

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
January 20, 2010
Dillon, Colorado**

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, Sylvia Dowty, Robert Price, Glenn Johnson, Lisa Watkins and Catherine Brosius.

Owners Lee Vroble, Don Gardey and Laurel Gardey were present.

Representing Basic Property Management were Gary Nicholds, Julian Brodie, Candy Ramage and Martin Cenicerros. Emma Stanbro of Summit Management Resources was recording secretary via telephone.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the previous Board Meeting held on December 16, 2009 as presented. The motion was seconded by Sylvia Dowty and carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

There were no questions or comments from the floor.

IV. FINES & HEARINGS

There were no owners present for fines or hearings.

V. MANAGERS REPORT

A. Property Manager's Report

1. One of the original pumps was replaced on the hot tub.
2. Lights have been installed around the owner lock boxes.
3. Light fixtures have been installed on the eight main buildings, BB, A, C, Y, W, T, V and P.
4. Salt to control the ice is being spread at the entryways.
5. There was a problem with condensation buildup in the attic of Unit N303 due to a slight leak from a roof nail. The condensation was leaking through the bathroom fan which is not vented to the outside. The attic was reinsulated and the vent was cleaned. This appears to be the only attic in this building with this problem.
6. J105 seal blew up.
7. Snow plowing has occurred two times in December.

B. Delinquency Report as of December 31, 2009

The total balance of the delinquencies as of December 31, 2009 was \$65,194. It was reported that the total amount of delinquencies has gone up since the adoption of stricter collection policies, particularly the initiation of late fees when any amount is past due. Approximately half of this amount is made up of outstanding balances from four units. The unit with the highest balance is W201 (\$16,707) which is owned by the Association and currently listed for sale. The units with the next two highest balances of \$11,512 and \$5,432 are in foreclosure with a foreclosure sale date of February 12, 2010. It was noted that the foreclosure date on these units has been moved back several times by the lender.

It was requested that the delinquency spreadsheet be updated to show the unit number in the comments section and that a budget line item be added to show the projected delinquency write offs.

VI. TREASURER'S REPORT

The financial status of December 31, 2009 was reviewed.

A. Year End Profit and Loss as of December 31, 2009

1. Total Income - \$1,754,913 actual vs. \$1,756,560 budget (0.1% under budget).
2. Total Expenses - \$1,562,885 actual vs. \$1,631,064 (4.2% under budget).
3. Net Income \$192,027 vs. \$125,496 budget. This income was budgeted to pay back the loan from the Reserve Fund to cover the 2008 operating deficit.
4. Approximately \$15,000 is back billing for natural gas. When we switched to a new gas supplier, the old supplier mistakenly dropped an agreed upon monthly billing for back charges due to some malfunctioning meters. The total still due is \$15,694, which will be paid in three more equal installments. The new supplier did point out an overbilling, again due to a meter problem, for which credit has been received. There are still issues with the phone lines/meters. Qwest has been out two times to try and correct the problems. It was suggested that both Qwest and the gas company representatives be coordinated to look at the problem at the same time. Julian Brodie is looking to obtain the testing equipment so that the lines can be tested in house. A spreadsheet has been developed to track gas usage and savings.

Variances:

1. Washer/Dryer income - \$4,809 under budget.
2. Finance Charges on Past Due Accounts Income - \$1,724 over budget.
3. Building Maintenance - \$27,186 over budget. Partial responsibility was due to overages in Damage Claims, Pest Control and Maintenance. This was offset by savings in Loan Interest, Accounting and Boilers.

4. Electric and Gas - \$44,473 under budget due to lower rates and a new gas supplier.
5. Summer & Winter Grounds Maintenance - \$11,805 under budget due to Snow Removal being under budget by \$1,767 and Truck/ATV expense under by \$5,045.

B. Reserve Fund

1. The year-end balance of the Reserve Fund was \$365,676 which included the repayment of the loan for the 2008 Operating deficit and the budgeted 2009 Reserve Fund assessment of \$55,390.
2. There were no expenditures from the Reserve Fund. It was noted that some of the pipe replacement project expenditures that occurred before the origination of the loan were initially paid for out of the Reserve Fund but were later reimbursed from the loan.

C. Loan Fund

The balance of the loan as of December 31, 2009 was \$813,611.

Sylvia Dowty made a motion to approve the Treasurer's Report for December 2009. Glenn Johnson seconded the motion and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

1. The doors on Building A have been completed.
2. Chains were purchased for the loader that is used for snow removal.
3. Lee Vroble noted that there seemed to be a design problem with the downspouts that run to the porch gutters on Building X. Gary Nicholds will look into this item and work with the contractor. There were other concerns expressed regarding downspouts being too long causing ice back up and rupturing of the pipes.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius stated that there was nothing to report.

An owner reported that a dog was being kept on a leash and making a mess outside of Unit I106 on the I70 side. Basic Property Management will look into this item.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).
Glenn Johnson reported that he had checked the books and there was nothing to report.

B. W201 Update

Sylvia Dowty reported that there have been some showings on the unit but no offers. There are five other three bedroom units listed for sale with listing prices

between \$195,500 and \$244,900. The last three bedroom unit sold for \$180,000. The unit is currently listed for \$219,900 and would have to sell for \$210,000 to cover all of the debts owed not including the sales commission. It is likely the unit will end up being a “short” sale. She has been in contact with the owner, the mortgage company and a third party company which is acting on behalf of the mortgage company to try and work with the owner. It does not seem likely that the owner will try to keep the unit. The mortgage and third party company will not disclose any information regarding communication with the owner or terms agreed upon. Even though the Association holds a “Sheriff’s Deed” title the bank will still be in first position to collect the mortgage owed. The Association may be able to negotiate with the mortgage company to recover more than the six months of delinquent dues which is allowed by state law. If the status of the unit does not change, foreclosure procedures will probably begin in March by the lender.

The Association is allowed to rent out the unit and collect the revenue so long as it is not advertised. Concerns were raised regarding the unit being available for showings while rented and tenants having to move out if the unit is sold. It was suggested that the unit be rented through a third party rental agent who would have experience dealing with these situations. A committee consisting of Paul Hage, Sylvia Dowty and Gary Nicholds was formed to look at rental options.

C. Lock Boxes

Sylvia Dowty reported there are five lock boxes that have not been identified. It was agreed that a description of the five boxes will be sent to all the owners with the minutes. If the boxes are not identified or claimed within 30 days, the locks will be removed.

D. Report Delinquent Dues Payers to Credit Reporting Agencies

Four credit reporting agencies were contacted. All of the agencies require a minimum amount of credit issues to be reported at one time and have various fees and mediations. The minimum reporting numbers ranged from 100 to 500. There are also liability concerns regarding the responsibility of removing the credit entry when the debt is paid. Erin Griffin from Basic Property Management will be sending an email to all the Board members with the information and comparison of each company contacted.

E. Collection of Dues and Delinquency with Credit Cards

Gary Nicholds reported that owners will have the ability to use their credit cards for dues payments. The owner is charged \$10/transaction which is automatically charged to their credit card. There is no charge to the Association for this service.

It was suggested that the Association look into selling the delinquent accounts to third party collection companies. Richard Garcia replied this possibility had been discussed with a lawyer who indicated that there was no longer a market for buying debts in this area.

F. Financial Review Audit

Bids received from 'Stuhr and Associates' and 'John J. Stefanich, Jr.' for a financial audit of the 2009 records were reviewed. A motion was made to accept the bid from Stuhr and Associates, LLC to perform an audit of the 2009 financial records for the amount not to exceed \$5,500. The motion was seconded by Sylvia Dowty and carried.

G. Proposal to Increase Late Fees

The Board discussed the late fee structure. It was noted that per the Declarations and Bylaws, the amount of interest that can be charged on late fees is limited to 12%. It was suggested that an initial \$300 late fee be assessed when the account becomes either 30 or 60 days late and that an additional \$100 be assessed each month thereafter that the unit remains in arrears. Interest should then be assessed on any unpaid balance as of the 20th of the month. After further discussion it was decided that a committee consisting of: Richard Garcia, Gary Nicholds, Candy Ramage and Erin Griffin be formed to draft a motion regarding late fees which will be forwarded to the Board for comments/approval.

X. NEW BUSINESS

A. Project Status by Individual Projects for Year 2010

1. Boiler – all of the boilers have been purchased. Work will resume when weather permits. Approximately \$280,500 was spent on boilers and \$87,000 is budgeted for labor.
2. Piping – this project has been completed except for the Clubhouse.
3. Balconies – replacements that were planned for 2009 has been completed.
4. Siding and Painting – the work planned for 2009 has been completed, including the siding and painting on buildings V and W. The two buildings will be inspected in the spring to see if additional and work is needed.
5. Exterior Doors – the wrong type of door was delivered. The correct doors will be forthcoming.
6. Gutters – the work planned for 2009 is complete.
7. Doors/Frames/Painting/Siding – An inventory of what needs to be done in 2010 will be performed in the spring. Gary Nicholds requested the Board's participation in the inspection.
8. Project Management by Basic – The 1.5% fee owed to Basic for the management of the work that was 100% completed in 2009 is \$9,296. Paul Hage made a motion to approve payment of \$9,296 to Basic Property Management. The motion was seconded by Cathy Brosius and carried.

B. Lock Out of Owners /Renters/Guests for Non-Payment of Dues

Richard Garcia reported that although the Association has the right to lock off access to units that have a dues delinquency, it is not recommended by the lawyer due to the complicated necessary legal procedures and notifications.

C. Basic Bonus Money

Money has been budgeted to pay bonuses to property management staff. A committee consisting of Sylvia Dowty, Gary Nicholds and Lisa Watkins was formed to determine the assignment of the bonuses and to make a recommendation to the Board.

XI. SET NEXT MEETING DATE

The next meeting will be on February 17, 2010.

XII. ADJOURNMENT

The meeting was adjourned at 8:49 p.m.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Prez

Greetings

Payment Coupon Books are in the mail. You should receive yours by the time you receive this message by postal delivery. In the mean time, you may send your payment to Basic Property Management.

Dues Schedule	
Studio	\$208.00
1-Bedroom	\$342.00
2-Bedroom	\$429.00
3-Bedroom	\$556.00

Basic Property Management
P.O. box 10.000
PMB 294
Silverthorne, CO 80498

Please include your unit number on your check.

Late Dues Fees

Your Board of Managers will vote during the February Board meeting to increase the late fee to \$45.00 for payment received on the 21st of the month and a late fee of \$300.00 for payment received on the 61st day. This updated fee will take effect Aprils 1st. During the Homeowners Annual Meeting in September 2008, an amendment to the By-Laws was agreed upon to authorize the Board of Managers to change the late charge. Our delinquencies are totaling near \$50,000 each month. It is not fair for owners in good standing support those who cannot make payment.

Credit Card Payment

We are working with a credit card company to allow payment through them. There will be a fee charged to the user for this service. So, if you are in a situation where you cannot make a payment on time, you might think about using your credit card. We will send out information as soon as final agreement is established.

Parking Permits for 2010 – Deadline April 1st

We have new parking permits for 2010. If you live in the area, please drop by the clubhouse with your old passes and trade them in for new ones. You may also go on-line to order your parking permits. Go to www.dillonvalley.org and click on [Parking Permit Request](#) in the Quick Links box.

Richard Garcia
President
Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

February 17, 2010

Dillon, Colorado

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Cathy Brosius.

Board members present were Paul Hage, Robert Price, Lisa Watkins and Catherine Brosius.

Owners Lee Vroble (X302), Carl Henry (V202), Luis Ramos (G104 and F204) and Greg Cogdal (E206) were present.

Representing Basic Property Management were Gary Nicholds, Julian Brodie, Candy Ramage and Martin Cenicerros. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price made a motion to approve the minutes from the previous Board Meeting held on January 20, 2010 as presented. The motion was seconded by Lisa Watkins and carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Greg Cogdal asked if there were repairs planned in the hall in his building. He commented that there was an area of drywall that needed repainting. Julian Brodie said he was aware of the work that needed to be done and it would be prioritized.

Luis Ramos said the heating was not working correctly in G104 since the fire. Martin Cenicerros said they had been trying to determine the source of the problem; the contractor may have replaced a cable inside the wall. Julian Brodie said if the problem is related to a zone valve or the thermostat, it is a homeowner responsibility, not the Association's, since they are both inside the unit. Julian said the zone valve was replaced after the fire. The contractor who did the original work tried to repair it but was unsuccessful. The owner was advised to hire an outside contractor or to have Albert Amerin look at it at the owner's expense.

