staff. Glenn Johnson seconded and the motion carried.

XI. SET NEXT MEETING DATE

The next Board Meeting will be February 18, 2015 at 7:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 7:00 p.m.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
February 18, 2015**

I. CALL TO ORDER

The meeting was called to order at 6:04 p.m. by Cathy Brosius.

Board members participating were Richard Garcia (via teleconference), Paul Hage, Cathy Brosius, Mike Kurth and Glenn Johnson.

Owners present were Lee Vroble (X302), Carl Henry (U202) and Don and Laurel Gardey (Z202).

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the January 21, 2015 Board Meeting minutes as presented. Mike Kurth seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

Laurel Gardey said she appreciated the notice about the cigarette butts. She commented that there were some lower level patios with stored items. Geoff Merker said he was working on this issue.

IV. FINES AND HEARINGS

Geoff Merker said there were no fines issued.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. Paul Hage asked for clarification on the following items:

1. Pilot assemblies failing in Building Q – Geoff said the assemblies need to be replaced periodically.
2. Canoe/Kayak Storage Racks – Geoff constructed some racks to hold kayaks and canoes behind the plumbing shed and there is space for additional racks behind the garage. The cost for the materials was about \$15.

B. Delinquency Report

Gary Nicholds distributed the written Delinquency Report. Gary has made several efforts to contact Owner #3. The owner paid an extra \$200 in January and \$200

last Monday. The current balance due is \$1,364.06. If the owner continues to make double payments, the balance should be paid off in about seven months.

Unit X206 was foreclosed in July 2013 when the account was with Orten Cavanaugh. The new collections attorney discovered there was about \$8,600 still outstanding. In 2013, a receivership and motion to dismiss were filed by the Association, stating that the owner was paid through the date of foreclosure. The attorneys have not been able to locate the owner. The Association could serve judgment for about \$800 but there is no guarantee it will be collectable. The loss has already been written off.

Mike Kurth made a motion not to pursue collection of the \$8,600 from Unit X206. Glenn Johnson seconded and the motion carried.

The total delinquent balance was \$8,297 down from \$9,895 last month.

VI. TREASURER'S REPORT

- A. *2015 Year-to-Date Report as of January 31, 2015*
1. Total Income - \$141,312 actual vs. \$140,372 budget (0.7% over budget).
 2. Total Expenses - \$127,995 actual vs. \$132,792 budget (3.6% under budget). Including the Balance Sheet Budgeted Items, expenses were \$139,845 actual vs. \$144,647 budget (3.3% under budget).
 3. Net Income – \$13,317 actual net income versus \$7,580 budget.

Year-to-date Reserve income was \$24,406 with \$1,231 in expenses, resulting in net income of \$23,175.

Glenn Johnson made a motion to approve the Financial Report. Mike Kurth seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said he thought the boat racks were a very good idea.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius did not have anything to report.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*
Glenn Johnson said he checked the January books and they were in order.

B. *Replacement of Smoke Detectors in Common Areas*

Geoff Merker said the smoke detector batteries should be changed annually. The smoke detectors are now more than ten years old and per National Fire Protection guidelines, they should be replaced every ten years. Replacement would be a \$1,600 unbudgeted expense. He recommended paying for this expense out of the Reserve Fund Contingency.

Paul Hage made a motion to replace the hallway smoke detectors and to pay the expense out of the Reserve Fund Contingency. Glenn Johnson seconded and the motion carried.

C. *Internet*

Gary Nicholds said Bob Price had asked him to negotiate with Comcast for a bulk rate for internet. He spoke with Debby Kurd, the bulk account representative, and she proposed a rate of \$25/unit/month if all owners participate. Sundial could offer internet service for about \$14/unit/month but would also require all owners to participate. Cathy Brosius asked Gary to research the connection speeds. This topic should be discussed at the Annual Meeting.

X. NEW BUSINESS

A. *Estimate for Full Audit*

Paul Hage said an audit is usually done every three years. The next audit would normally be scheduled in 2016, but he would like to have an independent audit firm review the Balance Sheet and provide recommendations and guidance for a more standard format. There is \$8,000 included in the budget for this work. Margarita Sherman received an estimate of \$8,000 – 10,000 from a firm that specializes in this type of work to complete an audit and provide suggestions for reworking the books. Margarita was asked to get clarification from the firm regarding what would be included and if they would be willing to present the audit to the Board. She will solicit a second bid from another firm.

XI. SET NEXT MEETING DATE

The next Board Meeting will be March 18, 2015 at 7:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 7:32 p.m.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
March 18, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Richard Garcia.

Board members participating were Richard Garcia, Paul Hage, Cathy Brosius, Bob Price and Glenn Johnson.

Owners present were Lee Vroble (X302) and Carl Henry (U202).

Representing Basic Property Management were Gary Nicholds, Eric Nicholds and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price made a motion to approve the February 18, 2015 Board Meeting minutes as presented. Cathy Brosius seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no owner comments or questions.

IV. FINES AND HEARINGS

Geoff Merker reported that there were no fines issued.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. He noted that painting the ceiling in the Clubhouse meeting room and lounge should be added to the list.

B. Delinquency Report

Owner #3 continues to make payments and delivered a \$400 check today. Gary Nicholds will research the large credit balance for Owner #7. Gary will provide a summary of the fees that have been paid to the attorney and provide a list of arrears collected from former owners.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of February 28, 2015

1. Total Income - \$282,702 actual vs. \$283,343 budget (0.2% under budget).
No washer/dryer income was booked in February.
2. Total Expenses - \$257,350 actual vs. \$267,608 budget (3.8% under

budget). Including the Balance Sheet Budgeted Items, expenses were \$281,274 actual vs. \$291,319 budget (3.4% under budget).

3. Net Income – \$1,428 actual net income versus (\$7976) budgeted loss.
4. Year-to-date Reserve income was \$48,842 with \$2,867 in expenses, resulting in net income of \$45,974.

Glenn Johnson made a motion to approve the Financial Report. Cathy Brosius seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said Unit D102 sent an email complimenting Geoff Merker. Some of the sod that was damaged by plowing is being put back in place.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius did not have anything to report.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*

Glenn Johnson said the February books were in order.

- B. *Estimate for Full Audit*

Paul Hage said an audit is usually done every three years. There is \$8,000 included in the budget. Margarita Sherman received one bid of \$10,000. She has asked a second firm for a bid but has not received anything in writing. Paul Hage recommended tabling this issue until a second bid is received.

- C. *Comcast*

Gary Nicholds said he contacted Comcast to ask about an internet service discount for individual owners. He was told that Comcast would only consider a discounted rate if all owners participate.

X. NEW BUSINESS

There was no New Business.

XI. SET NEXT MEETING DATE

The next Board Meeting will be April 15, 2015 at 7:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 7:18 p.m.

Approved By: _____ Date: _____
Board Member Signature

**Dillon Valley East
Financial Summary
As of Feb 28, 2015**

Summary Balance Sheet				
	Operating	Reserve	Loan	Total
Cash Accounts	527,596.56	947,716.53	29,598.16	1,504,911.25
Other Current Assets	72,353.72	0.00	0.00	72,353.72
Fixed Assets (net of depreciation)	48,270.34			48,270.34
Total Assets	648,220.62	947,716.53	29,598.16	1,625,535.31
Current Liabilities	108,579.91	0.00	0.00	108,579.91
Long Term Liabilities	-248,270.61	0.00	1,482,728.00	1,234,457.39
Donated Capital	2.00			2.00
Retained Earnings	762,557.31	901,742.41	-1,453,129.84	211,169.88
YTD Net Income	25,352.01	45,974.12	0.00	71,326.13
Total Liabilities & Equity	648,220.62	947,716.53	29,598.16	1,625,535.31
Operating Fund P&L				
	Actual	Budget	Difference	
Month Total Income	141,389.88	142,971.71	-1,581.83	
Month Total Expense	129,210.97	134,816.67	-5,605.70	
Month Net Income	12,178.91	8,155.04	4,023.87	
Balance Sheet Budgeted Items	12,073.74	11,855.37	218.37	
	105.17	-3,700.33	3,805.50	
<i>Total Expense including BS</i>	<i>141,284.71</i>	<i>146,672.04</i>	<i>-5,387.33</i>	<i>-3.7%</i>
YTD Total Income	282,701.82	283,343.50	-641.68	-0.2%
YTD Total Expenses	257,349.81	267,608.30	-10,258.49	-3.8%
YTD Net Income	25,352.01	15,735.20	9,616.81	61.1%
Balance Sheet Budgeted Items	23,924.48	23,710.70	213.78	
	1,427.53	-7,975.50	9,403.03	
<i>YTD Total Expenses including BS</i>	<i>281,274.29</i>	<i>291,319.00</i>	<i>-10,044.71</i>	<i>-3.4%</i>

Major variances YTD:

- Washer/Dryer Income is \$1052 under projection. (Timing of Feb. receipts).
- Loader expenses are \$486 under budget and Truck/ATV expenses are \$967 under budget.
- Bad Debt expense is \$1223 under budget. Legal Fees are \$197 over due to fees to collect old past due accounts.
- Basic Maintenance is \$719 under, Boilers \$1819 under, Damage Claims \$885 under and Pest Control \$708 under.
- Club and Recreational is \$1091 under.
- Director's Expense is \$1483 over. (Paid staff bonuses).
- Office Expense is \$637 under.
- Winter Grounds Maintenance is \$1541 under.
- Gas is \$831 under budget. Electric is \$904 over. Cable TV is \$270 under.
- Water/Sewer is \$ 442 under.

