

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
January 20, 2020**

I. CALL TO ORDER

The meeting was called to order at 7:01 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

Board members present were Richard Garcia, Mike Kurth, Carl Henry, Joyleen Helcoski and Nathan Willis. Lisa Watkins and Bob Price participated via teleconference.

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

II. APPROVAL OF PREVIOUS MEETING MINUTES

Motion: Carl Henry moved to approve the December 16, 2019 Board Meeting minutes as presented. Joyleen Helcoski seconded and the motion carried.

III. OWNER COMMENTS

There were no owner comments.

IV. TREASURER'S REPORT

A. 2019 Year-End Operating Account Summary as of December 31, 2019

Mike Kurth reviewed highlights of the Balance Sheet and Income Statement.

1. Operating Cash – \$422,629.
2. Reserve Cash – \$1,528,378
3. Year-End Revenue – \$9,332 favorable to budget.
4. Year-End Expenses – \$14,321 favorable to budget.
5. Net Operating Income - \$23,654
6. Net Reserve Income – \$15,314 favorable to budget.
7. Net Reserve Expenses – \$180,832 favorable to budget.
8. Net Reserve Income Year-End - \$268,214

The dues breakdown for 2019 is \$1.505 million for Operating and \$441,000 for Reserves.

Action Item: Mike Kurth will forward a copy of the budget to the Board.

Motion: Bob Price moved to accept the Financial Report. Joyleen Helcoski seconded and the motion carried.

V. FINES AND HEARINGS

Matt Litowkin issued a \$75 fine to the owner of T203 for a tenant noise violation.

VI. MANAGER'S REPORT

A. *Manager's Report*

Matt Litowkin distributed the report prior to the meeting. There was discussion about the following items:

1. The pool had to be shut down for cleaning due to a sanitation issue.
2. Ceiling leaks in some lower units are occurring around the Pex pipe joints.
3. Building H will receive seasonal preventative maintenance drain cleaning. All lower level kitchen sinks of building H have been professionally jetted and the main sewer line cleared.
4. The pool area air handling is being addressed with a new fan motor being installed.

B. *Ratification of \$250,000 Funds Transfer*

A \$250,000 transfer was made from the cash sweep account to Charles Schwab account. The funds were invested in one-year CDs earning 2%. The Board approved the transfer by email.

Motion: Carl Henry moved to ratify the Board approval for the transfer. Joyleen Helcoski seconded and the motion carried.

C. *Delinquency Report*

Gary Nicholds distributed a written report. The total outstanding balance was \$10,521, up slightly from December. Two owners have paid since the report date (one still owes attorney fees), one was sent to the attorney and statements and letters of delinquencies were sent to six owners. Delinquent owners are not allowed to have a long-term storage spot. Per the contract, the delinquent owners have a deadline for moving their vehicle or trailer before it will be towed.

VII. ARCHITECTURAL REVIEW COMMITTEE

Richard Garcia did not have a report.

VIII. OLD BUSINESS

A. *Roof Replacement*

Bob Price proposed establishment of a committee to review the costs and timing of the roof replacement. A contractor should be asked to provide an evaluation of the condition. The roofs on nine buildings were last replaced in 2002 and 2003.

IX. NEW BUSINESS

A. *Personal Washer/Dryer Fee*

The Board discussed increasing the annual washer/dryer fee from \$100/year to \$240/year. Bob Price did not think it would be fair to raise it with such short notice, since the fee is billed February 1st. The Board agreed not to change the fee.

C. *Water Damage to Unit N103 & Cost*

Matt Litowkin received a report of a leak from the ceiling in Unit N103 on November 17th. It was determined to originate from an internal Pex hot water line that failed. Matt made

the repairs. The main damage was to the cabinets and countertops along with some drywall. The cost for repairs will be about \$12,000 and an insurance claim will not be filed since the deductible is \$10,000. Bob Price quoted a memo from Steve Dorado, the association’s insurance broker, regarding the extent of the Association coverage. He did not think the Association was obligated to pay for all the damages. Gary Nicholds said the Association has paid about half of the total expense to date.

Action Item: Gary Nicholds will research this matter, determine if the explanation in the memo corresponds with the Declarations, confirm with the assignment of responsibility with the insurance agent and pursue reimbursement if appropriate.

Action Item: Richard Garcia will forward a copy of the memo from Steve Dorado to all Board members and management.

C. DVE Declarations RE: Insurance Coverage

Gary Nicholds said the Declarations are original and could use modernization. The insurance provisions could be changed to specify “bare walls” coverage so owners would be responsible for everything in their unit from the sheetrock surface in. Amending the Declarations will require approval by at least 67% of the membership. There would also be a way to get the amended Declarations approved through the court if there is non-response from the owners. The legal cost to draft the amended documents will be around \$6,000 - \$7,000. Richard Garcia suggested discussion of this topic at the next Annual Meeting.

D. Laundry Room Condition

Lisa Watkins sent photos of the laundry room condition on Saturday to the Board. Matt Litowkin explained that he has the crew cleaning the Clubhouse every day starting at 8:00 a.m. They sweep, mop and wipe down all machines before the room is opened to the public. There are two washers that are currently not operational. Joyleen Helcoski asked if there could be a second check of the facility later in the day. Matt said it would depend on availability of staff. Lisa suggested locking the outside door and requiring access through the main Clubhouse door. Bob Price proposed additional signage regarding items that should not be put in the washing machines (i.e. shoes, backpacks and multiple comforters).
Action Item: Matt Litowkin will add signage.

E. Mattress Storage

Action Item: Matt Litowkin will address the mattress that is stored in the front office with his staff and the mattress on the balcony of Unit T306.

X. SET NEXT MEETING DATE

The next Board Meeting will be Monday, February 17, 2020 at 7:00 p.m. in the DVE Clubhouse.

XI. ADJOURNMENT

Motion: Carl Henry moved to adjourn at 8:24 p.m.

Approved By: _____ Date: _____

Board Member Signature