IV. FINES & HEARINGS

There were no owners present for fines or hearings.

V. MANAGERS REPORT

A. Property Manager's Report

1. A bad gas valve on the new Clubhouse boiler had to be replaced.

2. Replaced heat pump and motor in D Building.
3. Replaced thermocoupler in A Building.
4. Jetted main sewer lines for AA and BB Buildings.
5. Replace recirculation pump for swimming pool.
6. There was a leak in the heat line in Unit P206 due to a loose valve. The leak caused water damage in Unit P106.
7. Installed steam room door. It should be running within a week.
8. Towed one car at H Building that was blocking the dumpster.

B. Delinquency Report as of January 31, 2010

The total balance of the delinquencies as of January 31, 2010 was \$70,522.

1. B101 – recently went into foreclosure.
2. R204 – the owner claims to have cured the foreclosure but the unit is still scheduled for auction on Friday.
3. A206 – in foreclosure.
4. D103 – US Bank purchased the unit. The Association should get six months of dues.
5. Z201 – defaulted on payment plan. The owner is paying \$400 instead of \$550.
6. G106 – at attorney.
7. Q103, E101 and Y302 – all paid in full.
8. U204 – finally located the owner’s address and sent letters with return receipts. Management was directed to proceed per the policy as long as there is proof of delivery of the warning letters. Candy will send one more warning letter with a final deadline.

Gary Nicholds explained that all delinquent owner statements are clearly marked as delinquent. Letters are sent after 60 days. Bob Price recommended accruing for the large delinquent balances as soon as possible. Paul Hage said it should also be included in the 2011 Budget. Candy Ramage was asked to take the top ten, determine realistically what can be recouped and provide a recommendation for accounting for the exposure.

VI. TREASURER’S REPORT

The financial status of January 31, 2010 was reviewed.

A. Year End Profit and Loss as of January 31, 2010

1. Total Income - \$129,044 actual vs. \$129,049 budget (on budget).
2. Total Expenses - \$169,353 actual vs. \$169,587 (0.1 % under budget).
3. Net Income (\$40,309) vs. (\$40,538) budget. The deficit is due to payment of the quarterly water bill prior to accruing for it.

Reserve income was \$29,691 and expenses were \$9,296. Nothing has been paid out of the Loan Fund.

Bob Price made a motion to approve the Treasurer's Report for January 2010. Lisa Watkins seconded the motion and the motion carried.

Bob Price asked how decisions are made about purchasing. Julian Brodie said he used different vendors based on the specific equipment needed. Bob wondered if there was an opportunity to leverage Basic's buying power. Gary Nicholds said it might be possible to get a discount from local vendors. Bob suggested trying to negotiate a tiered discount based on the volume of purchases.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson was not present to provide a report.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius stated that there was nothing to report.

IX. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*
Glenn Johnson was not present to provide a report.

B. *W201 Update*
Gary Nicholds said the Association could rent the unit by word of mouth but if it is listed in the newspaper the tenant selection would be subject to discrimination laws. It could be rented through a rental management company but it would still be subject to discrimination laws. The renter would have to be aware that the unit is for sale and could close at any time. Val said she could try to rent it for \$1,100/month. She would keep 13% each month plus 12% for the first month only for administrative fees. Paul Hage recommended checking the legality of renting it since the Association has the Sheriff's title but not the deed for the unit. Gary will check with the attorney. Bob Price suggested having the attorney prepare an addendum or rider for the lease to protect the Association. It should be determined if the Association needs to take out short term insurance for the unit. The Board agreed to proceed with trying to find tenants assuming there are no legal issues. The Board agreed the unit should be income producing. Gary will work with Sylvia Dowty and will consult the attorney.

C. *U204 Update*
Erin Griffin will send another registered return receipt letter giving the owner until March 15, 2010 to cure the delinquency or the Association will pursue legal options.

D. *Unit D103*
The unit sold at foreclosure on Friday. Gary Nicholds will ask Sylvia Dowty what needs to be done to collect the Association funds.

E. Lock Boxes

Martin Cenicerros cut off one lock. Some owners will be moving the remaining boxes.

F. Collection of Dues and Delinquency with Credit Cards

Candy Ramage said Rich Garcia set up the credit card payment option on the Basic website for all Associations. Basic now has to assign an account number to each owner. The goal is to send the letters by Friday afternoon.

G. Proposal to Increase Late Fees

The Board agreed last month to increase the late fees. Cathy Brosius asked how owners were being informed. Candy Ramage said the additional amount was being changed on the coupons starting in April (\$45 plus 12% additional). Richard Garcia was supposed to draft a formal notification and Gary will follow up with him.

X. NEW BUSINESS

A. Project Status by Individual Projects for Year 2010

1. Doors - Gary Nicholds and the staff toured the property and inventoried the doors. The contractor is determining if he can manufacture the frames.
2. Painting – Proceed as usual. T111 price is going up 3 – 4%.
3. Gutters – Did 15 gutters per the contract. They are holding the ice as expected. A couple of downspouts have been split by ice. An analysis should be done of the cost of adding heat tape versus downspout replacement. Gary Nicholds will discuss the situation with Mark Hubbard and develop a solution. Shortening the gutters may allow the water to flow through.

Bob Price requested a list of upcoming projects for the next Board Meeting.

B. Employee Bonus

Sylvia Dowty and Lisa Watkins proposed maintaining the same figure as 2007 and to have Julian Brodie and Martin Cenicerros assist with disbursement.

XI. SET NEXT MEETING DATE

The next meeting will be on March 17, 2010.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 8:20 p.m. Bob Price seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Prez

Greetings

Parking Permits are ready for pickup or mailed to you. Please visit the clubhouse or go on-line to http://dillonvalley.org/forms/form_parking_permits.htm to request a parking permit. Deadline is April 1st.

In-unit clothes washers and dryers must be designed for not-venting use. The appliances are very expensive. If you have a standard washer/dryer, you must remove it immediately. Applications can be obtained from the clubhouse or on-line at http://dillonvalley.org/documents/washer_dryer_application.pdf

If you have a lockbox mounted on the bar at the front of the clubhouse and you are not a Realtor, please remove it by April 1st. Locks not removed will be cut off and thrown away.

Soon, you will be able to use your Discover card, MasterCard, American Express card or have a direct withdrawal from your checking account to make payments of dues and or fines. Visa cards will not be accepted. There will be a \$9.95 charge for using a credit card and no charge for a withdrawal from a checking account. We will let you know when this offer will be available.

Sincerely,

Richard Garcia
President
Dillon Valley East Homeowners Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

**March 17, 2010
Dillon, Colorado**

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, Lisa Watkins, Sylvia Dowty, Glenn Johnson and Catherine Brosius.

Owners Lee Vroble (X302), Carl Henry (V202), Chris Heer (X204) and Tom Lorenz (X103) were present.

Representing Basic Property Management were Gary Nicholds, Julian Brodie, Erin Griffin, Candy Ramage and Martin Cenicerros. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the February 17, 2010 Board Meeting as presented. The motion was seconded by Sylvia Dowty and carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Tom Lorenz said he had heard that there had been some issues with ice dams. He said prevention was the only effective measure. The roof must be kept cold by sealing the heat leaks from units and providing ventilation in the attics. He recommended having a professional energy audit done. The audit would likely recommend insulation of the attics and there are currently some energy rebates available. He said raking the snow off the roof helps and heat tape in the gutters and downspouts is essential. Open downspouts are better than sealed because freezing water cannot accumulate and damage the downspout. Richard said extra ventilation was installed in the soffits and extra insulation in the attics in two buildings but it did not make a significant difference. Tom thought this was probably because there were still heat leaks from the units.

Chris Heer said a contractor suggested using chains to create a path for draining water and to reduce free hanging icicles.

Lee Vroble said he had a large ice dam on his building and the gutters had split.

IV. FINES & HEARINGS

There were no owners present for fines or hearings.

V. MANAGERS REPORT

A. *Property Manager's Report*

1. Repaired leaks in boiler rooms in A, B and C Buildings.
2. Repaired heat shut off valve leak in A103.
3. Replaced sand filter in hot tub.
4. The ATV is in the shop for an electrical problem. It is a recall issue so it is being fixed at no charge.
5. Chipping ice and spreading ice melt is ongoing.
6. The rented front loader will be returned next week.
7. The pool deck is being stripped in preparation for repainting.
8. The men's sauna has been repaired and reopened.

B. *Delinquency Report as of February 28, 2010*

Erin Griffin reviewed the most significant variances.

1. W201 – The bank has bought back the unit. As of tomorrow the bank will be responsible for the future dues. The Association has received six months of past dues. The write off as of today is \$18,306. There will probably be additional March legal bills that will have to be written off.
2. D103 – This unit was also purchased by the bank. Erin sent the invoices and prorated dues to the bank from the date the bank took over. The write off is \$1,163 plus future legal bills.

Gary Nicholds said management would like to eventually discontinue the dues coupon books since other payment options include checks, online, credit card or ACH. Richard Garcia will follow up with the attorney to determine the Association's legal obligation.

VI. TREASURER'S REPORT

The financial status of February 28, 2010 was reviewed.

A. *Year-to-Date Profit and Loss as of February 28, 2010*

1. Total Income - \$259,241 actual vs. \$260,098 budget (0.3% under budget).
2. Total Expenses - \$295,606 actual vs. \$291,612 budget (1.4% over budget).
3. Net Income (\$36,365) vs. (\$31,514) budget. The deficit is due to payment of the quarterly water bill prior to accruing for it.

Significant variances included:

1. Laundry – \$790 under budget.
2. Washer/Dryer Utilities – under budget.
3. Building Loan – \$1,768 under budget in interest.
4. Maintenance – \$15,518 under budget.
5. Gas – \$2,480 over budget.
6. Office Expense - \$1,839 over budget due to purchase of parking passes.
7. Plowing - \$1,078 over budget. This should come into line with budget once the loader is returned.

8. Water and Sewer - \$3,091 over budget due to an unanticipated rate increase.

Reserve income was \$59,371 and expenses were \$9,296. Nothing has been paid out of the Loan Fund.

Sylvia Dowty made a motion to approve the Treasurer's Report for March 2010. Glenn Johnson seconded the motion and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said he was looking into purchasing flowers in bulk to secure a discounted price. He said they could use some owner volunteers to help with spreading mulch and planting flowers. He will start the totem pole project when it warms up in April.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius stated that there was one owner doing custom trim and wood paneling and light fixture replacement.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*

Glenn Johnson checked the books yesterday and all were in order.

- B. *W201 Update*

Sylvia Dowty reported the unit went up for sale last week. The lender bought it back for \$214,000 – 224,000. She asked the listing broker from Denver to make sure the lender understand the Association needs the dues paid monthly and on time.

- C. *Lock Boxes*

Richard Garcia said the final deadline to remove the lockboxes was the end of the month and any remaining lockboxes will be cut off.

- D. *Collection of Dues and Delinquency with Credit Cards*

All owners now have the ability to pay with a credit card. There is a \$10 fee per payment and a few owners are using the service.

- E. *Audit*

An agreement has been signed with an auditor. The auditor should start the work for a full audit on the 2009 books after April.

X. NEW BUSINESS

- A. *Project Status by Individual Projects for Year 2010*

1. Piping – all done except for the Clubhouse.
2. Boilers – all necessary parts are on hand or available locally.
3. Building Painting – same plan as last year.

4. Doors – Gary Nicholds is meeting with a contractor on Friday.
5. Siding – Gary said he inspected eight buildings and calculated that 47 sheets if siding are needed. There are 14 sheets in storage (\$288/sheet). T111 is usually purchased in bundles of 50 sheets for the best price point. The total siding budget last year was \$43,200 for each of two phases for a total of \$86,400. Phase 2 was done last year for \$43,200 along with \$21,000 of additional work that was added to Phase I and subtracted from Phase II. There is \$22,176 left for siding in Phase II. He estimated 64 sheets would cost about \$19,042 so there is about \$3,000 leftover. Paul Hage said the first seven buildings cost \$43,200, which should have included 150 sheets, so there should have been 14 sheets leftover that were paid for. Gary said a credit was received for the extra sheets on one of the change orders. Paul and Gary will review the accounting. Gary requested approval to have the contractor purchase a bundle of 50 sheets of T111. Paul Hage said he would do some research on T111.