Reserve and Loan Funds

Reserve Fund P&L	
	Actual
Month Total Income	24,435.36
Month Total Expense	<u>1,636.16</u>
Month Net Income	<u><u>22,799.20</u></u>
YTD Total Income	48,841.53
YTD Total Expenses	<u>2,867.41</u>
YTD Net Income	<u><u>45,974.12</u></u>

LOAN Fund P&L	
	Actual
Month Total Income	0.00
Month Total Expense	<u>0.00</u>
Month Net Income	<u><u>0.00</u></u>
YTD Total Income	0.00
YTD Total Expenses	<u>0.00</u>
YTD Net Income	<u><u>0.00</u></u>

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
April 15, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Richard Garcia.

Board members present were Richard Garcia, Paul Hage, Bob Price, Mike Kurth. Sylvia Dowty participated via teleconference.

Owners present were Lee Vroble (X302) and Carl Henry (U202).

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price made a motion to approve the March 18, 2015 Board Meeting minutes as presented. Paul Hage seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

Geoff Merker reported that an owner requested expansion of the storage parking lot.

IV. FINES AND HEARINGS

There were no fines or hearings to report.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review.

B. Delinquency Report

Margarita Sherman said all owners on payment plans are paying on time.

1. Owners #7, 11 and 12 were all late with dues payments for the first time. They requested waiver of the \$45 late fee. Paul Hage made a motion to waive the fees for all three owners. Mike Kurth seconded and the motion carried.
2. Owner #3 – A lien will be filed if payment is not received.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of March 31, 2015

1. Total Income - \$423,459 actual vs. \$423,715 budget (0.1% under budget) due to Laundry Income.
2. Total Expenses - \$384,848 actual vs. \$398,600 budget (3.5% under budget). Including the Balance Sheet Budgeted Items, expenses were \$420,411 actual

vs. \$434,166 budget (3.2% under budget).

3. Net Income – \$38,611 actual net income vs. \$25,115 budget.
4. Year-to-date Reserve income was \$73,285 with \$2,867 in expenses, resulting in net income of \$70,417.

Bob Price made a motion to accept the Financial Report. Mike Kurth seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson was not present to provide a report.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius was not present to provide a report.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*

Glenn Johnson was not present to provide a report.

- B. *Estimate for Full Audit*

Margarita Sherman said the contract had been signed. The cost will be \$8,200 and \$8,000 was budgeted. The second bid was over \$10,000.

Paul Hage made a motion to approve the bid for \$8,200 from Haynie and Company for a full audit. Mike Kurth seconded and the motion carried.

X. NEW BUSINESS

- A. *Request to Have a Companion Animal and a Dog from a Potential Buyer*

The potential buyer has provided a physician's note confirming the need for a companion animal. The Board approved the request in accordance with ADA and Fair Housing regulations.

- B. *Abandoned Boat/Trailer at the Clubhouse Storage Lot*

Geoff Merker said there is a boat on a trailer that has not been moved in years, has an out of state license plate with a registration sticker dated 1988 and he cannot identify the owner. Richard Garcia will send an email to all owners and allow two weeks for a response. If there is no response, the boat and trailer will be removed.

- C. *Pool Closure/Bid to Re-Plumb the Pool Filters*

Geoff Merker said the pool filter plumbing is not the correct size. He received a bid of \$2,924 to re-plumb the filter and a new heat exchanger could be installed at the same time at a cost of \$800. There is \$3,000 budgeted in Reserves for re-plumbing. The heat exchanger could be paid out of Operating since the Pool Repair account is favorable to budget.

Bob Price made a motion to approve the re-plumbing and heat exchanger installation with \$3,000 of the expense to be paid from Reserves and \$800 from Operations. Paul Hage seconded and the motion carried. Geoff Merker will close the pool for about one week in May for this project.

D. Bids for New Basketball Court

Geoff Merker said the Board discussed installation of a new basketball court in October and set a budget of \$70,000. He obtained two bids and the lower bid was \$83,600. The scope of work would include a concrete overlay on top of the existing asphalt, removing the remaining asphalt and removing the fence. Geoff was directed to get a bid for a half court and to research improving the drainage for the playground area.

E. Alpine Bank

Margarita Sherman said there is a CDAR for \$175,000 at Alpine Bank that will roll over tomorrow.

Paul Hage made a motion to roll over the \$175,000 CDAR for another two years. Mike Kurth seconded. In discussion, Margarita said the options would be to roll it over or to cash out and put the balance into the Reserve account while she researches other options. Paul withdrew his motion. Paul pointed out that the account balances of about \$400,000 each in the Alpine and Union Banks were higher than the \$250,000 FDIC-insured limit.

Bob Price made a motion to cash out the CDAR and to deposit the funds in the Reserve account. Paul Hage seconded and the motion carried. Margarita Sherman will mail investment options to the Board next week.

F. Summer Projects

Bob Price requested a list of projects, start dates and contractors for review at the next meeting.

XI. SET NEXT MEETING DATE

The next Board Meeting will be May 20, 2015 at 7:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Bob Price made a motion to adjourn at 7:40 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Treasurer's Report

Dillon Valley East Financial Summary As of March 31, 2015

Summary Balance Sheet				
	Operating	Reserve	Loan	Total
Cash Accounts	575,371.43	972,159.67	29,598.16	1,577,129.26
Other Current Assets	68,938.18	0.00	0.00	68,938.18
Fixed Assets (net of depreciation)	48,270.34			48,270.34
Total Assets	692,579.95	972,159.67	29,598.16	1,694,337.78
Current Liabilities	149,152.75	0.00	0.00	149,152.75
Long Term Liabilities	-257,743.58	0.00	1,482,728.00	1,224,984.42
Donated Capital	2.00			2.00
Retained Earnings	762,557.31	901,742.41	-1,453,129.84	211,169.88
YTD Net Income	38,611.47	70,417.26	0.00	109,028.73
Total Liabilities & Equity	692,579.95	972,159.67	29,598.16	1,694,337.78
Operating Fund P&L				
	Actual	Budget	Difference	
Month Total Income	140,757.53	140,371.71	385.82	
Month Total Expense	127,498.07	130,991.67	-3,493.60	
Month Net Income	13,259.46	9,380.04	3,879.42	
Balance Sheet Budgeted Items	11,638.97	11,855.37	-216.40	
	1,620.49	-2,475.33	4,095.82	
<i>Total Expense including BS</i>	<i>139,137.04</i>	<i>142,847.04</i>	<i>-3,710.00</i> <i>-2.6%</i>	
YTD Total Income	423,459.35	423,715.21	-255.86 -0.1%	
YTD Total Expenses	384,847.88	398,599.97	-13,752.09 -3.5%	
YTD Net Income	38,611.47	25,115.24	13,496.23 53.7%	
Balance Sheet Budgeted Items	35,563.45	35,566.07	-2.62	
	3,048.02	-10,450.83	13,498.85	
<i>YTD Total Expenses including BS</i>	<i>420,411.33</i>	<i>434,166.04</i>	<i>-13,754.71</i> <i>-3.2%</i>	

Major variances YTD:

- Washer/Dryer Income is \$771 under projection. (Timing of Feb. receipts).
- Loader expenses are \$719 under budget and Truck/ATV expenses are \$1562 under budget.
- Bad Debt expense is \$628 under budget. Legal Fees are \$478 over due to fees to collect old past due accounts and for advice on companion/service dogs.
- Basic Maintenance is \$3315 under, Boilers \$854 under, Damage Claims \$1166 under and Pest Control \$1025 under.
- Club and Recreational is \$1164 under.
- Director's Expense is \$753 over. (Paid staff bonuses).
- Office Expense is \$914 under.
- Winter Grounds Maintenance is \$2261 under.
- Gas is \$2637 under budget. Electric is \$1021 over. Cable TV is \$270 under.
- Water/Sewer is \$ 996 over.

Treasurer's Report

Reserve Fund P&L

	Actual
Month Total Income	24,443.14
Month Total Expense	0.00
Month Net Income	<u>24,443.14</u>
YTD Total Income	73,284.67
YTD Total Expenses	<u>2,867.41</u>
YTD Net Income	<u>70,417.26</u>

LOAN Fund P&L

	Actual
Month Total Income	0.00
Month Total Expense	0.00
Month Net Income	<u>0.00</u>
YTD Total Income	0.00
YTD Total Expenses	<u>0.00</u>
YTD Net Income	<u>0.00</u>

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
May 20, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:01 p.m. by Richard Garcia.

Board members present were Richard Garcia, Paul Hage, Mike Kurth, Cathy Brosius and Glenn Johnson. Sylvia Dowty participated via teleconference.

Owners present were Lee Vroble (X302) and Carl Henry (U202).

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Glenn Johnson made a motion to approve the April 15, 2015 Board Meeting minutes as presented. Cathy Brosius seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no questions or comments.

IV. FINES AND HEARINGS

There were no fines or hearings to report.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. He noted that state boiler inspections were completed. There were a few compliance issues identified. The cost was about \$1,000 less than two years ago.

B. Delinquency Report

Gary Nicholds said all delinquent owners were on a payment plan or liens had been filed. Gary will forward the most recent report from the attorneys to the Board.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of April 30, 2015

1. Total Income - \$561,980 actual vs. \$562,883 budget (0.2% under budget) due to a lag in recording the Washer/Dryer income.
2. Total Expenses - \$512,380 actual vs. \$529,717 budget (3.3% under budget). Including the Balance Sheet Budgeted Items, expenses were \$559,804 actual vs. \$577,138 budget (3.0% under budget).
3. Net Income – \$2,176 actual net income vs. \$14,255 budgeted net loss.