B. Gutters

No further work will be done on the gutters until further review of the system is completed. The contractor recommended adding heat tape. Several of the gutters have split seams.

C. Zone Valves

Gary Nicholds said the zone valve issue had not been completely resolved. He felt that any valves that were not correctly installed should be corrected, regardless of fault. The installer has claimed that the valves are out of warranty. Julian Brodie estimated that about 60% were installed backwards. Gary said he and Julian were working on identifying all the problem valves.

D. Staff Acknowledgement

Richard Garcia recognized Candy Ramage and Erin Griffin for their work on the Association's behalf.

XI. SET NEXT MEETING DATE

The next Board meeting will be on April 21, 2010 at 7:00 p.m. The Annual Meeting will be September 18, 2010 at 10:00 a.m.

XII. ADJOURNMENT

Cathy Brosius made a motion to adjourn at 8:15 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signatures

Notes from the Pres.

Greetings

Winter is almost over and we are going into mud season. Property management is preparing for summer activities. The remaining old boilers used for domestic water and building heat will be replaced, several entry doors to buildings will be replaced, 5 buildings will be painted as well as worn siding on those buildings, the pool deck is being repainted, parking lot surfaces will be addressed on an as-needed basis, several hallways will be repainted, and have their carpets replaced, and the down spouts on buildings will be redesigned to prevent freezing during the winter. We will notify you of work to be performed in your building so you may prepare for dust, parking inconvenience, and noise that may disturb those who work night shifts.

Parking Permits

If you have not replaced your parking permits for 2010 permits, please contact the clubhouse at 970-468-1371, or go on-line to www.DillonValley.org and click on [Parking Permit Request](#) in the Quick Links box to request a permit be sent to you or held for your arrival. The permits for 2009 expire March 31st. It is the unit owner's responsibility to obtain parking permits. Fines for having a wrong permit by an owner, renter or guest will be issued to the unit owner.

Dues Payments by Credit Card or Direct Withdrawal

You may now pay your dues on-line using a credit card or direct withdrawal from your bank. There is a service charge for use of a credit card. Bank transfers are free. Go on-line to www.BasicProperty.com and click on [Payments](#) to make a payment. You have the options to: make payment with a credit card, bank transfer, or recurring payments.

Payment Coupon Books

We switched companies providing coupon books and delivery did not go well. If you normally receive a coupon book and have not received yours, contact Erin Griffin at Basic Property, 970-668-0714 x7003 or send a note to Erin.Griffin@BasicProperty.com. Include your full name, address, unit number (T-105, etc.) and phone number.

Increase in Late Payment

Our monthly dues are due on the 1st of the month with a 20 day grace period. The Board agreed to increase the late fee from \$10.00 to \$45.00 plus 12% per annum. The Association cannot continue to finance individuals who continue to be late and expect the Association to forgive them. The increased fee will start in April of this year. We will be more aggressive with legal action and foreclosures. All legal fees will rest with the owner who is delinquent.

Large Items in or next to Dumpsters

The Association is billed an extra \$30 for oversized items such as couches, tables, and beds that are left in or next to the dumpsters. Refrigerators cost the association \$80 to have the refrigerant removed and another \$20 to place the refrigerator with the door removed in the dump. These occurrences are happening almost on a daily basis. If you have a large item delivered, please ask

that the old items be removed by the delivery firm for disposal. There will probably be a small fee for the service.

Dogs

Sorry to bring this up again, but loose dogs and dog droppings are always at the top of our problem list. Unit owners are allowed only one (1) dog. Renters and guests may not have a dog. A \$50 immediate fine will be assessed to the unit owner for failure to pick up after their dog. We do not have a vigilante squad looking for violators. So if you witness someone who consistently violates the rule, please notify the clubhouse at 970-468-1371 or send a message to:

Clubhouse@DillonValley.org. Please describe the dog, person with the dog, and if possible, the unit or section of building they live in. Include your name, unit number, and phone number. We will not action on anonymous calls or messages.

Lock Boxes

If you have a lock box for a key hanging on the bar at the front of the clubhouse, please remove the box immediately. Lock boxes not belonging to Realtors will be cut off and thrown away April 1st. We installed a bar at the entrance to the laundry for use by owners.

Thank You,

Richard Garcia
President
Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
April 21, 2010
Dillon, Colorado**

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, Lisa Watkins, Sylvia Dowty, Glenn Johnson and Catherine Brosius.

Owners Lee Vroble (X302), Jim Scheuneman and Debbie Tyler (A205), Jeff Schramm (I205), Jared Cohen (Q206) and Ben Roehrs (I106) were present.

Representing Basic Property Management were Gary Nicholds, Julian Brodie, Candy Ramage, Albert Amerin, Erin Griffin and Martin Cenicerros. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the March 17, 2010 Board Meeting as presented. The motion was seconded by Sylvia Dowty and carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Jeff Schramm asked for clarification on the use of the back parking lot. Richard Garcia said vehicles could be parked for one month at a time but then have to be moved off the property for two weeks. Jeff said there was a motor home parked there all winter. Richard said this would be addressed and the motor home would be moved.

Jim Scheuneman said his sliding door was very drafty. He thought the payback for a new door would be relatively short. He asked the Board if it might be possible to arrange a bulk deal to replace the doors with energy efficient doors along with some type of a financial incentive equal to the amount of money that would be saved in energy. Cathy Brosius said a bulk deal was offered in the past and some owners did take advantage of it. Paul Hage said the Declarations specify how the dues are allocated so the dues could not be reduced for a subset of owners who replace doors and windows without an amendment. It might be possible to offer a onetime rebate or incentive.

Lee Vroble asked if owners could claim a portion of the cost of the energy efficient boilers on their individual returns. Candy Ramage said owners would need to consult with their own tax attorney. Albert Amerin commented that leaky faucets were a bigger problem and larger expense than heat loss through doors and windows. Paul Hage said the Association was seeing a 20% savings in energy consumption with the new boilers. Cathy Brosius said non-profits were

not eligible to file for credits for energy efficient appliances; the program is only available for individual owners.

Ben Roehrs asked for the name of the company that was replacing the fences. Richard Garcia said owners had contracted individually for the fences and the Board did not want to provide recommendations, but Colorado Maintenance and Strategic Fence had done satisfactory work in the past. Ben also requested that notice be posted when pesticides or fertilizers are going to be spread on the lawn. He objected to not being able to park in the back lot for 1/3 of the year. Richard explained that it would be a liability to rent out the space and the only solution would be to close the lot completely. The main problem is owners abandoning vehicles. Glenn Johnson said there was not anything in the existing Rules and Regulations that limits the parking to owners only. Glenn Johnson made a motion to amend the Rules and Regulations to allow only owners to park in the storage lot north of the tennis courts and west of the Clubhouse. Sylvia Dowty seconded and the motion carried. Martin Cenicerros confirmed with the Board that tenants are still permitted to use a small area of the lot for day use to do mechanical work on their cars.

Jared Cohen said he had his unit inspected for pests and the exterminator found evidence of some type of bugs so he had it sprayed. Richard Garcia said this would be an Association expense. He was instructed to give the bill to Julian if he receives one.

IV. FINES & HEARINGS

Jared Cohen said he received a fine for not picking up after his pet and requested a waiver of the fine. Sylvia Dowty said she thought he seemed like a responsible pet owner. She asked him if he would be willing to serve as a “dog police” and issue tickets to pet rule violators but he was not interested. Owners were reminded to report pet violations to the Clubhouse. Martin Cenicerros added that photos of violations would help with enforcement. Paul Hage made a motion to rescind the fine. Glenn Johnson seconded and the motion carried. Owners were reminded that they need to register their pets. Lee Vroble suggested posting the list of units with registered pets in each building to make it easier to determine which pets are legal. Owners with registered pets should also have a sticker on the unit door. The list of registered pet owners can be added to the web page.

V. MANAGERS REPORT

A. Property Manager's Report

1. Aerated and fertilized the lawn.
2. Repaired holes in O Building hallway walls.
3. Clean up of trash and dog waste is ongoing.
4. Window wells will be cleaned out.
5. Completed oil changes for vehicles and machinery.

B. *Delinquency Report as of March 31, 2010*

The total balance of the delinquencies as of March 31, 2010 was \$61,921.

1. The top four are in foreclosure or have been sent to the attorney.
2. Several units will have liens filed at the end of next week.
3. The Association should be able to collect six months of back dues for Unit B101.

Paul Hage commented that the Association does not start to take any serious action until an owner is at least six months delinquent and he wondered if the process could be accelerated. Sylvia Dowty said the recovery of six months of dues was mandated by Colorado law, which should be changed to allow Association to recoup more than six months.

VI. TREASURER'S REPORT

The financial status of March 31, 2010 was reviewed.

A. *Year-to-Date Profit and Loss as of March 31, 2010*

1. Total Income - \$388,508 actual vs. \$389,248 budget (0.2% under budget).
2. Total Expenses - \$437,325 actual vs. \$416,776 (4.9% over budget).
3. Net Income (\$48,817) vs. (\$27,529) budget.

Gas was about \$6,500 over budget. This overage should be reduced once all the new boilers have been installed. Water has been running about \$3,000 over budget each quarter due to an unanticipated rate increase.

One unit foreclosed last month and the Association had to book the loss of \$19,000. There will be another \$17,000 of bad debt for another unit that will be foreclosed. The bank pays the dues after taking title.

There was general discussion about the loan. The March interest on the loan was \$4,278.

Reserve income was \$89,063 and expenses were \$10,282. The expenses will eventually be paid out of the loan.

Sylvia Dowty reviewed the foreclosure date for the county. In 2010 there have been 23 foreclosures, three of them in Dillon Valley East. In 2009 there were 47 foreclosures for the whole year. In 2008, there were 23 foreclosures with two in Dillon Valley East, in 2007 there were ten with one in Dillon Valley East and in 2006 there were eleven with one in Dillon Valley East.

Cathy Brosius made a motion to approve the Treasurer's Report for March 2010. Glenn Johnson seconded the motion and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said he would be buying the plastic fence for the front of the Clubhouse tomorrow. He has arranged to purchase flowers from a local nursery that will extend a discount. He has two volunteers to help plant the flowers in mid-June. Six large buckets will be distributed around the property filled with flowers. Owners will be notified of the planting date in case there are more volunteers.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius stated that there was nothing to report.

IX. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*

Glenn Johnson said he checked all books and all were in order.

B. *W201 Update*

City Mortgage purchased the unit for \$211,693. They have paid the dues through December.

C. *Lock Boxes*

All locks without identification in front of the building have been cut off and are being stored in the office.

D. *Project Status by Individual Projects for 2010*

1. Boiler Replacement - \$77,759. Julian Brody said he needed to wait to start the project until the weather is warm enough to turn off the heat. There are 14 more to replace. There is \$20,000 included in the projected cost for parts and the remainder is labor. Paul Hage reminded Gary Nicholds to get a price for the glycol and to add that expense to the project cost.
2. Piping Project - \$1,523. All areas except the Clubhouse have been completed. There is \$1,500 included for contractor labor in the projected cost for sheetrock repair.
3. Balconies - \$78,413. The cost of Trex increased 4% but there was no change to the labor cost.
4. Siding - \$56,576. Gary Nicholds said it appeared that they might need an additional 87 sheets above the 102 that are included in the bid for years' work. The price for the siding has increased from \$288/sheet to \$295.50/sheet. In the worst case scenario it would cost an additional \$26,300 for the 87 extra sheets. Paul Hage said a count was done on the amount of siding needed last year; a second count was done and the estimate was reduced substantially. This year the initial count was 47 sheets, which increased to 189

on a second count. Gary Nicholds suggested doing one more inspection and count with the painter with the goal of reducing the number of replacement sheets. The Board liked the idea of having another inspection with a third party. Paul Hage suggested giving the painter an incentive of \$50/sheet for each sheet that he can salvage and paint instead of replace.

5. Painting – \$97,200.
6. Exterior Doors - \$69,200. Gary Nicholds spoke to High Country Building Hardware and walked the property twice to inspect the doors. The frames that were ordered from Texas last year need to be returned or sold. There are 45 doors to be replaced. The projected cost includes \$4,000 in contingency for any unforeseen issues and \$400 for dump fees. The work will be inspected before the contractor is paid. Julian Brodie said some of the doors needed new closers.
7. Gutters – No gutters will be replaced this year.
8. Asphalt Overlay - \$280,771. Gary Nicholds asked for Board input regarding where they might want to expand the parking lots.

E. Zone Valves

Glenn Johnson asked if the zone valve situation was all resolved. Paul Hage said Colorado Mountain Maintenance should step up and help with the situation if they are interested in being considered for other contracts in the future. Gary Nicholds said the next step would be to determine which valves installed by Colorado Mountain Maintenance are functioning correctly and which are not.

X. NEW BUSINESS

A. Late Fees

The Board voted on April 18, 2010 to increase late fees to \$45. Paul Hage made a motion to ratify that decision. Cathy Brosius seconded and the motion carried. Erin Griffin clarified that this fee will apply to any late balance.

B. Collection Policy

Glenn Johnson made a motion to adopt the Collection Policy as presented. Sylvia Dowty seconded and the motion carried. Paul Hage noted that increasing the fine to \$300 would increase the A/R balance. The Association would have to write off larger balances assuming only six months of dues can be recovered from foreclosures. Gary Nicholds will find out if there is a legal way to separate the late fee charges so they do not have to be written off as bad debt.

C. Coupon Books for Dues

Richard Garcia said the attorney indicated that there was nothing in Colorado law requiring Associations to provide coupon books. The Board could decide to make electronic dues payment the standard, but also to make it possible for owners to receive hard copies of any documents or coupon books upon request.

D. Distribution of Meeting Minutes

Richard Garcia said the attorney indicated that there was nothing in Colorado law requiring Associations to mail hard copies of the minutes to owners. The minutes can be made available at the management office, the Clubhouse and on the website. Paul Hage suggested making email the standard method of delivery and allowing owners to receive hard copies upon request. This can be discussed at the Annual Meeting.

E. CAI Books

Paul Hage recommended establishing a library of the "How To" books from CAI. He suggested asking the other Associations managed by Basic to contribute to the purchase.

XI. SET NEXT MEETING DATE

The next Board Meeting will be on May 19, 2010.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 9:20 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Pres.

Greetings

Believe it or not, spring is here. For non-resident owners, we are still receiving snow.

Painting, Siding, & Balconies

The following buildings are scheduled to have defective siding replaced, the exterior painted, and balcony fences replaced: N, O, P, Q, R, S, T, and U. Owners must move items at least ten feet away from the exterior to allow workers safe access to the building. Examples of items are: planters, storage boxes, decorations, and any heavy items. Owners in the 2nd and 3rd floors must remove bulky items from the balcony. Those items include: fire wood, chairs, tables, stoves, flower pots, etc. Workers must be given a safe area to work in. Satellite dishes mounted on balcony rails will be removed and not re-installed. [Satellite dishes](#) must be mounted on a free standing mount. Please visit our web site at: www.dillonvalley.org/documents/documents.htm and click on Satellite Dish Application. If our contractor needs to have an item removed, our property manager will ask the owner to remove the item. If there is no response or refusal, the item will be moved and a one-time \$65.00 fee will be charged to the owner. The contractor will not move the item back to its' original location. Our contractor, his sub-contractors, Basic Property Management, and Board of Managers will not be responsible for damage to personal property that must be moved. Notices will be posted at building entrances giving ample time to remove items from balconies, patios, and sides of buildings. Night workers – You will have a week or two of sleepless days due to hammering, sawing, and heavy equipment in your area. All – during construction, please park your vehicle away from the building or at the clubhouse. If a vehicle must be moved and the owner is not available or refuses to move it, it will be towed at the owner's expense.

Volunteers needed for landscape

Enjoy getting your hands dirty while making the area look nice? Glenn and Barbara Johnson have been volunteering to clean flower beds and plant flowers and bushes for several years and need help. If you would like to help make your property look nicer, give Glenn and Barbara a call at 303-210-2600. Please fill out a [Release Form](#) before starting volunteer work. Forms are available at the clubhouse and on-line at:

http://dillonvalley.org/documents/release_of_liability.pdf

Dogs

Thank you to all dog owners who have been picking up after their pet and not allowing them to wonder. We really appreciate your response to our messages on the entry ways.

Parking Permits

The deadline for 2010 parking permits has passed. If you do not have a new set, contact the clubhouse at 970-468-1371 or go on-line and fill out a [Parking Permit Request](#) at www.dillonvalley.org and click on Parking Permit Request.

Enjoy your Spring Season

Richard Garcia
President, Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

**May 19, 2010
Dillon, Colorado**

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, Lisa Watkins, Sylvia Dowty, Glenn Johnson, Bob Price and Catherine Brosius.

Owners Lee Vroble (X302), Riley Cook (H205), Dolores Nelson (N306), Erin Griffin (O206) and Carl Henry (U202) were present.

Representing Basic Property Management were Gary Nicholds, Julian Brodie, Eric Nicholds and Candy Ramage. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Cathy Brosius made a motion to approve the minutes of the April 21, 2010 Board Meeting as presented. The motion was seconded by Sylvia Dowty and carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Dolores Nelson asked about the schedule for replacing decks on her building. Julian Brodie said he had not yet received a schedule from Colorado Maintenance but he anticipated it would be sometime in mid-June.

Carl Henry asked if there were any restrictions regarding pool usage by children. Cathy Brosius referred to the rules, which indicate that anyone under 16 must be supervised by an adult. Julian Brodie was asked to work with the staff on enforcement.

Riley Cook said there had been bedbug problems in H Building. The building is being sprayed every two weeks. The moving of furniture is very labor intensive and expensive and the Association might want to consider paying for the spraying but not any other related expenses. The Association paid over \$18,000 to spray for bedbugs last year. Bob Price suggested developing an informational packet for the owners.

IV. FINES & HEARINGS

There were no owners present regarding fines.

V. MANAGERS REPORT

A. *Property Manager's Report*

1. Cleaned out tennis and basketball courts.
2. Removed all old appliances by the dumpster.

3. Changing out some of the old entryway carpet.
4. Tuned up the riding mowers. The transmission on one of them has failed. Paul Hage asked Julian Brodie to do a cost analysis of replacing the transmission versus buying a new mower.
5. Started cleaning first floor window wells.
6. Contacted the Water Board and obtained permission to use water to clean the parking lots in July or August.
7. Replacing all bad light fixtures in the building entryways.
8. Issued ten warnings for illegal parking.

B. Delinquency Report as of April 30, 2010

The total balance of the delinquencies as of April 30, 2010 was \$86,629.

The top two units are now bank owned. Six months of dues have been received but the remaining balances (\$18,625 and \$11,736) will have to be written off unless the bank sells either one, in which case it is possible that the remaining balance could be paid off.

Bob Price requested that the previous month's balance be included on the report each month. He also recommended establishing a line item for bad debt. Sylvia Dowty agreed because the number of foreclosures is increasing across the board. Sylvia said the CAI had formed a committee to work on changing the Colorado law that only permits Associations to collect six months of past dues from foreclosures.

VI. TREASURER'S REPORT

The financial status of April 30, 2010 was reviewed.

A. Year-to-Date Profit and Loss as of April 30, 2010

1. Total Income - \$518,609 actual vs. \$518,297 budget (0.1% over budget).
2. Total Expenses - \$549,499 actual vs. \$548,861 (0.1% over budget).
3. Net Income (\$30,890) vs. (\$30,564) budget.

The major variances were listed on the report.

Last month Unit W-201 was booked into the Operating Fund as bad debt, putting the Association about \$18,000 under budget for net income, but this was reversed this month per the bank's request. In February the A/R balance was \$77,189 and it is now \$86,629. This is due in part to the fines increase.

Reserve income was \$118,743 and expenses were \$12,478. A large portion of the expenses will be transferred to the loan. There have not been any draws on the loan this year.

Sylvia Dowty made a motion to approve the Treasurer's Report for April 2010. Glenn Johnson seconded the motion and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the fence for the front of the Clubhouse had been purchased. He plans to start weeding and mulching when it stops snowing. There are columbines in a number of the beds so the weeds should not be sprayed until the flowers are visible. There will be two plastic containers with flowers by the Clubhouse doors, two wooden whiskey barrels with flowers in back of the Clubhouse, three whiskey barrels by the fence by the totem poles and one whiskey barrel by the flagpole in the parking lot. The flowers have been ordered for June 11th delivery. Lisa Watkins and one other owner have volunteered to help with the flower planting. Any other owners interested in helping are encouraged to contact him.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius stated that there was nothing to report. There was an owner in W Building who had white framed windows and sliding doors and asked to be contacted when the contractor with the lift is on site so the frames can be painted. There is also a ground floor unit with white frames that need to be painted.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).

Glenn Johnson said he checked all books and all were in order.

B. Project Status by Individual Projects for 2010

1. Glycol – Gary Nicholds said the cost to add the needed glycol would be about \$5,800.
2. Siding – Gary Nicholds said he had been out inspecting the siding three times. The siding needs to be ordered as soon as possible. He came up with a total of 204 – 206 sheets so they will need to order four bundles. There are a few areas that are “question marks” because they were too high to evaluate from the ground. Paul Hage will see if Big Horn Materials Inc. has the material and get a price. The Board authorized this project. Bob Price said there should be some procedures written up to improve the process for the future.
3. Doors – High Country Builders replaced some boiler room doors as required by the Fire Marshall. Gary and Julian counted entry doors and came up with 35 to 38 doors that need to be replaced. Before he orders any materials he will do one more inspection. There are four to six weeks lead time for manufacture and delivery of the doors. Eleven doors were replaced last year. The Board authorized this project.
4. Boilers – Gary Nicholds recommended buying a set of forks (\$1,180) for the skid loader instead of renting them for \$300/month. Bob Price asked if this expense was in the budget. If they are rented the expense could be applied to the loan budget but if they are purchased they could be a Capital expense.
5. Asphalt – A-Peak will inspect all the driveways and provide a prioritized list for repairing the driveways and a rough cost estimate.

C. *Zone Valves*

Julian Brodie said he would try to inspect all replaced valves to determine if they were incorrectly installed by June 20th. The repair of incorrectly installed valves should be coordinated with the boiler replacement project.

D. *Late Fee Charges*

Gary Nicholds looked into separating late fee charges from bad debt so uncollected fees do not have to be written off. He found that since the late fees are booked as revenue when charged, they also have to be written off if not collected.

X. NEW BUSINESS

A. *RV Parking*

Sylvia Dowty made a motion allowing the Johnson's to park their RV in the long term parking lot for an unlimited time period in recognition of their numerous hours of volunteer work for the Association. Lisa Watson seconded. The motion carried with Glen Johnson abstaining.

B. *Washer/Dryers*

Richard Garcia received a proposal from the laundry vendor to provide 14 new dryers, 7 top and 7 front loading washers and a new change machine for the laundry room. Gary Nicholds said the vendor provided equipment for one other Association managed by Basic and there had not been any problems. The term of the lease was reduced to seven years instead of ten. The equipment will be replaced when the contract is renewed. Paul Hage made a motion to approve the proposal from Mac-Gray Intelligent Laundry Systems for new laundry equipment. Sylvia Dowty seconded and the motion carried.

XI. SET NEXT MEETING DATE

The next meeting will be on June 16, 2010 at 7:00 p.m. in the DVE Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 8:29 p.m. Glenn Johnson seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Prez June 2010

Greetings

Mud Season is almost over and we are diving into Construction Season. Beginning June 7th, equipment will begin to arrive for balcony repair, siding repair, and building painting. Towards the end of summer, the washers and dryers in the clubhouse will be replaced. The following buildings will be worked on this summer: N, O, P, Q, R, S, T, and U. Workers must have clear and safe access to the building balconies and siding. Notices will be placed on buildings that will be worked on a week ahead of time. Ground floor units: Please move furniture, swings, bikes, storage boxes, grills, chair lifts, etc. at least 15 feet away from the building or find a storage area off site. If our contractor is forced to move items away from the building, a \$65 charge will be assessed to the unit owner. The contractor will not move items back. Some units have deteriorating firewood boxes that must be removed because of appearance and fire hazard. Those unit owners have been contacted. If the Association removes the firewood boxes, an hourly charge and disposal fee will be billed to the unit owner. If you are a non-resident owner and wish to be notified of items that need to be moved, please contact Gary Nicholds at 970-668-0714 x7001.

Our management staff is performing a key inventory to insure we have entry keys to all units. Please cooperate with them to get a copy if you have replaced your key. Section 1.4 of the Rules and Regulations give the Association the authority to have a key to your unit.

After the key inventory, our staff will perform inspection of all heating valves to insure they are in working order. Most of our valves were replaced 2 years ago and we would like to make sure we have few heat problems next winter.