4. Year-to-date Reserve income was \$97,501 with \$11,574 in expenses, resulting in net income of \$85,927. There were no loan fund expenses.

Paul Hage noted that Gas was \$4,889 under budget and Water was \$634 over budget.

Mike Kurth made a motion to accept the Financial Report. Glenn Johnson seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said all issues were addressed in Geoff Merker's report.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said the Committee processed a couple of fence applications.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*

Glenn Johnson checked the books for this month and last month and all were in order.

- B. *Bids for Basketball Court Reconfiguration and Maintenance*

Geoff Merker went back to both bidders and requested a lower cost plan.

1. Sport Court - \$62,000 for a 50' x 60' court.
2. Renner - \$66,550 for a 50' x 90' court.

Both proposals were within the \$70,000 budget and he recommended the proposal from Renner.

Paul Hage made a motion to accept the bid from Renner. Cathy Brosius seconded and the motion carried.

- C. *Abandoned Boat/Trailer at Clubhouse Storage Lot*

Geoff Merker said he had not received any response regarding the abandoned boat and trailer. He would like to remove them from the property. He will attempt to locate the owner through the Louisiana Motor Vehicle Department. Richard Garcia recommended donating the items to a non-profit if the owner cannot be identified.

X. NEW BUSINESS

- A. *Pool Closure/Bid to Re-Plumb Pool Filters*

The work has been completed and the pool is now open. Now there is an issue with water loss from one of the skimmers. The skimmer has been isolated from the water circulation. Geoff Merker will get bids to repair it.

- B. *Occupancy Levels Asked by Lenders Seeking Buyers*

Gary Nicholds said he has been writing "unknown" in the section of mortgage questionnaires that asks about the number of full time residents. This can result in a deal

falling through. Geoff Merker went through the files and out of 403 total units, he identified 195 rentals (“investment” owners). There are 12 he is not sure about and the remainder are used as second homes or permanent residences. Geoff will follow up with the 12 unknowns. Going forward, Gary will use these numbers for completing the forms since they specify the answer is “to the best of his knowledge”. The Board approved this approach.

C. Investment Plan

Paul Hage said it was hard to find a financial institution where the Association funds can be kept while still qualifying the \$250,000 FDIC insurance. Some of the Association funds were moved from Alpine Bank into CDARS but the total balance of all Association accounts is now over \$394,000. There is almost \$425,000 at Union Bank. Margarita Sherman provided a spreadsheet with her recommendation.

Two CDARs are coming due in October. She will investigate investment options. Paul Hage recommended applying some of the retained earnings to paying off the loan after the audit has been completed. Margarita Sherman, Paul Hage and Mike Kurth will review the audit and the auditors will be asked to present the audit at the July 15th Board Meeting.

Paul Hage made a motion to invest \$125,000 from Union Bank with Synchrony Bank in a 36 month CD earning 1.6% and \$100,000 from Union Bank with Synchrony Bank in 24 month CD earning 1.4%, and to invest \$100,000 from Alpine Bank with Grand Mountain Bank in a 12 month CD earning 0.3% and \$100,000 from Alpine Bank with Grand Mountain Bank in an 18 month CD earning 0.4%. Sylvia Dowty seconded and the motion carried unanimously.

D. Window Washing by Residents

Richard Garcia said an owner requested insurance through the Association in case he falls out of his window while washing the fixed windows for his unit. The attorney researched this issue and determined that unit doors and windows are an owner responsibility and if owners choose to lean out to clean them, it would be at their own risk. The Association is not required to carry an insurance policy for this type of activity.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, June 17, 2015 at 7:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 7:45 p.m.

Approved By: _____ Date: _____
Board Member Signature

**Dillon Valley East
Financial Summary
As of April 30, 2015**

Summary Balance Sheet				
	Operating	Reserve	Loan	Total
Cash Accounts	536,104.18	987,668.99	29,598.16	1,553,371.33
Other Current Assets	60,203.54	0.00	0.00	60,203.54
Fixed Assets (net of depreciation)	48,270.34			48,270.34
Total Assets	644,578.06	987,668.99	29,598.16	1,661,845.21
Current Liabilities	101,644.79	0.00	0.00	101,644.79
Long Term Liabilities	-269,226.45	0.00	1,482,728.00	1,213,501.55
Donated Capital	2.00			2.00
Retained Earnings	762,557.31	901,742.41	-1,453,129.84	211,169.88
YTD Net Income	49,600.41	85,926.58	0.00	135,526.99
Total Liabilities & Equity	644,578.06	987,668.99	29,598.16	1,661,845.21
Operating Fund P&L				
	Actual	Budget	Difference	
Month Total Income	139,423.83	140,070.81	-646.98	
Month Total Expense	127,532.19	131,116.67	-3,584.48	
Month Net Income	11,891.64	8,954.14	2,937.50	
Balance Sheet Budgeted Items	11,860.87	11,855.37	5.50	
	30.77	-2,901.23	2,932.00	
<i>Total Expense including BS</i>	139,393.06	142,972.04	-3,578.98	-2.5%
YTD Total Income	561,980.48	562,883.32	-902.84	-0.2%
YTD Total Expenses	512,380.07	529,716.64	-17,336.57	-3.3%
YTD Net Income	49,600.41	33,166.68	16,433.73	49.5%
Balance Sheet Budgeted Items	47,424.32	47,421.44	2.88	
	2,176.09	-14,254.76	16,430.85	
<i>YTD Total Expenses including BS</i>	559,804.39	577,138.08	-17,333.69	-3.0%

Major variances YTD:

- Washer/Dryer Income is \$1288 under projection.
- Loader expenses are \$1111 under budget and Truck/ATV expenses are \$2280 under budget.
- Bad Debt expense is \$1841 under budget. Legal Fees are \$1066 over due to fees to collect old past due accounts and for advice on companion/service dogs.
- Basic Maintenance is \$3775 under, Boilers \$3266 over (due to boiler inspections – a budget timing issue), Damage Claims \$1796 under and Pest Control \$1692 under.
- Club and Recreational is \$1041 under.
- Office Expense is \$1311 under.
- Winter Grounds Maintenance is \$2261 under.
- Gas is \$4889 under budget. Electric is \$929 over. Cable TV is \$143 under.
- Water/Sewer is \$634 over.

Treasurer's Report

Reserve Fund P&L	
Actual	
Month Total Income	24,375.14
Month Total Expense	<u>8,706.52</u>
Month Net Income	<u><u>15,668.62</u></u>
YTD Total Income	97,500.51
YTD Total Expenses	<u>11,573.93</u>
YTD Net Income	<u><u>85,926.58</u></u>

LOAN Fund P&L	
Actual	
Month Total Income	0.00
Month Total Expense	<u>0.00</u>
Month Net Income	<u><u>0.00</u></u>
YTD Total Income	0.00
YTD Total Expenses	<u>0.00</u>
YTD Net Income	<u><u>0.00</u></u>

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
June 17, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:02 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty, Mike Kurth, Cathy Brosius, Bob Price and Glenn Johnson.

Owners present were Lee Vroble (X302) and Carl Henry (U202).

Representing Basic Property Management were Gary Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Cathy Brosius made a motion to approve the May 20, 2015 Board Meeting minutes as presented. Sylvia Dowty seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

Lee Vroble made the following comments:

1. Full time residents 65 years or older who have lived in the County for ten or more years are eligible for property tax exemption. The Assessor's Office can provide additional information.
2. The property tax appraisal still reflects that Dillon Valley East buildings have shake shingle roofs.
3. Lee gave Gary Nicholds a copy of a newspaper article from the 1970's about the original sales of the Dillon Valley East units.

IV. FINES AND HEARINGS

Geoff Merker issued a notice of violation and fine to the owner of Unit G303 due to his tenant causing a nuisance. The owner has requested a hearing, which will occur next month.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. A piece of the grill was stolen from Lee Vroble's car in the parking lot. Cathy Brosius said there have been numerous thefts in the Summit Cove and Dillon areas and a truck was stolen in Dillon Valley last night. Community information is available on the One Man's Junk Facebook page.

B. Delinquency Report

1. Owner #1 – Margarita Sherman recommended sending the account to the attorney if no payment is received by the end of the month. The owner has been sent an offer for a payment plan.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of May 31, 2015

1. Total Income - \$704,307 actual vs. \$702,954 budget (0.2% under budget) due to receipt of washer/dryer income and late payment fees.
2. Total Expenses - \$628,497 actual vs. \$659,708 budget (4.7% under budget). There were savings in Gas and a reduction to the Bad Debt. Including the Balance Sheet Budgeted Items, expenses were \$687,841 actual vs. \$718,985 budget (4.3% under budget).
3. Net Income – \$75,819 actual net income vs. \$43,246 budget.
4. Year-to-date Reserve income was \$121,877 with \$12,597 in expenses, resulting in net income of \$109,280. There were no loan fund expenses.

Glenn Johnson made a motion to accept the Financial Report. Sylvia Dowty seconded and the motion carried.

B. 2014 Audit

The audit has been completed. Margarita Sherman anticipates she will receive the final report next week. The auditors would like to present the results at 5:00 p.m. on July 15, 2015 before the Board Meeting.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the flowers at the end of AA Building looked very nice and the bushes were trimmed well.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said three applications were received for adding fences.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments

Glenn Johnson checked the books for this month and all were in order.

B. Bids for Basketball Court Reconfiguration and Maintenance

Geoff Merker said the Board agreed to proceed with the bid from Renner. The work will be starting in August.

C. Abandoned Boat/Trailer at Clubhouse Storage Lot

Geoff Merker was not able to identify the previous owner of the boat. The boat will be donated to the Dillon Yacht Club.

D. Pool

Pool is up and running. There have been some issues with water clarity that Geoff Merker is addressing.

X. NEW BUSINESS

A. Summer Projects

1. Deck Work – Geoff Merker is waiting for bids.
2. Painting – The painters are running behind due to the wet weather in May. Allman Painting will be doing the work. Notice will be posted in the affected buildings.
3. Basketball Court.

Bob Price said he would like to review all the projects, the bids that were accepted and actual costs incurred on a monthly basis.

B. Residency Reporting

Sylvia Dowty thanked Gary Nicholds and Geoff Merker for finding a way to provide residency data for the mortgage companies.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, July 15, 2015 at 6:00 p.m. in the Dillon Valley East Clubhouse with a presentation by the auditors at 5:00 p.m.

XII. ADJOURNMENT

Bob Price made a motion to adjourn at 7:24 p.m. Glenn Johnson seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Notes from the President

Greetings

Deadline for Senior Property Tax Exemptions

Senior owner residents. You may submit a request property tax reduction to the County assessor. Deadline is July 15th. Seniors ages 65 and older, who have lived in their current property as a primary home for at least 10 years, are eligible for a significant cut that would exempt up to \$100,000 from a property's base value for taxes.

To apply, seniors can go directly to the Assessor's office for a form or find it on Summit County's website at www.co.summit.co.us under the "Government > Assessor > Senior / Veteran Exemption Program" link. Or [click here](#).

County Assessor Address:

Old County Courthouse
Lower Level
208 Lincoln Ave.
P.O. Box 276
Breckenridge, CO 80424

Ph: (970) 453-3480

Window and Door Frame Colors

Planning to replace your windows or patio door? Or replaced either and did not check for color guidelines? In our Rules and Regulations, windows and patio doors must be almond in color.

Rules & Regulations, Section 1.10

Replacement windows and patio doors must be almond in color and consistent with existing windows and doors.

The rule is intended to make the appearance as seen from the outside uniform and consistent with existing windows and doors of other condominiums. Paints are available at local hardware/paint stores. Be sure to let your sales person know what you are painting.

If you choose to be non-compliant with the rule, you are subject to a \$50 fine that can increase to \$200 if ignored.

If you have questions about the color, please contact Cathy Brosius, Architectural Committee at Cathy.Brosius@DillonValley.org

Building Painting

The following buildings are to be painted this summer - if the rain stops: A, X, Y, Z, BB

Thefts near Dillon Valley

There has been a rise of car break-ins in surrounding neighborhoods and car vandalism in our area. Be aware of items of interest to others that you leave in your car and report suspicious activity to law enforcement.

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
July 15, 2015**

I. CALL TO ORDER

The meeting was called to order at 6:20 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty, Mike Kurth, Cathy Brosius, Bob Price and Glenn Johnson.

Owner Carl Henry (U202) was present.

Representing Basic Property Management were Gary Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Cathy Brosius made a motion to approve the June 17, 2015 Board Meeting minutes as presented. Bob Price seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no owner comments.

IV. FINES AND HEARINGS

There were no fines or hearings.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review.

B. Delinquency Report

1. Owner #1 – The unit is in the foreclosure process.
2. Owner #3 – The owner is on ACH but three months of payments have been returned due to insufficient funds. Margarita Sherman mailed the owner the monthly statements but has not heard from the owner. She will resend the statements by US mail and certified mail and try to reach him by phone.
3. Owner #5 – This is a new delinquency. These owners have paid consistently in the past. Margarita Sherman suspects their ACH authorization may have expired. She will send the owner a reminder.
4. Owner #7 – This is a new delinquency. She will send the owner a reminder.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of June 30, 2015

1. Total Income - \$846,372 actual vs. \$843,025 budget (0.4% over budget) due to Washer/Dryer and Late Fee revenue.
2. Total Expenses - \$757,846 actual vs. \$790,600 budget (4.1% under budget). There were savings in Gas and Bad Debt. Including the Balance Sheet Budgeted Items, expenses were \$829,169 actual vs. \$861,732 budget (3.8% under budget).
3. Net Income – \$88,525 actual net income vs. \$52,425 budget.
4. Year-to-date Reserve income was \$146,452 with \$16,810 in expenses, resulting in net income of \$129,642.

Glenn Johnson made a motion to accept the Financial Report. Mike Kurth seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said more flowers were planted, the bushes were trimmed and the lawns have been mowed. The grounds look good.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said some owners are not using the correct color frame when replacing sliding doors and windows. The frames are supposed to be almond but several have installed white or brown. She recommended sending owners with non-compliant doors or windows instructions for painting the frames the correct almond color. They should be given a 30-day deadline. She suggested posting a door and window replacement guide on the website. Geoff Merker will send the letters. He will ask Allman Painting if they would be willing to paint the frames for interested owners.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments

Glenn Johnson checked the books for this month and all were in order. He was surprised to see that only one boiler needs glycol.

B. Basketball Court Reconfiguration and Maintenance

Geoff Merker said the work will be starting in August. It needs to be determined which sections of fencing should be left in place or removed.

C. Audit Presentation

Cathy Brosius made a motion to accept the audit report as presented. Glenn Johnson seconded and the motion carried.

D. Swimming Pool Skimmer Repair/Replacement

Geoff Merker said the skimmer will have to be jackhammered out of the deck. The bid for the work was about \$2,000. There will be an additional cost of \$500 - \$1,000 to

replace the pebble deck surface. The work can be scheduled in the fall and paid for out of the Contingency.

E. Painting Buildings A, X, Y, Z and BB

Geoff Merker said the contractor plans to start work in September. The decks will be repaired before the buildings are painted.

X. NEW BUSINESS

A. Annual Meeting

The Annual Meeting will be held on Saturday, September 19, 2015 at 10:00 a.m. in the Clubhouse.

B. Appointment of Nominating Committee

The terms of Cathy Brosius and Glenn Johnson expire this year. Sylvia Dowty and Bob Price were appointed as the Nominating Committee. Glenn Johnson said he would not be running again.

C. Deck Repairs

Geoff Merker received a proposal from Top Notch Property Management, the same company that did the work last year. The scope of work includes 56 decks. The budget is \$32,000 and the proposal was \$30,449. He received a second bid of \$40,000 so the budget may need to be increased for next year.

D. Sewer Cleanouts

Geoff Merker received a proposal from Snowbridge Roto Rooter for installing sewer clean outs for Buildings W and Z. They now have the equipment to do hydro-excavation, which will be much less expensive than backhoe excavation. The bid was \$5,500 for both clean outs. There is \$12,000 in the budget.

E. Totem Poles

Glenn Johnson said he would like to take back his totem poles since he has space for them at his new home. The Board authorized this action. Geoff Merker will plant some shrubs in front of the fence.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, August 19, 2015 at 6:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Richard Garcia made a motion to adjourn at 6:50 p.m.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
August 19, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty, Mike Kurth, Cathy Brosius, Paul Hage, Bob Price and Glenn Johnson.

Owner Lee Vroble (X302) was present.

Representing Basic Property Management were Gary Nicholds, Eric Nicholds and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price made a motion to approve the July 15, 2015 Board Meeting minutes as presented. Sylvia Dowty seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no owner comments.

IV. FINES AND HEARINGS

There were no fines or hearings.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. The following items were discussed:

1. Satellite Dish Bolted to Outside of Deck - Geoff will follow up with the owner tomorrow.
2. Fire in F301 – The Fire Department determined the fire was caused by food cooking on the stove.
3. Lock Vendors – Geoff said A&M is the preferred vendor but he is not always available.
4. Cigarette Smoke Smell in Building N Hall - Geoff put notes on all doors in the stack requesting that occupants smoke outside.

B. Delinquency Report

1. Owner #1 – Bob Price made a motion to proceed with foreclosure on BB104. Sylvia Dowty seconded and the motion carried.
2. Owner #2 – The owner is not paying in accordance with the agreement. If this situation persists, the Board will vote to turn this account over to the attorney at the next meeting.

2. Owner #3 – The owner is on ACH but there were insufficient funds for three payments. Gary Nicholds will follow up tomorrow.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of July 31, 2015

1. Total Income - \$986,483 actual vs. \$983,096 budget (0.3% over budget).
2. Total Expenses - \$877,867 actual vs. \$916,217 budget (4.2% under budget). Including the Balance Sheet Budgeted Items, expenses were \$961,073 actual vs. \$999,204 budget (3.8% under budget).
3. Net Income – \$25,410 actual net income vs. (\$16,108) budgeted loss.
4. Year-to-date Reserve income was \$170,982 with \$42,342 in expenses, resulting in net income of \$128,641.

Geoff Merker was asked to check on the overage for Cable. Gary Nicholds and Bob Price will contact the gas provider to discuss the rate lock for the upcoming winter.

Sylvia Dowty made a motion to accept the Financial Report. Glenn Johnson seconded and the motion carried.