A [Collection Policy](#) is in place. A copy has been posted on our web site at www.dillonvalley.org. Click on Documents > Policies > Collection Policy. You may obtain a printed copy either from the clubhouse or the offices of Basic Property Management. Monthly late fees are now \$45 at 12% annum interest and a \$300 onetime fee after 60 days have elapsed. Partial payments will not dodge the \$300 onetime late fee. Fees will include office expenses, collection fees, filing fees, and attorney fees. As of April 30th, the Association was owed \$86,628.88 by delinquent owners.

Thinking of replacing those old inefficient windows and patio doors. Shop around for quotes and check with the Better Business Bureau for comments about a contractor. Window and patio door maintenance and replacement are the owner's responsibility. The only acceptable colors for window and patio door frames are almond or beige, not white.

We have a hazard on our property. It is the drainage ditch just below building A. According to Colorado water rights law, we cannot modify or touch the ditch. Even

though it is on our property, we must treat it as someone else's property and cannot interfere. Therefore, please take caution with pets, children, and yourself if you wonder near it. The ditch's owner has lined it to reduce the likelihood of underground water seepage and installed a metal fence at the entry to the pipe that goes under Interstate 70 highway.

Ground floor units, are you adequately insured against water intrusion? The Association is not responsible for natural underground water seeping into your unit. Our insurance covers common areas only. Streams are rising quickly and present a challenge to all buildings at the ground level. So check with your insurance carrier to see if your personal property and loss of use is covered.

Would you like to make a difference? Perhaps reduce the monthly dues? Our Annual meeting will be September 18th. Owners in good standing (no outstanding fines or fees) are invited to become a Board member. I will establish a nominating committee during the June 16th Board meeting in the clubhouse at 7:00 PM. Names and contact information of committee members will be posted in the minutes or you can contact me.

Thanks for reading,

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

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
June 16, 2010
Dillon, Colorado**

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, Lisa Watkins, Glenn Johnson and Catherine Brosius.

Owners Lee Vroble (X302) and Jim Beck (B105) were present.

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Candy Ramage and Martin Cenicerros. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the May 19, 2010 Board Meeting as presented. The motion was seconded by Glenn Johnson and carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Lee Vroble requested that the Board take action on some damaged vents on his building. He provided a diagram.

John Peterson (W203) sent a written request for reimbursement for expenses for bed bug control. There was no spraying in any other neighboring units and he hired the exterminator directly. There have not been any complaints from any adjacent units. Lee Vroble said he had experienced problems with roaches and bedbugs and he felt it would be fair to reimburse the owner. Jim Beck felt it should be an individual owner expense. The Board has not paid for individual units in the past but has reimbursed when multiple units are infested and it is not possible to determine the origin of the infestation. Richard Garcia said the Board would develop a policy regarding pests. Cathy Brosius noted that the owner did not report the problem to the Board and therefore the Board could not control the exterminator that was used. Since there was no infestation in other units, Paul Hage made a motion to deny the reimbursement request. Glenn Johnson seconded and the motion carried. Lee Vroble noted his objection to this decision for the record.

IV. FINES & HEARINGS

There were no owners present regarding fines. Unit P204 was fined for his tenant driving on the grass. A neighbor provided a photo of the pickup on the grass. The owner responded that it was not the tenant's truck. The vehicle could have belonged to a friend or a rental and items were being loaded onto it from unit P204. Therefore, the Board took no action and allowed the fine to stand.

V. MANAGERS REPORT

A. Property Manager's Report

1. The staff has been working on the irrigation system and replaced many sprinkler heads.
2. Repaired Clubhouse hot tub leak.
3. Repaired a leak in Unit B101. It is a bank-owned unit and the bank will be charged.
4. The fence project in front of the Clubhouse is underway.

B. Delinquency Report as of May 31, 2010

The total balance has decreased, mainly due to write-offs. Several units are in foreclosure, some are at the attorney and some have liens filed.

VI. TREASURER'S REPORT

The financial status of May 31, 2010 was reviewed.

A. Year-to-Date Profit and Loss as of May 31, 2010

1. Total Income - \$648,759 actual vs. \$647,346 budget (0.2% over budget).
2. Total Expenses - \$695,689 actual vs. \$674,956 (3.1% over budget).
3. Net Income (\$46,930) vs. (\$27,610) budget.

Total Income was over budget due to higher late fees. In May two unit balances were transferred to bad debt, which was unbudgeted total expense of \$30,361. Paul Hage provided a summary of the major variances on the Financial Summary.

The Reserve balance was \$148,418 and there were \$18,617 in Reserve expenses. These items will eventually be paid out of the loan.

Cathy Brosius made a motion to approve the Treasurer's Report for May 2010. Lisa Watkins seconded the motion and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

The flower pots have all been planted and have been distributed around the property. Lee Vroble commented that there were more dandelions than ever before and he recommended using a weed and feed product. Glenn Johnson said the dandelions would be mowed and treated chemically.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said there were no new projects to report.

IX. OLD BUSINESS

A. Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).

Glenn Johnson said he checked all books and all were in order.

B. Project Status by Individual Projects for 2010

1. Boiler Replacement – A Building was completed yesterday. BB Building was started last Friday and should be finished by Friday. B Building will be next.
2. Siding – Completed N Building and now working in O Building.
3. Balconies – Wood prices have gone up about 18% but the contractor will only increase his bid by 4%. Paul Hage said he had heard lumber prices were going down and he will research this issue. If the contract price does increase, the total increase will be about \$3,000.
4. Exterior Doors – There is now a good count on the number of doors, frames and hardware needed. The project will not be started until sometime in July.
5. Painting – Will not start until the siding project is underway. Owners will be notified of the schedule.

The project schedule will be posted on the website.

C. Zone Valves – Inspection by June 20, 2010

All units are being inspected and a list is being created of the units that need to have work done on the zone valves. Lee Vroble requested that notice be provided in each unit once it has been inspected. Martin Cenicerros will post a notice on the bulletin board in each building when the units are inspected.

D. Laundry Room Equipment Replacement

All equipment is scheduled for replacement on June 28, 2010. Gary Nicholds said the piping would be replaced prior to installation of the new equipment. Notice of the closure of the lower level of the Clubhouse June 21 – 25 will be posted. The laundry will remain open except on Wednesday and Thursday, June 23rd and 24th.

E. Cost Analysis for Repair vs. Replacement of Lawnmower

Julian Brodie located a new transmission for \$2,000 – 3,000 and he has ordered it.

F. Asphalt

Gary Nicholds and Julian Brodie inspected all the asphalt with the contractor last week. Most driveways are just old and need crack filling and seal coating. Some need extensions of the concrete pans for drainage. Some are not draining properly. The contractor will submit an appraisal based on his observations with the costs broken out by driveway. There are two or three that need immediate attention.

G. Purchase vs. Rent of a Front End Loader

In 2007 the Association spent \$17,000 to rent the front end loader, excluding gas and the insurance rider. In 2008 the cost was \$18,000 and last year it was about \$22,000. Eric Nicholds (Basic Property Management) found a used loader in Denver for about \$98,000 with both a bucket and a blade. He will provide more information at a future meeting.

H. Downspouts

Lee Vroble said the new downspouts had failed and many burst at the seams. Gary Nicholds said Turner Morris would not guarantee the gutters without heat tape and heat tape was not put installed. The downspouts will need to be replaced or removed and no new gutters will be installed at this point. The staff will be more diligent with snow removal on the shady sides of the buildings.

X. NEW BUSINESS

A. Rules and Regulations Update

Cathy Brosius had started updating the Rules and Regulations in previous years. She will start working on it again with Gary Nicholds.

B. Pest Policy

Richard Garcia said he had developed an outline. He will send it to the Board members for review.

C. Establish Nominating Committee for Annual Meeting

The terms of Sylvia Dowty and Cathy Brosius expire this year. Richard Garcia appointed Bob Price and Lisa Watkins to serve as the Nominating Committee and both accepted the appointment.

XI. SET NEXT MEETING DATE

The next Board Meeting will be on July 21, 2010 at 7:00 p.m. in the Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 7:58 p.m. Lisa Watkins seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Pres.

July 2010
Greetings

We are now full bore into Construction Season. For residents in buildings N through U, life during the day may be upsetting due to siding replacement, painting, and balcony repair.

Now that school is out for the summer, kids need to exercise and be outside. Please watch the little one's while they are outside and do not allow them to wonder into the parking lots. Even though most residents drive cautiously, there are a few that believe rules and courtesy do not apply to them.

Not much to report at this time. But do enjoy the wonderful mountain weather and take advantage of all the events in the county.

The Owner's Annual Meeting will be September 18th in the clubhouse. If you would like to self-nominate yourself, call or email Lisa Watkins, Bob Price, or me. You have until July to nominate yourself. The Nominating Committee has until August 19th to submit nominations.

Lisa Watkins, 970-970-333-9092, lisa.watkins@dillonvalley.org
Bob Price, bob.price@dillonvalley.org
Richard Garcia, richard.garcia@dillonvalley.org

Thank you and have a great July

Richard Garcia
President
Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
July 21, 2010
Dillon, Colorado**

I. CALL TO ORDER

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

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

Owners Jim and Susan Gerson (W302), Lee Vroble (X302), Jack Regan (A204) and Jason Connolly (O303) were also present.

Representing Basic Property Management were Candy Ramage, Julian Brodie and Martin Cenicerros. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Cathy Brosius made a motion to approve the minutes from the June 16, 2010 Board Meeting as presented. Glenn Johnson seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Jack Reagan said only the top portion of the A Building sprinkler was functioning. When the sidewalks were put in some of the irrigation lines were destroyed. There is no sprinkler system by the driveway. He also wondered if there were enough employees working at the property. There is only one person doing all the mowing. The bushes have not been trimmed by A and B Buildings. Richard Garcia responded that he agreed there might not be enough employees but the Association is under budgetary constraints and cannot afford more employees at the moment. The two primary Managers are currently overseeing the boiler and balcony projects, which is keeping them from some of the routine projects.

Jim Gerson said his unit had white windows. He has been working with Julian Brodie on getting them painted when the painters are on site with a lift because he is on the third floor and he cannot reach them.

IV. FINES & HEARINGS

There were no owners present regarding fines.

V. MANAGERS REPORT

Richard Garcia noted that Units P206 and V302 are missing screens. Martin Cenicerros was asked to follow up.

A. *Property Manager's Report*

1. Completed the piping project and finished the Clubhouse two weeks ago. Some sheetrock and lights still need to be replaced.
2. The new washers and dryers have been installed.
3. Replaced heat pumps in Z and U Buildings.
4. Landscaped in front of the Clubhouse.
5. Striped the Clubhouse parking lot and bike path.
6. Continuing to work on the non-functioning areas of the irrigation system as time permits.
7. Repaired P Building main door entrance.
8. Working on resolving the ground water problem in the bedroom of Unit I103. A sump pump has been set up.

Bob Price suggested hiring some day laborers if it is not too expensive to catch up on some projects. Richard Garcia will talk to Gary Nicholds about this idea.

B. *Delinquency Report as of June 30, 2010*

Candy Ramage provided a written report.

1. The top offender tends to run up a big balance and then pays it off. The unit was in foreclosure but it was cured.
2. Another property sold at a public trustee's sale so it is bank owned but the deed has not yet been received. The Association should collect about \$2,300 on the priority lien.
3. Two units have been sent to the attorney.
4. One unit was sent notice that the account would be sent to the attorney. She normally pays in full at the Annual Meeting.
5. Several units are either with the attorney or have been sent warning letters of the intent to send to the attorney.
6. One owner is trying to short sell the unit.
7. Several units are making payments.

The delinquent balance was up 15% over last month. There are no new properties on the list.

VI. TREASURER'S REPORT

The financial status of June 30, 2010 was reviewed.

A. *Year-to-Date Operating Fund Profit and Loss as of June 30, 2010*

1. Total Income - \$780,709 actual vs. \$776,395 budget.
2. Total Expenses - \$822,238 actual vs. \$793,135 budget. Bad Debt was \$31,000 over budget.
3. Net Income (\$41,529) vs. (\$16,740) budget.

The Reserve income was \$178,094 and there were \$148,833 in Reserve expenses. The Net Income was \$29,262. These items will eventually be paid out of the loan.

Bob Price made a motion to approve the Treasurer's Report for June 2010. Sylvia Dowty seconded and the motion carried.