Bob Price reviewed the list of upcoming Reserve projects:

1. ATV - \$2,500. A plow will be purchased in November.
2. Boilers and Water Tanks - \$10,800. There is one water tank in inventory that may be needed in the next few months
3. Building Siding Repair - \$4,500. There was not much siding that needed replacement and some of the work was done using in-house labor. The final expense should be well below budget.
4. Clubhouse Upstairs - \$3,500. New chairs will be purchased.
5. Deck Floor Replacement - \$32,000. So far \$25,000 has been spent. The total cost will be \$30,500.
6. Dumpster Enclosure - \$2,000. Work will be done around Building A.
7. Basketball Court - \$70,000. The bid came in at \$67,000.
8. Painting - \$45,000. The contract is around \$39,000 and work will start in September.
9. Parking Lot Repairs - \$62,000. An invoice for \$60,000 was recently paid.
10. Patio Slabs - \$6,000. This work will be done in September.
11. Playground Equipment - \$14,500. This project is on hold.
12. Replace Pool Filters - \$3,000. This project has been completed.
13. Sewer Line Cleanouts - \$12,000. This money will be spent on Building W and Z cleanouts and repairs to Buildings AA and BB.
14. Pathway Repair - \$4K. This project has been completed.
15. Clubhouse Renovation Downstairs - \$4,500. This project is scheduled for September or October.
16. Replace Hallway Carpet – \$14,000. Most of the replacements have been completed and the rest of the funds will be spent on the buildings remaining to be done.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the grounds look fantastic.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius has noticed there are some units with wrong colored doors. Geoff Merker is notifying the owners and giving them 30 days to correct. There have been a few other rules violations such as clotheslines and car repair in the parking lot.

IX. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*

Glenn Johnson checked the books for this month and all were in order.

B. *Basketball Court Reconfiguration and Maintenance*

This agenda item was discussed during the Treasurer's Report.

C. *Audit Presentation*

This agenda item was addressed at the last meeting.

D. *Swimming Pool Skimmer Repair/Replacement*

There are no funds budgeted for the skimmer. The repair will cost about \$3,000 and should be done in the fall. Geoff Merker was directed to have the work done and to pay the expense from the Contingency Fund.

E. *Painting Buildings A, X, Y, Z and BB*

Geoff Merker said the contractor plans to start work in September.

F. *Deck Repairs*

This work is in progress. Building A is done and Building X is in progress. Geoff Merker will ask the contractor to check for rotten joists.

G. *Sewer Cleanouts*

There is a problem with the sewer line by Building BB. The pipe under the bike path is offset and has frequent backups. A bid of \$6,900 was received for this work. The Board authorized this project.

H. *Nominating Committee – Sylvia Dowty and Bob Price*

The terms of Cathy Brosius and Glenn Johnson will expire and both are running for reelection.

X. NEW BUSINESS

A. *Annual Meeting*

The Annual Meeting will be September 19, 2015 at 10:00 a.m.

B. Clubhouse Chair Replacement

Geoff Merker requested authorization to purchase 60 Agenda Plus Stacking Chairs at a cost of \$50 each for a total of \$3,000. Glenn Johnson made a motion to approve the purchase. Mike Kurth seconded and the motion carried.

C. Board Meeting Dates

Richard Garcia suggested changing the Board Meetings to Mondays instead of Wednesdays. Bob Price made a motion to hold the Board meetings on the third Monday of each month starting in October. Sylvia Dowty seconded and the motion carried.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Saturday, September 19, 2015 following the Annual Meeting.

XII. ADJOURNMENT

A motion was made to adjourn at 7:36 p.m.

Approved By: _____ Date: _____
Board Member Signature

Dillon Valley East Financial Summary

Dillon Valley East Financial Summary As of July 31, 2015

Summary Balance Sheet			
	Operating	Reserve	Total
Cash Accounts	512,702.82	1,131,166.46	1,643,869.28
Other Current Assets	27,444.12	49,770.34	77,214.46
Fixed Assets (net of depreciation)	0.00	9,610.90	9,610.90
Total Assets	540,146.94	1,190,547.70	1,730,694.64
Current Liabilities	95,610.23	0.00	151,908.57
Long Term Liabilities	0.00	1,188,292.35	1,188,292.35
Donated Capital		2.00	2.00
Retained Earnings	335,921.15	-126,387.43	209,533.72
YTD Net Income	108,615.56	128,640.78	237,256.34
Total Liabilities & Equity	540,146.94	1,190,547.70	1,730,694.64
Operating Fund P&L			
	Actual	Budget	Difference
Month Total Revenue	140,111.32	140,070.81	40.51
Month Total Expense	120,021.25	125,616.67	-5,595.42
Month Net Income	20,090.07	14,454.14	5,635.93
Balance Sheet Budgeted Items	11,883.03	11,855.37	27.66
	8,207.04	2,598.77	5,608.27
<i>Total Expense including BS</i>	<i>131,904.28</i>	<i>137,472.04</i>	<i>-5,567.76</i> <i>-4.1%</i>
YTD Total Revenue	986,482.98	983,095.75	3,387.23 0.3%
YTD Total Expenses	877,867.42	916,216.65	-38,349.23 -4.2%
YTD Net Income	108,615.56	66,879.10	41,736.46 62.4%
Balance Sheet Budgeted Items	83,205.68	82,987.55	218.13
	25,409.88	-16,108.45	41,518.33
<i>YTD Total Expenses including BS</i>	<i>961,073.10</i>	<i>999,204.20</i>	<i>-38,131.10</i> <i>-3.8%</i>

Major variances YTD:

- Washer/Dryer Income is \$1878 over projection.
- Loader expenses are \$2286 under budget and Truck/ATV expenses are \$4180 under budget.
- Accounting is \$3200 over budget, partially due to a timing issue of when the audit expense was budgeted. But we will end up \$1200 over at the end of the year.
- Bad Debt expense is \$6991 under budget. Legal Fees are \$881 over due to fees to collect old past due accounts and for advice on companion/service dogs.
- Basic Maint. is \$3566 under, Boilers \$1413 over (due to boiler inspections – a budget timing issue), Damage Claims \$3094 under and Pest Control \$2542 under.

Dillon Valley East Financial Summary

- Club and Recreational is \$1661 under.
- Office Expense is \$2167 under and Director's Expense is \$1908 under.
- Winter Grounds Maint. is \$2261 under and Summer Grounds Maint. is \$3483 under.
- Gas is \$9463 under budget. Electric is \$572 under. Cable TV is \$506 over.
- Water/Sewer is \$ 2846 over.

Reserve Fund, Profit and Loss

	Actual
Month Total Revenue	24,530.27
Month Total Expense	<u>25,531.26</u>
Month Net Income	<u><u>-1,000.99</u></u>
YTD Total Revenue	170,982.44
YTD Total Expenses	<u>42,341.66</u>
YTD Net Income	<u><u>128,640.78</u></u>

Notes from the President

Annual Meeting

Our Annual Meeting will take place Saturday, September 19 at 10:00 AM. Arrive early for registration and morning snacks. At the registration table will be a note pad where you can sign up to speak on a topic of your choice regarding Dillon Valley East Condominiums or Basic Property Management. Lunch will be provide immediately after the meeting. A brief Board meeting will take place after lunch where your Board will elect officers.

The terms of two Board members are expiring. Cathy Brosius and Glenn Johnson have agreed to continue their positions as Board members. There were no self-nominations from the general ownership and nominations from the floor cannot be taken according to our by-laws.

Building Painting

Our annual building painting was delayed this year due to continuous rain. Wet walls cannot be painted and the lawns are heavily damaged when heavy lifting equipment for painting is moved onto them.

Dogs

Thank You Dog Owners. We have seen an increase of dogs on lease and fewer complaints about dog droppings. There are a few owners that still defy picking up after their dog and a few that think their well-behaved dog will never bother or attack others while off-lease.

Window and Door Colors

When replacing your windows or patio doors, please adhere to the permitted colors for the complex.

The colors are: Almond or beige.

If you purchase windows with white trim, paint for plastic and aluminum trim is available from most paint and hardware stores. If you receive a kind note from our property management asking you to paint your window/door trim, please do so within a reasonable time. Else you are subject to a fine.

Board Meeting Days

Our monthly Board meeting days change from Wednesday evenings to Monday evenings beginning this October. The next Board meeting after this September meeting will be on Monday, October 19th at 7:00 PM in the clubhouse.

Sincerely,

Richard Garcia
President
Dillon Valley East Condominium Association
richard.garcia@dillonvalley.org

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
SEPTEMBER 19, 2015**

I. CALL TO ORDER

The meeting was called to order at 12:44 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty (via teleconference), Cathy Brosius, Paul Hage and Bob Price.

Representing Basic Property Management were Gary Nicholds, Eric Nicholds and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price made a motion to approve the August 19, 2015 Board Meeting minutes as presented. Paul Hage seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no owner comments.

IV. FINES AND HEARINGS

There were no fines or hearings.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review.

B. Delinquency Report

1. Owner #1 – Paul Hage made a motion to proceed with foreclosure on Unit A303. Cathy Brosius seconded and the motion carried.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Report as of August 31, 2015

1. Total Revenue - \$1,126,523 actual vs. \$1,123,167 budget (0.3% over budget).
2. Total Expenses - \$990,746 actual vs. \$1,040,473 budget (4.8% under budget). Including the Balance Sheet Budgeted Items, expenses were \$1,085,896 actual vs. \$1,135,316 budget (4.4% under budget).
3. Net Income – \$40,626 actual net income vs. (\$12,150) budgeted loss.
4. Year-to-date Reserve income was \$195,568 with \$109,210 in expenses, resulting in net income of \$86,358.

Paul Hage noted that the Balance Sheet was changed to incorporate the loan column into the Reserve column. This change will be reflected in the October report. The Board

will need to approve a budget modification in October to include the depreciation expense. The Board should consider making a prepayment on the loan.

Cathy Brosius noted that there are panels used for roofing in place of shingles that provide solar energy. The Board should look at options when the time comes to replace the roofs.

Cathy Brosius made a motion to accept the Financial Report. Sylvia Dowty seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson was not present to provide a report.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Owners should be encouraged to ensure their rental tenants are following the Rules and Regulations.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments

Glenn Johnson was not present.

B. Basketball Court Reconfiguration and Maintenance

The contractor should be on site in two weeks to pour the concrete.

C. Swimming Pool Skimmer Repair/Replacement

Geoff Merker will close the pool on October 5th to make the skimmer repairs. The expense will be paid from the Contingency. It may be necessary to drain the pool. It is hoped this repair will resolve the water clarity.

E. Painting Buildings A, X, Y, Z and BB

Geoff Merker said the contractor is finishing the last building today. He will do a walkthrough with the contractor once the work has been completed.

F. Deck Repairs

The deck repairs have been completed.

G. Sewer Cleanouts

Snowbridge will be putting in hard fittings. There will be a cost overrun for the Buildings AA/BB repairs due to more extensive damage than anticipated but the bill has not yet been received.

X. NEW BUSINESS

A. Election of Officers

Bob Price made a motion to retain the same Officers. Paul Hage seconded and the motion carried.

B. Resignation of Board Member

A motion was made to accept the resignation submitted by Glenn Johnson. The motion was seconded and carried.

C. Appointment of New Board Member

A motion was made to appoint Lisa Watkins to replace Glenn Johnson for a three-year term. The motion was seconded and carried.

D. Electric Car Charging Station

Cathy Brosius thought the Association might need to provide electric car charging stations. Eric Nicholds thought the Association had to allow for installation of stations but not supply them. Cathy will do additional research. Gary Nicholds will consult with the attorney.

E. Motorcycles

Cathy Brosius suggested establishing a parking area for winter parking of motorcycles so they do not get buried in the snow. The parking regulations specify that they should be parked in a regular spot, not by the buildings.

F. Wi-Fi from Comcast

Richard Garcia will continue to talk with Comcast about wireless for all the units.

G. Budget Committee

Mike Kurth and Paul Hage will serve on the Budget Committee.

H. Flooring Regulations

Richard Garcia recommended asking owners to cover hard surface floors with area rugs before establishing a formal rule.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Monday, October 19, 2015 at 7:00 p.m. in the Clubhouse. The December dinner meeting will be Monday, December 14, 2015.

XII. ADJOURNMENT

A motion was made to adjourn at 1:20 p.m.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
ANNUAL MEETING
September 19, 2015**

I. ROLL CALL AND CERTIFICATION OF PROXIES

The meeting was called to order at 10:03 a.m. by Richard Garcia in the Dillon Valley East Clubhouse.

Board members present were:

Richard Garcia, President, T106	Cathy Brosius, Secretary, E106
Paul Hage, Treasurer, AA206/BB203/N305/Q205/Z104	Bob Price, Member, G305

Homeowners present were:

Joseph & Nancy Bain, B103	Priscilla Calahan, B204
Courtney Smith, A306	J. Gordon Corn, W204
Briget Crowe, F304	Bryan & Jenelle Fabel, B302
Susan Fiske, N205	Laura Fletcher, I202
Ed & Suzanne Husler, O306	Charles Kachadoorian, Q305
Kevin Kaiser, D301	Holly Holden, O102
Paul Knapp, Y202	Steve Madzo, E204
Cesar Munoz, J102	Nathan Willis, F204
Dolores Nelson, N306	Katherine Peterson, A203
Martha Pirnat, X301	Marcia Pearce, N101
David & Rita Kay Ryan, A101	Jerry Schaefer, O103
Jeffrey Schramm, I205	Richard Sears, E301
Barbara Slater, E201/I305	Lee Vroble, X302
Lisa Watkins, T305	Gail Wepfer, I102
Edith Webster & Chris Heer, X204/X303	

Representing Basic Property Management were Gary Nicholds, Eric Nicholds and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. DETERMINATION OF QUORUM

A quorum was confirmed with 39 units represented in person and 58 proxies received.

III. PROOF OF NOTICE

Notice of the meeting was sent in accordance with the Bylaws.

IV. APPROVE PREVIOUS MEETING MINUTES

Marcia Pearce made a motion to approve the September 20, 2014 Annual Meeting minutes as presented. Gordon Corn seconded and the motion carried.

V. REPORTS OF OFFICERS

Richard Garcia reported that it is estimated that at least 50% of the 404 units are used for rentals. Some realtors have requested that the percentage of rental units be reflected at a lower percentage on the loan worksheets in order to facilitate financing but the management company is unwilling to misrepresent this data. This does not appear to have affected financing since units in Dillon

Valley East are still selling. He said Dillon Valley East is the largest condominium association in Summit County and Vail. He encouraged owners to sign up for the owner newsletter that is sent by email.

Cathy Brosius reminded owners of rental units to make sure their tenants are complying with all Rules and Regulations. Some owners have installed new fences, windows or doors, which have improved the overall appearance of the complex. She noted that replacement windows and doors must have almond colored frames.

VI. FINANCIAL REPORT

A. 2014 Year-End Financial Status

Paul Hage reported the year-end results:

1. Total Income - \$1,687,737 (on budget).
2. Total Expenses - \$1,085,896 (4% under budget).
3. Net Income – \$71,681.

B. Year-to-Date Profit and Loss as of August 31, 2015

Paul Hage reported the year-to-date results:

1. Total Income - \$1,126,523 (0.3% over budget).
2. Total Expenses - \$990,746 (4.4% under budget).
3. Net Income – \$40,626

Year-to-date Reserve Fund revenue was \$195,568 and expenses were \$109,210 resulting in net income of \$86,358. The Reserve Fund balance was \$1,079,173.

C. 2015 Year-End Surplus

Chris Heer made a motion to authorize transfer of any 2015 year-end Operating surplus to the 2016 Reserve Fund. Jerry Schaefer seconded and the motion carried.

D. General Comments Related to Financial Reports

Paul Hage said he worked with Margarita Sherman to make some modifications to the Balance Sheet. The Reserve and loan columns were combined since the loan is paying for Reserve items.

Paul said it is very likely that dues will remain flat in the 2016 Budget for the fifth year in a row. This should be possible due to having the loan and management keeping costs in line. He noted that the Association was able to absorb an increase of over \$100,000 in water and sewer costs by managing expenses in other areas. The Board and membership recognized Basic Property Management for their cost saving efforts.

The Board may consider making a prepayment on the loan. The original loan amount was \$1.5 million. The term is ten years, the payoff date is January 2021 and there is no prepayment penalty. The remaining balance of the loan is \$911,141.

A financial audit was completed this year and the Association received a clean report.

Bridget Crowe requested a detailed report of the budget. Paul Hage will provide one.

VII. COMMITTEE REPORTS

A. Board of Directors Report

Richard Garcia noted the following:

1. Failing grout in the tubs and around the toilets can result in leaks into the units below. The owner of the unit where the leak originates is responsible for all repairs.
2. The fence by the tennis courts was removed and the basketball court was made smaller.
3. Beginning next month, the Board will be meeting on the third Monday of each month at 7:00 p.m. in the Clubhouse instead of on Wednesdays. The meetings are open to any interested owners. There is no formal meeting in December.
4. The monthly meeting minutes are sent to all owners by email.

B. Architectural Control Committee Report

Cathy Brosius reminded owners to comply with the specifications when installing new fences, doors or windows.

C. Building and Grounds Committee Report

Glenn Johnson was not present to provide a report.

VIII. MANAGEMENT COMPANY REPORT

Gary Nicholds and the owners recognized Geoff Merker for his work at the property.

A. Owner Education

1. Owners were asked to inform Basic Property Management of any changes to their contact information, especially email addresses.
2. The Summit County Landfill is now accepting a number of items free of charge for Summit County residents. A sheet listing these items was provided.
3. Glass is not currently accepted in single stream recycling in Summit County. Timberline will be able to take glass starting in January. For the time being, glass can be recycled at a number of recycling centers throughout the County. There is also a container for glass recycling behind the Clubhouse. Plastic bags should not be put in the recycling bin.
4. Basic Property Management completes the condominium questionnaires for mortgage companies when units sell. One of the questions asks the percentage of units that are owned as investment properties. In order to qualify for FHA financing, the percentage of investment properties must be less than 51%. These numbers are a moving target and it is estimated that the investment property percentage is higher than 51%, which can cause issues with financing. Geoff Merker is trying to get the most accurate information possible. Paul Hage pointed out that Dillon Valley East has never been FHA approved in 35 years but units are selling regardless. Cathy Brosius suggested requiring owners to provide a statement of their unit status (rental versus owner occupied) before being provided with new annual parking permits.
5. Gary Nicholds and Geoff Merker have both passed the new state licensing exam for property managers and sent in the fees but have not yet received the license from the State.