Candy Ramage said she had not had any feedback on the increased late fees.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the fence in front of the Clubhouse had been completed and it looks very nice. It covered up the pipes and vent stacks.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said there were no new projects to report.

IX. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*
Glenn Johnson said he checked all books. With all the other projects underway, the interior hallway vacuuming had not been done but all other books were in order.

B. *Project Status by Individual Projects for 2010*

1. Siding - N, O, P, Q Buildings are complete. Next will be S, T and U Buildings. The contractor hopes to start during the last week of July.
2. Painting - N and O Buildings have been started and the balconies are complete.
3. Balcony floor repairs - About 34 boards were replaced on N Building. O Building will be checked for defective boards this week.
4. Boiler Replacement – All buildings east of the Clubhouse have been completed. Seven buildings remain. Q Building will be next.

C. *Zone Valves – Inspection by June 20, 2010*

Julian Brodie said there were some units he could not access. He found about 40 that were incorrectly installed. Richard Garcia said the contractor who did the work was approached. He is proposing to replace them at a cost of \$800 and he would pay for half. He also indicated that this is a one time offer. Bob Price said he would like to find out if Colorado Mountain Maintenance has an insurance policy for defective workmanship. If they can file a claim, the Association should not pay anything. The Board will make a final decision by email. Bob Price will draft a checklist so there is no misunderstanding of what the responsibilities are.

Julian Brodie said he had left a message for the owner of Unit A104, who complained at the Annual Meeting last year that his zone valve had not been replaced. The owner has not responded to the message.

D. *Nomination Committee Report*

Sylvia Dowty and Cathy Brosius both agreed to run again. Glen Egbert self-nominated. Richard Garcia said there was one more owner interested in running.

E. Pest Policy

This issue was tabled until next month.

F. Rules Update

Cathy Brosius sent an update by email to all Board members today. She reviewed the changes.

1. Occupancy – The Board had discussed regulating the maximum occupancy. State limits are two for studios and one bedrooms, four for two bedrooms and six for three bedrooms.
2. Keys and Access – The word “realtors” should be replaced with “real estate agents”.
3. Balconies and Patios and Patio Fences – Patio and door windows should be included in the heading. In the section regarding color selection, add that owners need to file an application with the Architectural Review Board.
4. Grills and Fireplaces – Add “no deep oil cookers of any type”.
5. Rental Units – Owners must provide the Clubhouse with new tenant information and must do criminal and personal background check. The lease documents must be provided to the Clubhouse. These requirements should be checked with the attorney.
6. Unit Remodel – All remodeling must be approved by the Architectural Review Board.
7. Parking – Add “no parking of unlicensed vehicles in the parking lots”.

Richard Garcia will check with the attorney to see if the Board can mandate a background check on tenants. If so, Cathy Brosius will create a final draft for review at the next meeting.

G. Balcony and Patio Door Project

Jason Connolly commented that the railings were less secure than before and the painting was not finished. There was also drywall damage on the inside of the new door. There are black bolts on the outside of the door and the door may need to be pulled out and redone. He said the workmanship was poor in general and he was very disappointed. Richard Garcia acknowledged his comments but noted that the work was not yet completed.

X. NEW BUSINESS

A. Front End Loader Purchase Opportunity

There is an opportunity to purchase a used front end loader from the Town of Silverthorne for \$67,000. It has been inspected and it is in good condition and there are maintenance logs available.

Candy Ramage provided a spreadsheet comparing the costs for renting versus purchasing. The purchase option would include a \$27,000 down payment and a \$50,000 loan for four years. The payments would be \$969/month including the \$400

loan fee. The annual maintenance is based on a \$300 estimate that Gary Nicholds was given by the Town. The insurance would be \$400 per year. The cost is about \$12,300/year after the first year versus \$18,000 to rent for four months. Candy said they would never reach an exact breakeven but around the beginning of year four the numbers get close. After the end of ten years the cost to rent comes out to be twice as much as owning.

Bob Price questioned the \$300 annual maintenance cost; he felt that was unrealistically low. Richard Garcia will check the figure. Richard said there were two other bidders but Dillon Valley East is first on the list. He will ask the Town when the next major rebuild of any item is scheduled. The Board will make a decision via email once all questions have been addressed.

B. Change to Clubhouse Hours

Richard Garcia proposed closing the Clubhouse at 8:00 p.m. at night so the attendants can clean the laundry room and downstairs before leaving instead of first thing in the morning. There is very little usage after 8:00 p.m.

Glenn Johnson made a motion to change the closing time of the Clubhouse to 8:00 p.m. with the exception of the laundry room, which will remain open until 9:00 p.m. Cathy Brosius seconded. In discussion, Bob Price was concerned about an earlier closure, especially in the winter. Bob asked Julian Brodie to come up with an estimate for how many more man hours would be needed to hire someone to clean at night and the cost. The motion did not carry.

XI. SET NEXT MEETING DATE

The next Board Meeting will be August 18, 2010 at 7:00 p.m. in the Clubhouse.

XII. ADJOURNMENT

Sylvia Dowty made a motion to adjourn at 8:25 p.m. Bob Price seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

August 18, 2010

Dillon, Colorado

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, Catherine Brosius, Sylvia Dowty and Glenn Johnson.

Owners Baxter Pharr (J205/X105), Lee Vroble (X302) and Jack Regan (A204) were present.

Representing Basic Property Management were Gary Nicholds, Candy Ramage, Julian Brodie and Martin Cenicerros. Auditor Jolene Reddell was also present. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Sylvia Dowty made a motion to approve the minutes from the July 21, 2010 Board Meeting as presented. Glenn Johnson seconded and the motion carried.

III. QUESTIONS AND COMMENTS FROM THE FLOOR

Baxter Pharr thanked the Board for their service. He commented that dues were increasing 5% per year, property values have dropped 30% in past few years and taxes have increased. He said the Association needed to keep properties maintained at a high level. He said the interior hallways in his building needed to be repainted. Gary Nicholds responded that interior projects were scheduled for the slow season after Labor Day. Sylvia Dowty recommended trying a product that removes scuff marks to improve the appearance until the painting is done.

Jack Regan asked if Gary Nicholds was the sole owner of Basic Property Management. Gary responded that he was a majority owner but there were two other partners. Jack asked if Gary had enough staff to handle the work at this complex. Gary said as a rule staffing was adequate but from time to time there are periods when they could use a few extra hands. Jack said a good deal of time was spent discussing the lack of adequate labor during the last Board Meeting. Jack said the grass around every building needed raking. He added that the property looked great but all work was not complete.

Sylvia Dowty gave Gary Nicholds a list of issues that need to be addressed provided by owner Randall Seegers.

IV. AUDITOR'S REPORT

Jolene Reddell of Stuhr & Associates provided a summary of the audit. She issued a clean opinion and she was satisfied with the condition of the books after some adjustments.

On the Balance Sheet she noted the fund balance deficits in the Operating and Replacement Funds. She emphasized these should not be ignored. Paul Hage noted that some of the contract work was being paid out of the Replacement Fund and would be reimbursed from the loan after the end of the fiscal year. As reflected in the interfund balances as of the end of the year, the Operating Fund owed about \$158,000 to the Replacement Fund.

One adjustment she made was establishment of an \$18,000 allowance for bad debt. Fixed Assets were misstated by about \$130,000 because a number of the fixed assets capitalized over the years were in fact common elements and should not have been capitalized in the books. She said the Board might consider establishing a Capitalization Policy to provide a guideline for future Boards and accountants. She can provide a template.

On the Income Statement, the only significant change was the \$18,000 adjustment for Bad Debt. She also restated this Income Statement and some prior years to reflect depreciation. Overall the Operating Fund had a surplus but started the year with a large deficit.

The Cash Flow Statement uses the “direct” method. There is also a reconciliation between the cash and accrual basis. She encouraged all Board members to read the notes she provided, especially the loan disclosures.

The numbers in the Reserve Study review reflect the figures from the 2003 Reserve Study. Paul Hage said it had been updated informally since then.

Recommendations:

1. Material Weakness – This is related to beginning a new data file each year. There were mistakes in the beginning balances as compared to the ending balance from the prior years that were not noticed. They are mostly related to accumulated depreciation and allowances for doubtful accounts. The correction will be to carry over the data files from year to year.
2. Significant Deficiency – On the Working Capital spreadsheet some unit closings were not updated. She recommended updating the spreadsheet annually.
3. Significant Deficiency – The tax return must distinguish between exempt and non-exempt function income and expenses. In past returns, everything was classified as exempt income and there are obviously some non-exempt items. She believes that there are enough expenses in the non-exempt category to offset the income so no tax is due but they need to be separated.

On a positive note, she was very pleased with the checks and balances that are in place such as check signing authority and segregation of duties. Richard Garcia thanked Jolene for attending the meeting and Candy Ramage for working with the auditor.

Baxter Pharr said he had read about a new law requiring Associations to distribute any year-end Operating surplus back to the owners. Richard Garcia said there is a vote at each Annual Meeting to authorize carrying forward any balance.

V. FINES & HEARINGS

There were no owners present regarding fines.

VI. MANAGERS REPORT

A. Property Manager's Report

1. Cleaned out half of the window wells.
2. Started shampooing common area carpets. Some areas of carpet will need to be replaced.
3. Replaced 20 light fixtures in the main entrances.
4. Replaced the 110 power with 220 for the pool and hot tub recirculating pumps.
5. Completed piping in the Clubhouse restrooms.
6. Cleaned behind the shop and garage.
7. The C Building boiler will be replaced on Friday.
8. Issued a few warnings and one fine.

B. Delinquency Report as of July 31, 2010

Gary Nicholds provided a written report.

1. The highest balances are all at the attorney.
2. Erin Griffin continues to work with owners that are not yet with the attorney.
3. There is only one unit in foreclosure right now and two units are under contract but there could be more foreclosures in the future.

VII. TREASURER'S REPORT

The financial status of July 31, 2010 was reviewed.

A. Year-to-Date Operating Fund Profit and Loss as of July 31, 2010

1. Total Income - \$909,494 actual vs. \$905,444 budget (0.4% over budget).
2. Total Expenses - \$932,416 actual vs. \$926,574 budget (0.6% over budget).
3. Net Income (\$22,922) vs. (\$21,129) budget.

Bad Debt booked to date was \$31,038 over budget.

The Reserve income was \$207,772 and there were \$226,722 in Reserve expenses. The expenses will be applied against the loan at the end of the year. Loan expenses year-to-date were \$4,600 under budget and there have not been any draws this year.

Sylvia Dowty made a motion to approve the Treasurer's Report for July 2010. Cathy Brosius seconded and the motion carried.

VIII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the Landscaping Committee will recommend hiring an individual dedicated to maintaining and cutting the lawns and trimming next summer. This individual will also be responsible for maintaining the equipment.

IX. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius said there was one request from an owner planning a bathroom remodel.

X. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*

Glenn Johnson said he checked all the books and all were in order.

B. *Project Status by Individual Projects for 2010*

1. Siding – N, O, P, Q, R, S and possibly T Buildings completed.
2. Painting – N, O, P, Q and R Buildings completed.
3. Balcony replacements – N, O, P, Q, R, S and possibly T Buildings completed but no rail caps yet.
4. Doors – 19 doors have been installed.
5. Boiler Replacement – X, Y and Z Buildings remain to be done.

Gary Nicholds said no money would be released to the painting contractors until a final walkthrough has been done. Chuck or Charles, the subcontractor, Gary Nicholds, Julian Brodie and/or Martin Ceniceros and any interested Board members can participate in the walkthrough. Glenn Johnson was appointed as one of the three Board representatives.

C. *Zone Valves – Inspection by June 20, 2010*

Julian Brodie said with the new boiler installation, some of the water flow was changed. He will need to recheck the valves.

D. *Nomination Committee Report*

The five nominees included Sylvia Dowty, Cathy Brosius, Glen Egbert, Jonathan Griffen and Seth Cohen. Nominations officially closed yesterday.

E. *Pest Policy*

This item was tabled until the next Board Meeting. Paul Hage commented that pest control was under budget year-to-date. Paul felt pest control should be included in the budget so the Association can control the spraying instead of trying to work with individual owners. He suggested a straw poll on this issue at the Annual Meeting.

F. *Rules Update*

Cathy Brosius said the Rules update was on hold until a response is received from the attorney.