Owner questions and comments were as follows:

1. Steve Madzo said he had a problem this winter with second hand smoke in his unit. Geoff Merker said it was determined that the renter in the unit below had been smoking in the bathroom and blowing the smoke into the exhaust fan. The vent pipe in the ceiling was broken and the smoke seeped into the units above. The vent pipe has been replaced. Owners were asked to encourage renters not to smoke in the units. Chris Heer pointed out that smoking on patios also affects neighboring units. Gary Nicholds said this issue should be addressed by the Board at a future meeting.
2. Ms. Madzo asked if there was a rule requiring units to have carpet to reduce sound transmission to units below. Gary Nicholds said there were general rules regarding noise. Gary will approach the tenants about adding some area rugs in the bedroom.
3. Lisa Watkins asked if it would be possible to blow in some type of insulation in the walls to reduce noise transmission from an adjacent unit. Geoff Merker said he could look at options. This would be an individual owner expense.
4. Lee Vroble asked if there was a problem with the water pressure. Geoff Merker noted that screens in the faucet heads could be affecting the water flow. Geoff will follow up. Lee is also experiencing a lack of heat in his unit.
5. Jenelle Fabel said there were significant water temperature fluctuations in their shower. Gary Nicholds said it could be the mixing valve. Geoff Merker will follow up.
6. An owner asked if the parking regulations related to plowing were being enforced. Gary Nicholds said cars have been towed on occasion. Owners were reminded to move their cars after it snows to facilitate plowing of the lots. If an owner will be out of town and unable to move the car during the winter should be sure to park away from the building and inform Geoff Merker.

B. Project Update

Geoff Merker provided a slide show of completed projects.

1. Building A, X, Y, Z and BB – Painting was completed.
2. Buildings A, X, Y, Z and BB - Decks were repaired. The joists are being checked for rot as the work is done.
3. Building E – Repaved the parking lot and added a concrete drain pan in the middle. The slope was modified to improve drainage.
4. Basketball Court - Will be overlaid with post-tension concrete in September.
5. Buildings W and Z – Installed sewer clean outs.
6. Buildings AA and BB – Repaired the sewer line.
7. Swimming Pool - Replumbed the sand filters and eliminated one of the two circulation pumps.
8. Carpet - Replaced hallway carpet in ten hallways.
9. Planters - Rebuilt the planters by the Clubhouse and added weed barrier and new mulch. More flowers will be planted in 2016.
10. Patios - Replaced four patios.
11. Lighting - Installed LED security lighting in several buildings and replaced some common hallway lighting fixtures.
12. Chairs - Replaced the Clubhouse chairs.

13. Future Projects – Replace tile in shower stalls in women’s locker room, replace the ATV snowplow and make playground improvements.

Owner questions and comments included:

1. An owner asked when the Building A parking lot would be repaved. Geoff Merker said it would probably be done next year.
2. Lee Vroble said lock boxes can be purchased from the Fire Department that can be put on the front of the building with individual unit keys to provide access to units in case of emergency.
3. Bryan Fabel asked if the B Building parking lot could be extended toward Building A to provide diagonal parking. Richard Garcia said the Board would look into it.
4. Laura Fletcher suggested hiring a professional planning firm to maximize the use of Association space and amenities, such as indoor and outdoor hot tubs. The Board thanked her for the input.

IX. ELECTION OF MANAGERS

The terms of Cathy Brosius and Glenn Johnson expired and both were willing to run again. No other candidates were nominated by the nominating committee and nominations could not be taken from the floor per the bylaws. Chris Heer made a motion to elect the two candidates by acclamation. Joey Webster seconded and the motion carried.

X. OPEN DISCUSSION

Rita Ryan complimented Geoff Merker for his assistance with resolving a plumbing problem that had been ongoing for ten years.

Susan Fisk commented that an increase in short term rentals has decreased availability of long term rentals and has resulted in excessive occupancy in some long term rental units. Richard Garcia said this was a problem throughout resort communities. Legally, there is no restriction on the number of occupants in a unit as long as they are all blood related. Enforcement is very difficult. Bob Price said owners can include a maximum occupancy clause in the lease.

An owner suggested providing a standardized lease for the Association. Bob Price said this would be possible but owners cannot be compelled to use or enforce it.

Susan Fisk asked if there was an option for Wi-Fi for the entire property. Richard Garcia said a company provided a bid for Wi-Fi but backed out when they realized the size of the complex. He is working with Comcast on options for adding Wi-Fi through the television cable. Owners were encouraged to contact Comcast directly regarding problems with television reception. The Comcast office (now called Xfinity) has moved next door to Murdock’s.

Janelle Fabel asked if Summit Stage had been approached about a bus stop closer to the Clubhouse. Cathy Brosius said it had been discussed but the issues are a lack of space for a turnaround and an unwillingness to make the Silverthorne to Keystone route longer than 45 minutes.

Barb Slater asked about the pine beetle infestation. Gary Nicholds said the beetles are always present but proliferate when the trees are weakened. The infestation is down to a normal level.

Steve Madzo requested that a rule be established to prohibit street clothes and shoes in the pool area and that the staff be trained to enforce it. Geoff Merker will follow up.

Chris Heer recommended that owners have an evacuation plan in the event of a fire.

Marcia Pearce said she was considering installation of a fence but there is a sprinkler head inside the perimeter. Cathy Brosius said the head can be moved.

Susan Fisk said many hallway lights are left on 24/7. Geoff Merker will post a reminder to owners about shutting off the lights.

An owner asked about the crime rate in the neighborhood. Richard Garcia said there was a gang in the area four years ago but this does not appear to be an issue any longer. There are typical problems with domestic disagreements. Cathy Brosius noted that there have been bicycle thefts in all communities. Owners should be sure to lock up items stored outside units and lock cars.

An owner asked if he could plant a tree by his unit. Richard Garcia said this would not be permitted on common area by the building due to the fire hazard and problems that the roots can cause with sewer lines.

XI. SET NEXT MEETING DATE

The next Annual Meeting was set for Saturday, September 17, 2016 at 10:00 a.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Chris Heer made a motion to adjourn at 11:34 a.m. The motion was seconded and carried.

Approved By: _____

Board Member Signature

Date: _____

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
October 19, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Richard Garcia.

Board members present were Richard Garcia, Mike Kurth, Cathy Brosius, Paul Hage, Sylvia Dowty (via teleconference) and Lisa Watkins.

Representing Basic Property Management were Gary Nicholds, Eric Nicholds Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the September 19, 2015 Board Meeting minutes as presented. Cathy Brosius seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no owner comments.

IV. FINES AND HEARINGS

There were no fines or hearings.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review. Bob Price emailed a question about the chimney sweeping line item, which is budgeted for \$1,500 but nothing has been spent. Geoff said the inspections were done last week and he is waiting for the report.

B. Delinquency Report

1. Owner #1 – The unit has been turned over to the attorney for foreclosure.
2. Owner #10 – The owner has an old unpaid balance and efforts to contact the owner have been unsuccessful. Geoff Merker made some repairs to the toilet in the unit. That expense will be added to the amount due and efforts to contact the owner will continue.

VI. TREASURER'S REPORT

A. Changes to Financial Reporting

Paul Hage reviewed the new format for the monthly financial reporting. The changes were made in accordance with recommendations from the accountant. They included:

1. The loan and Reserve balances were combined on the Balance Sheet.

2. The depreciation and loan income and interest expenses were moved from Operating to Reserves.
3. Principal payments are now tracked through Reserves.

Mike Kurth said the Board should determine what the Retained Earnings balance in Operating should be and move the remaining balance to Reserves. Margarita Sherman said this can be done at the end of year.

Paul Hage made a motion to approve the modified budget as presented. Mike Kurth seconded and the motion carried.

B. 2015 Year-to-Date Report as of September 30, 2015

1. Total Income - \$1,116,774 actual vs. \$1,115,525 budget (0.1% over budget).
2. Total Expenses - \$1,066,134 actual vs. \$1,122,390 budget (5% under budget).
3. Net Income – \$50,640 actual net income vs. (\$6,865) budgeted net loss.
4. Year-to-date Reserve income was \$368,086 with \$227,210 in expenses, resulting in net income of \$140,876. The loan principal payment was \$107,308 resulting in adjusted net income of \$33,568.

Bob Price sent an email with questions regarding the \$7,000 favorable balance in the Landscaping account and the water rate. He asked if next year's Landscaping budget should be adjusted based on the actual expenses. Geoff Merker explained that the savings was due to not spraying the trees. Paul Hage said there was not much that can be done about the water rate. He attempted to negotiate the rate with the Water District representative with no success.

Gary Nicholds will work with the gas representative and Bob Price on a gas rate review.

Mike Kurth made a motion to accept the Financial Report. Lisa Watkins seconded and the motion carried.

Margarita Sherman said a couple of CDAR's renewed for another six month. She has started the paperwork to open an Insured Cash Sweep (ICS) account at Alpine Bank earning 0.5% interest, which is more than the CDAR's. It will function as a parent account to the Operating and Reserve accounts and funds can be transferred as needed. All funds will be insured and there are no penalties for withdrawals.

Paul Hage made a motion to establish an ICS account at Alpine Bank and to move funds into that account as the CDAR's mature. Mike Kurth seconded and the motion carried.

The Budget Committee should meet in the next week to review the Reserve schedule and to determine which projects should be planned for next year. Paul Hage will serve as Committee Chairman.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

There was no report.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said there was one new fence.

IX. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*

Lisa Watkins agreed to take on responsibility for reviewing the books.

B. *Basketball Court Reconfiguration and Maintenance*

Geoff Merker said work is in progress and everything should be finished before winter except the painting. Geoff will get a bid to install a chain link fence around the patio area.

C. *Swimming Pool Skimmer Repair/Replacement*

The skimmer has been replaced. The pool deck needs to be repaired in that area.

D. *Painting Buildings A, X, Y, Z and BB*

Geoff Merker said the painting had been completed.

E. *Sewer Cleanouts*

Buildings W and Z were done and repairs were made to the Building BB pipe. The work for Building BB was about \$2,400 over budget. The total budget was \$12,000 and just over \$14,000 was spent due to the additional repairs.

X. NEW BUSINESS

A. *Holiday Hours for Clubhouse*

Geoff Merker was directed to close the Clubhouse at 2:00 p.m. on Thanksgiving and 5:00 p.m. on New Year's Eve and to close all day on Christmas Day.

B. *Board Dinner*

The Board Dinner will be Monday, December 14th at the Snake River Saloon starting at 6:30 p.m.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Monday, November 16, 2015 at 7:00 p.m. in the Dillon Valley East Clubhouse.

XII. ADJOURNMENT

Lisa Watkins made a motion to adjourn at 7:43 p.m.

Approved By: _____ Date: _____
Board Member Signature

**Dillon Valley East
Financial Summary
As of September 30, 2015**

Summary Balance Sheet			
	Operating	Reserve	Total
Cash Accounts	513,086.89	1,124,321.88	1,637,408.77
Other Current Assets	22,212.01	0.00	22,212.01
Fixed Assets (net of depreciation)	0.00	59,379.24	59,379.24
Total Assets	535,298.90	1,183,701.12	1,719,000.02
Current Liabilities	148,737.79	0.00	151,908.57
Long Term Liabilities	0.00	1,169,210.93	1,169,210.93
Donated Capital		0.00	2.00
Retained Earnings	335,921.15	-126,385.43	209,535.72
YTD Net Income	50,639.96	140,875.62	191,515.58
Total Liabilities & Equity	535,298.90	1,183,701.12	1,719,000.02
Operating Fund P&L			
	Actual	Budget	Difference
Month Total Revenue	-9,748.47	123,658.33	-133,406.80
Month Total Expense	75,327.22	120,783.34	-45,456.12
Month Net Income	-85,075.69	2,874.99	-87,950.68
YTD Total Revenue	1,116,774.04	1,115,525.01	1,249.03 0.1%
YTD Total Expenses	1,066,134.08	1,122,389.98	-56,255.90 -5.0%
YTD Net Income	50,639.96	-6,864.97	57,504.93 -837.7%

Major variances YTD:

- Washer/Dryer Income is \$124 under projection. (No income shown for Sept.)
- Loader expenses are \$4069 under budget and Truck/ATV expenses are \$4905 under budget.
- Accounting is \$1200 over budget.
- Bad Debt expense is \$10,264 under budget. Legal Fees are \$631 over due to fees to collect old past due accounts and for advice on companion/service dogs.
- Basic Maint. is \$4077 under, Boilers on budget, Damage Claims \$4373 under and Pest Control \$3525 under.
- Chimney Cleans are 2840 under budget. A timing issue?
- Club and Recreational is \$2394 under.
- Office Expense is \$1485 under and Director's Expense is \$1448 under.
- Winter Grounds Maint. is \$2261 under and Summer Grounds Maint. is \$7165 under.
- Gas is \$9719 under budget. Electric is \$2227 under. Cable TV is \$85 under.
- Water/Sewer is \$ 5064 over.

Notes from the President

Greetings

A note from our maintenance personnel: Many of the bath tubs, shower handles, and toilets are original since installed in the early 70's. Please check the condition of the caulking around the tubs, both at the wall and floor, around faucets, and tile coming loose. We are experiencing reports of water seepage from above units into lower units. The water seepage is almost always attributed to dried caulk or no caulk allowing water to enter the floor and wall. This causes damage to property below and inconvenience. Who pays for the repair? The unit owner above is responsible for all repairs and replacement of personal property and common area. The unit owner affected must communicate the cost of replacement of damaged personal property and discuss settlement with the unit owner above.

Motorcycle Winter Storage

Please do not store your motorcycle next to a building and especially over a window grate. You may store a motorcycle behind the maintenance building near the clubhouse. The Homeowner's Association assumes no liability for damage or theft for motorcycles stored behind the maintenance building.

Clubhouse Holiday Hours

- Thanksgiving - Close at 2 PM on Thanksgiving Day and open for normal operation on Friday
- Christmas - Closed Christmas day and open for normal operation on December 26th.
Note: If there is no attendance in the clubhouse on Christmas Eve, we will close early to allow staff to be with their families.
- New Year - Closed at 5 PM December 31st and open for normal operation on January 1st.

Board Meeting Dates

Our Board of Managers now hold their monthly meetings on the third Monday of the month with exception of December. There is no formal meeting in December.

Hallway Lights

For most, darkness is present when leaving and returning from work. Please remember to turn off the hallway lights and save a few pennies. With the number of hallway lights we have, the energy cost adds up. Our Board is currently discussing options of replacing all lights with low energy lights or installing motion detectors in place of switches.

New Board Member

Welcome Lisa Watkins. Glenn Johnson decided to step away from being a board member shortly after the annual meeting. Lisa Watkins was appointed in his position as a member. Lisa has experience as one of our board members and brings vast knowledge of customer relations as a manager with Keystone Resort.

Thanks for reading

Richard Garcia
President
Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
November 16, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:03 p.m. by Richard Garcia.

Board members present were Richard Garcia, Mike Kurth, Cathy Brosius, Sylvia Dowty (via teleconference) and Lisa Watkins.

Representing Basic Property Management were Gary Nicholds, Margarita Sherman and Geoff Merker. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Mike Kurth made a motion to approve the October 19, 2015 Board Meeting minutes as presented. Cathy Brosius seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX

There were no owner comments.

IV. FINES AND HEARINGS

There were no fines or hearings.

V. MANAGER'S REPORT

A. Manager's Report

Geoff Merker provided a written report prior to the meeting for Board review.

B. Delinquency Report

The last three owners on the list have paid in full and actually have a credit balance.

VI. TREASURER'S REPORT

A. 2015 Year-to-Date Balance Sheet as of October 30, 2015

1. Operating Cash - \$468,460
2. Reserve Cash - \$1,132,556
3. Total Operating Assets - \$478,624
4. Total Reserve Assets - \$1,191,935
5. Total Operating Liabilities - \$83,998
6. Total Reserve Liabilities - \$1,160,776
7. Total Operating Equity - \$394,626
8. Total Reserve Equity - \$31,160

B. 2015 Year-to-Date Operating P&L as of October 30, 2015

1. Total Revenue - \$1,873 favorable to budget due to Late Fees and Washer/Dryer income.
2. Total Expenses - \$59,081 favorable to budget due to savings in Gas & Electric, Grounds Maintenance and Building Maintenance.
3. Net Operating Income - \$58,705, which was \$60,955 favorable to budget.
4. Net Reserve Revenue - \$408,875, which was \$1,377 favorable to budget.
5. Total Reserve Expenses - \$251,330, which was \$129,053 favorable to budget due to timing of projects.

Cathy Brosius made a motion to approve Financial Report. Sylvia Dowty seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

There was no report.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said Xcel was willing to do energy assessments for the individual units and common areas. The information will be attached to these minutes and posted on the website.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments

Lisa Watkins reported that all the books were in order.

B. Basketball Court Reconfiguration and Maintenance

Geoff Merker said everything had been completed except the paint, which will be done in the spring.

X. NEW BUSINESS

A. Budget Committee

The Committee tentatively scheduled a meeting on Monday, November 23rd at 2:00 p.m. at the Basic Property Management office.

B. Fence Bid

Geoff Merker said there were a couple of options provided by Strategic. The bid for 6' galvanized steel fence to connect to the existing fencing was \$3,740 plus \$385 for an additional gate. Upgrading to brown powder coated steel fencing would increase the cost to about \$6,500 since the existing galvanized steel fence would need to be replaced. The Board agreed to include \$3,740 plus \$385 for the galvanized steel fencing in next year's budget. Geoff was directed to ask the contractor if there would be a way to set up the gate to provide egress only from the pool area.

XI. SET NEXT MEETING DATE

The next Board Meeting will be Monday, January 18, 2016 at 7:00 p.m. in the Dillon Valley East Clubhouse.

The Board dinner will be at the Snake River Saloon on Monday, December 14, 2015 at 6:30 p.m.

XII. ADJOURNMENT

Cathy Brosius made a motion to adjourn at 7:21 p.m.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
December 14, 2015**

I. CALL TO ORDER

The meeting was called to order at 7:10 p.m. by Richard Garcia.

Board members present were Richard Garcia, Mike Kurth, Lisa Watkins, and Paul Hage.

Representing Basic Property Management were Gary Nicholds, and Geoff Merker.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Mike Kurth made a motion to approve the November 16, 2015 Board Meeting minutes as presented. Lisa Watkins seconded and the motion carried.

III. TREASURER'S REPORT

The Budget Committee met and proposed that the monthly dues for year 2016 remain the same. Owners may request a copy of the 2016 budget from Basic Property Management. Motion to approve the 2016 budget was made by Mike Kurth. Lisa Watkins seconded and the motion carried.

IV. SET NEXT MEETING DATE

The next Board Meeting will be Monday, January 18, 2016 at 7:00 p.m. in the Dillon Valley East Clubhouse.

V. ADJOURNMENT

Paul Hage made a motion to adjourn at 7:15 p.m.

Approved By: _____ Date: _____
Board Member Signature