G. *Front End Loader Purchase Opportunity*

Richard Garcia said the Association had purchased the front end loader from the Town of Silverthorne. Gary Nicholds commented that the Association has spent about \$25,000 on loader rental each year and based on the numbers it was a better deal to purchase it than to continue renting. It is about nine years old and the Town

has all the maintenance records. The purchase includes a 12' blade, a 3 cubic yard snow bucket and a 5 cubic yard dirt bucket. The cost was \$67,000. The Town will provide a complete review of the records and instructions on use. There is a Catapillar care plan wherein an oil sample is sent in every 200 hours and Catapillar provides recommendations for needed maintenance. Routine maintenance should cost about \$500 – 600/year.

XI. NEW BUSINESS

A. Hiring Day Laborers to Catch Up on Projects

Richard Garcia said he discussed the day laborer suggestion with Julian Brodie and Gary Nicholds. Julian explained that things would be slowing down and he would be able to accomplish the projects on the list without hiring additional staff. Gary Nicholds noted that the lawn mowing issue was complicated this summer by the need to replace the transmission on the large mower.

B. Promotion of the Property with the Real Estate Community

Paul Hage said a large number of property improvement projects had been completed in the past few years. He suggested hosting a reception for the real estate community in the spring with a reception or lunch and an in-depth property tour to highlight the improvements, especially the “behind the scenes” items.

XII. SET NEXT MEETING DATE

The next Board Meeting will be September 18, 2010 following the Annual Meeting in the Clubhouse.

XIII. ADJOURNMENT

Paul Hage made a motion to adjourn at 8:30 p.m. Glenn Johnson seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Pres

September 2010

Greetings

Our large projects are almost finished for the season. Siding Replacement is complete. Painting of buildings N, O, P, Q, R, S, and T is in progress and will continue through September. As painting of each building is finished, the top rails of the repaired balconies will be installed. Several top railings were not replaced after the balcony repair because we did not want the rail to be painted or damaged. Except for building "Z", all Boilers have been replaced. Building "Z" boiler should be replaced during the first week of September.

When the dust clears from the projects, we will look at our financials to see if we can do repairs to our parking lots. In the mean time, we are starting to clean and paint hallways. We had all hands "on deck" for our projects and let the hallways get really run down and hope to get back on track.

Insurance – Is the contents of you condominium insured? The Association's insurance covers the common areas (building structure, parking lots, hallways, and clubhouse). If a fire were to destroy a building or part on one, our insurance will restore your unit to the condition it was in when the original contractor turned over the buildings to the Association 36 years ago. The building and condominium unit would be restored to today's building codes, and you would be reimbursed for the cost to restore your unit to conditions that existed 36 years ago using today's prices and standard items. That means the expensive floor tile, wall coverings, doors, and cabinets that you worked so hard for would not be replaced by the Association's insurance. So check with your insurance agent about coverage for your new cabinets, floor covering, and doors in event of a catastrophe.

Our Annual Owners meeting is Saturday, September 18th, at 10:00 A.M. Please join us early for coffee and snacks. If you are not current with your dues and wish to participate in the meeting, you may make payment before the meeting. Doors open at 9:00 A.M.

Have a nice End of Summer.

Richard Garcia
President
Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
September 18, 2010
Dillon, Colorado**

I. CALL TO ORDER

The meeting was called to order at 1:25 p.m. by Richard Garcia.

Board members present were Richard Garcia, Paul Hage, Sylvia Dowty, Bob Price, Lisa Watkins, Dru Griffin and Glenn Johnson.

Representing Basic Property Management were Gary Nicholds, Candy Ramage, Julian Brodie and Martin Cenicerros. Erika Krainz of Summit Management Resources was recording secretary.

Owners present were Cathy Brosius, Barbara Johnson and Barbara Slater.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the August 18, 2010 Board Meeting as presented. Sylvia Dowty seconded and the motion carried.

III. OWNER COMMENTS

Richard Garcia read some owner comments:

1. Q202 – There have been multiple complaints about noise from the unit and extra cars. These issues have been addressed by Martin Cenicerros.
2. P302 – The \$100 fine was rescinded on the condition that it would be reinstated if there were any additional problems.
3. Z205 – There was a comment regarding noise in the piping. Julian Brodie is taking care of the issue. The heating system was designed incorrectly and the pump is too big for the building so there is noise from the fluid passing through the pipes.
4. AA101 – There was a charcoal grill on the patio. The owner was fined.

IV. FINES & HEARINGS

No owners were present regarding fines.

V. MANAGERS REPORT

A. Delinquency Report as of August 31, 2010

Gary Nicholds provided a written report.

1. The top nine on the list account for the majority of the delinquent balance. Seven are with the attorney.
2. The total delinquent balance this month was \$58,399, down from \$62,988 last month. Some delinquent owners paid today in order to have voting privileges during the Annual Meeting.

There will be a line item in the 2011 Budget for bad debt. Sylvia Dowty noted that if the owner of a delinquent unit files bankruptcy, all proceedings come to a halt including foreclosure and it can take a year to resolve it.

B. Property Manager's Report

1. Cleaned up behind the garage.
2. Removed the little boiler for the hot tub and connected the hot tub to the main boiler.
3. Started installation of netting around the building.
4. Colorado Maintenance will take care of some siding around the Clubhouse.
5. A sewer backup in D Building caused damage in Units 102 and 103.
6. There was a water leak in A Building. All affected owners filed claims.

VI. TREASURER'S REPORT

A. Year-to-Date Profit and Loss as of August 31, 2010

1. Total Income - \$1,038,000 actual vs. \$1,034,493 budget (0.3 % over budget).
2. Total Expenses - \$1,057,360 actual vs. \$1,048,124 budget (0.9% over budget).
3. Total – (\$19,360) actual loss versus (\$13,631) budgeted loss, so \$5,729 unfavorable to budget. This is due in part to the way bad debt is being written off. There was a \$31,000 expense for bad debt.

Dru Griffin suggested filing liens without using an attorney since some of the money expended for legal fees by the Association will not be collectable.

Year-to-date Reserve revenue was \$237,508 and expenses were \$262,974 resulting in a \$25,465 negative variance. Expenses are for items that will be transferred to the loan account before year-end.

Sylvia Dowty made a motion to approve the Treasurer's Report for August 2010. Lisa Watkins seconded and the motion carried.

B. 2009 Audit

The auditor reviewed the draft of the audit during the last Board Meeting.

Recommended changes included:

1. Carry forward all financial information from each previous year instead of re-entering in a new file to eliminate entry errors.
2. Some items were reflected as Association assets when they were really owners' assets. For example, the owners own the common property and the maintenance building. Items will be removed from the Balance Sheet as appropriate.
3. Some things on the list of capital items were too small to be on that list and were removed. The depreciation expense should be reduced with less property.

The auditor provided a draft of a Capitalization Policy that Paul Hage will email to the Board for review. Copies of the revised audit report will be distributed to the Board members.

Bad Debt was on the Balance Sheet but was not reflected on the P&L so the Association was not recouping the lost dollars. When the 2009 Financial Reports are restated the Association will have to make up the deficit.

Sylvia Dowty made a motion to adopt the 2009 Audit Report. Paul Hage seconded and the motion carried. Candy Ramage and Paul Hage were thanked for their work on this project. Paul Hage recommended establishing a Committee to review and make revisions to the existing Reserve Study annually.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said the deep grass in front of the tennis courts had been taken care of. The staff is switching over to winter mode. Barbara Johnson recommended getting some part time summer help for mowing and mulching. Gary Nicholds said one of the main problems this summer was due to the fact that one of the large Toro mowers was not operational. It has now been repaired. In addition, the part time staffer was doing other more skilled work this summer and saved a great deal of money for the Association.

Julian Brodie was asked to put a bolt into the middle of the seesaw to secure it.

The ATV's need to be winterized. Dru Griffin suggested establishing a formal maintenance program for the equipment and having it bid by one contractor. He thought there should also be a monthly in-house check on maintenance items. Julian Brodie noted that there was only one truck and he changed the oil himself.

Bob Price asked if there would be any asphalt repair. Gary Nicholds said he anticipated there would be a remaining balance of about \$200,000 in the loan fund after all projects are completed. There are three building parking lots that need to be regraded and resurfaced and there is a considerable amount of crack sealing needed. Paul Hage, Dru Griffin and Glenn Johnson were appointed to the Asphalt Committee.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius was thanked for her years of service on the Board and was recognized by the Board. She agreed to serve as the Chairperson for the Architectural Review Committee and to serve on the Rules and Regulations Committee.

Cathy said it had been a quiet month. There was one owner remodeling a bathroom but there was nothing that had to be brought before the Board.

Lisa Watkins said there were missing screens and red curtains in Building V. She volunteered to do a walkthrough of the property with Cathy to identify missing screens and window covering violations.

IX. OLD BUSINESS

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*

Glenn Johnson said he checked all the books and all were in order.

- B. *Project Status by Individual Projects for 2010*

1. Painting – The balconies are done and the railings have been installed. Bob Price said there was bare wood on the porch of stack 5 of Building G. This was left from last year.
2. Doors – The door project should be completed by the second week in October. Some doors and frames disappeared. There will be a final inspection and a punch list will be created. Weather stripping seals will be ordered for the doors. About 45 doors will be replaced in total this year out of 96 total doors throughout the complex.

Paul Hage suggested adding heat tape to one building as a test with a separate meter so the usage and cost can be analyzed. Dru Griffin said this could be calculated based on the linear footage and wattage of the heat tape. Cathy Brosius said the heat tape was the same cost as the gutters at \$1/foot.

- C. *Pest Policy*

The Board agreed to continue to budget for mitigation. A policy should be developed clarifying that if it is done at Association expense, the occupant is responsible for doing their part to clean their personal items.

The Board needs to determine how to notify owners that mitigation is being done, if the Association can require access to units and what to do if owners refuse. Paul Hage noted the Board had been doing mitigation successfully for two years.

- D. *Rules Update*

Cathy Brosius reviewed revisions to the Rules:

1. The Rules Committee was considering adding the County's maximum occupancy restrictions into the Rules. Families are exempt from the occupancy limits.
2. Replace "realtors" with "real estate agents".
3. Add a title for patio doors and windows.
4. Add that owners must submit an ARC application for all remodeling, including doors and windows.
5. Add a prohibition on deep fryers.
6. Add a prohibition on storage of any items that can drip to the balcony below.

There was discussion about requiring criminal background checks. Cathy Brosius recommended making the background checks voluntary. Owners should be asked to provide copies of leases.

Cathy Brosius said the Fire Department could provide a property tour and recommendations.

Cathy Brosius recommended requesting information from all tenants when parking permits are issued.

Paul Hage suggested adding a section on Insurance including a statement from the Declarations clarifying the Association insurance is only responsible for restoring the property to the original "as built" condition. The Board agreed they should review the Declarations regarding the specifications for insurance coverage.

Cathy Brosius suggested adding a requirement for insulation in units installing wood floors. Gary Nicholds said he could provide a template with wording from another property.

E. Zone Valve Re-Inspection

This project should start around the end of the month.

X. NEW BUSINESS

A. Patio Extensions

The Board agreed they did not want to authorize patio extensions.

B. Storage of Recreational Items

Kayaks can be hung under balconies but cannot be larger than the width of the existing balcony or balcony above for 1st floor units and items stored in the kayak cannot be visible. Bob Price was opposed to allowing storage of anything except bikes. Dru Griffin said the policy had to be fairly applied to all items. There was general agreement that storage should be allowed for any objects as long as they fit within the boundary of the existing balcony or balcony above for 1st floor units. It was determined that this rule already exists so it just needs to be enforced.

C. Election of Officers

Sylvia Dowty made a motion to elect Richard Garcia as President. Paul Hage seconded and the motion carried. Glenn Johnson made a motion to elect Sylvia Dowty as Vice President. Paul Hage seconded and the motion carried. Bob Price made a motion to elect Lisa Watkins as Secretary. Glenn Johnson seconded and the motion carried. Glenn Johnson made a motion to elect Paul Hage as Treasurer. Bob Price seconded and the motion carried.

XI. SET NEXT MEETING DATE

The Board will hold a Budget Meeting on Wednesday, October 13, 2010 at 7:00 p.m. at the Basic Property Management office. The next regular Board Meeting will be October 20, 2010 in the Clubhouse.

XII. ADJOURNMENT

The meeting was adjourned at 3:16 p.m.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Pres.

Greetings

Please welcome new Board member, Dru Griffin. Dru lives in Dillon Valley East, is familiar with local building practices and will be a good asset to the Board.

We heard from owners during our Annual Meeting about the lack of furniture in the clubhouse lounge. So one of the first things we did was purchase some nice leather furniture that should wear well.

Our large construction project is coming to a finish. We are dealing with inspections and go-backs for our final inspections. Entry doors will be the last items to be installed. We let you know when we have completed a final inspection. Then you may let us know which doors we failed to install correctly. We missed the opportunity for major parking lot repairs. However, we will have pot holes filled in time for winter.

Our property management team will be performing an inspection of all heat controls in the complex. Please allow access to the thermostat and control valves for the heat system in your unit(s). If you do not allow access, then any maintenance regarding heat valves will be billed to the unit's owner. This includes damage to common area and other residents' personal property.

Be Red Cross Ready

The subject of emergency evacuation from Dillon Valley came up during the Annual Meeting. We all know there are only two ways to drive out of the valley: west on Straight Creek Drive or south on Deer Path Road to Evergreen Road to Highway 6. [Here is a link to information from the Red Cross](#) about being ready for disasters in general. (http://www.redcross.org/www-files/Documents/pdf/Preparedness/checklists/Be_Red_Cross_Ready.pdf).

More information is available on the Red Cross Site (www.RedCross.org).

Your Board of Managers will be in special Budget meetings in preparation for 2011. As of now I cannot say if dues will increase. But think this way: We have a zero balance budget, the economy is not doing well, cost of all material has gone up beyond anyone's estimation, and the estimated increase in cost of living is a joke. We plan to have a budget for 2011 in place by mid-November.

Window Screens and Patio Doors

Cathy Brosius, Architectural Review Committee, has agreed to collect names of owners who need to have screens replaced or would like to participate in having their windows and patio doors replaced. By having a group of interested owners, we hope to qualify for discounts. The Association, Board members, Committee members, and property management are not liable for quality of material, workmanship, delivery dates, contracts, or verbal commitments given by contractors or their representatives. You may contact Cathy Brosius by e-mail at WindowsAndScreens@DillonValley.org.

Sincerely,

Richard Garcia

President, Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
ANNUAL MEETING
September 18, 2010
Dillon, Colorado**

I. ROLL CALL AND CERTIFICATION OF PROXIES

The meeting was called to order at 10:05 a.m. by Richard Garcia.

Board members present were:

Richard Garcia, President, T106	Sylvia Dowty, Vice President, Y101
Cathy Brosius, Secretary, E106	Paul Hage, Treasurer, BB203/N305/Q205/Z104
Bob Price, Member, G305	Glenn Johnson, Member, S103/S104
Lisa Watkins, Member, T305	

Homeowners present were:

Nancy & Joe Bain, B103	Deborah Burg, S301
Priscilla Calahan, B204	Janet Chambers, Q103
Bridget Crowe, F304	Anthony Dobriski, O203/T302
Stephen Daust, T303	Glen Egbert, N106
Bryan & Jill Fabel, B302	Susan Fiske, N205
Elaine Garcia, T106	John Getz, BB301
Theresa Goehrs, J208	Erin & Dru Griffin, O206
Laura Hartman, R201	Carl Henry, U202
Barbara Johnson, S103/S104	Paul Jones, N101
Kevin Kaiser, D301	Robert Klea, S201
James Lauletta, J204	Victor Lee, T105
Thomas Lorenz, X103	Cesar Munoz, J102
Dolores Nelson, N306	Robert Nevarez, A105
Robert Pharr, X105/J205	Martha Pirnat, X301
Benjamin Roehrs, I106	Damien & Melissa Ruiz, W304
Wayne Ryon, G306	Theresa & Stephen Schoenmakers, U302
Jeffrey Schramm, I205	Randall Seegers, J201/J209
Barbara Slater, E201/I305	Eli Snell, A305
Katherine Spangler, A203	Leo Vroble, X302
Edith Webster & Chris Heer, X204	Gail Wepfer, I102
Ann Woods, P303	Russell Young, AA301/Q101
Elaine Garcia, T106	

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Candy Ramage, Erin Griffin, Julian Brodie and Martin Cenicerros. Erika Krainz of Summit Management Resources was recording secretary.

II. DETERMINATION OF QUORUM

A quorum was reached with 57 units represented in person and 41 proxies received.

III. PROOF OF NOTICE

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

IV. APPROVE PREVIOUS MEETING MINUTES

Thomas Lorenz made a motion to approve the minutes of the September 19, 2009 Annual Meeting as presented. Carl Henry seconded and the motion carried.

V. INTRODUCTION OF BOARD MEMBERS

All Board members introduced themselves and gave an overview of their backgrounds and Board responsibilities.

VI. FINANCIAL REPORT

A. Year-to-Date Profit and Loss as of August 31, 2010

1. Total Income - \$1,038,000 actual vs. \$1,034,493 budget (0.3 % over budget).
2. Total Expenses - \$1,057,360 actual vs. \$1,048,124 budget (0.9% over budget).
3. Total – (\$19,360) actual loss versus (\$13,631) budgeted loss, so \$5,729 unfavorable to budget. This is due in part to the way bad debt is being written off. There was a \$31,000 expense for bad debt.

B. Reserve Fund Status

Year-to-date income for the Reserve Fund was \$237,508 and expenses totaled \$262,974 resulting in a \$25,465 deficit. A number of major improvements were completed in the past year that will provide long-term payoffs, including new boilers, decks, siding, painting and repiping in lower units. The Association took out a construction loan to fund these projects. This loan will revert to a regular loan at the end of the year. Many of the expenses were actually charged to the Reserves instead of against the loan, saving the Association \$6,600 in interest. The accounts will be reconciled at year-end. Future projects that will be Reserve expenses include renovation of the Clubhouse apartment, hallway carpet replacement and improvements to the sewer cleanouts.

Thomas Lorenz asked about the resolution of the final payments for the fire damage. Richard Garcia said the fire issue was resolved by March 2009. The Association had to absorb some costs for deductible but the insurance company paid the bulk of it. Thomas Lorenz also asked about resolution of the incorrectly installed zone valves. Richard Garcia said this work was still in progress. The incorrectly installed valves were installed over 36 years ago and in some buildings the flow of fluid was reversed. The new valves are gate valves that make noise when they are reversed. The backwards valves are being reversed to address this problem.

Victor Lee said his zone valve was incorrectly installed and the plumbing on the shutoff valve installation was inferior. He asked if the shutoff valves would be examined and warranted. Richard Garcia said the shutoff valves would be inspected and corrective action taken if needed if the valve was replaced in the scope of this project. If it is an old valve, the owner will be responsible for having it replaced.

Laura Hartman asked how she would know if her valve was replaced. Basic Property Management has the list of units that had valve replacement.

Paul Hage reported that a full financial audit was done this year for 2009. The last audit was done over five years ago. The report indicated that the internal controls in the office were good. The auditor suggested a change in how data is transferred at year-end. There were some questions about bad debt write offs and how some assets are classified and the appropriate changes will be made. Audits should be done more frequently than every five years. The cost for the audit was \$6,900.

C. *2010 Year-End Surplus*

Paul Hage made a motion to authorize transfer of any 2010 year-end surplus to the 2011 Operating Budget. Stephen Daust seconded and the motion carried.

VII. COMMITTEE REPORTS

A. *Buildings and Landscape*

Barbara Johnson provided this report. She complimented the workers for the new fence. She recommended hiring a summer worker for mowing, landscaping and mulching.

B. *Architectural Review Committee*

Cathy Brosius encouraged interested owners to join the Architectural Review Committee (ARC). Owners were asked to submit any proposed in-unit improvements to the ARC. She can provide contractor referrals for owners who want to add fences.

VIII. MANAGEMENT COMPANY REPORT

A. *Basic Property Management Staff*

Gary Nicholds introduced the office and on site staff.

B. *Property Improvements*

1. Moved lights over signs higher to prevent breakage.
2. Improved landscaping by the signs.
3. Purchased a front-end loader for the Association from the Town of Silverthorne for \$67,000. Rental costs in previous years were about \$27,000 annually. The expense was paid out of the Reserve Fund.
4. Removed some grass in front of the Clubhouse to reduce water usage.
5. Added a lock box bar on the back of the Clubhouse for owners. There is a separate lock bar for realtor lock boxes.
6. The hot tub is closed off at the moment because of ongoing problems with users not showering before use and contamination of the water with shampoo.
7. Installed playground equipment two years ago and it is seeing good use.
8. Installed a fence and decorative totem poles in front of the Clubhouse to mask the utility meters.
9. Replaced many areas of original 30 year old building siding.

10. The old diamond cut pattern balconies have been replaced with solid wood planks with Trex caps.
11. Some owners have installed fences outside their units.
12. Added some downspouts to some roofs last winter to mitigate icicles but the draining water often froze and backed up inside the downspouts, depositing ice on the roofs. Heat tape might be a solution but it is expensive to install and operate.

C. General Management Comments

1. Owners were asked to be respectful of their neighbors and the community and to property store their recreational equipment.
2. The property is surrounded by trees that have been killed by the pine beetles and owners were encouraged to be careful with fire and to have insurance for their unit contents.
3. Owners were reminded that furniture cannot be disposed of in the dumpster. Violators will be fined.
4. Owners have been responsible about picking up after their pets this year.
5. The Board will be discussing the storage of recreational equipment such as kayaks, rafts and bikes.
6. Owners were reminded that only gas grills are permitted. Charcoal grills and deep fryers are prohibited.

D. Owner Questions and Comments

1. There was general discussion about the value of the pool and hot tub. Richard Garcia said the realtors have indicated they are important amenities.
2. Thomas Lorenz asked if the Board had considered another type of siding. Paul Hage said the Board had considered vinyl but it is very expensive. The priority for the Board was to get the boilers fixed so that is where the majority of the money was spent. The least expensive siding alternative was about \$750,000.
3. John Getz said there was sap coming through the paint on his new deck. Paul Hage said the wood would expel the sap over time and it could be addressed during the next painting cycle.
4. Victor Lee asked about painting of the new doors and frames. Gary Nicholds said it was scheduled for next month. Victor said there were big gaps in some door frames. Gary said any poor workmanship would be addressed.
5. Baxter Pharr asked about the common area painting schedule. Gary Nicholds said common areas would be done after the door installation because there could be some sheetrock repair needed. He expects it will start in October.
6. John Getz said there were gutters installed on the roof of the BB Building with no downspouts.
7. Anthony Dobriski suggested requiring all owners to post the Rules and Regulations in the units.

IX. ELECTION OF MANAGERS

The terms of Cathy Brosius and Sylvia Dowty expired this year and both indicated their willingness to run again. Glen Egbert and Dru Griffin were the other nominees. All candidates

provided biographical information. Secret ballots were tallied and Sylvia Dowty and Dru Griffin were elected to the Board.

X. NEW BUSINESS

A. Bulk Purchase for Patio Doors and Windows

Nancy Bain asked if there was any plan for bulk purchase of patio doors and windows. Richard Garcia said this was done several years ago but there were no current plans. Owners can select the manufacturer but all frames must be almond. She noted that there could be energy rebates available. Owners should work with Cathy Brosius to request approval of their selection. A suggestion was made to start a signup sheet for any interested owners. Cathy Brosius volunteered to organize this effort.

B. Email Newsletter Delivery, Security and Tenant Background Checks

Randall Seegers commented that he had requested delivery of all owner newsletters by email but he was still receiving them by regular mail. He also said that a long term tenant of his was able to get keys to his unit from the Clubhouse office without showing any identification. He felt this was a security risk. He said the Board was considering requiring criminal background checks on prospective tenants. He felt reference checks were reasonable but the timing and cost for criminal background checks could present issues for unit renters. Cathy Brosius said there was an online check that only requires a social security number and costs \$15. Richard Garcia noted that this proposal had not been finalized and the Board was still discussing it with the attorney. The Sheriff requested implementation of this program. Laura Hartman felt the decision should be left up to the individual owners. Edith Webster noted that owners could lose the unit if their tenant conducts certain drug related activities in the unit such as a meth lab.

C. Pool Hours, Wood Floors and Parking Permits

Katherine Spangler requested the Board consider implementing the original hours of operation for the pool on weekends and holidays. She suggested the ARC consider requiring insulation under new wood floors for noise mitigation. She asked how often the parking permits checked. Martin Ceniceros said he tries to drive through the property every two weeks. She said there was one vehicle parked in the same spot at A Building for at least five weeks with no permit. She asked if the Clubhouse furniture had been removed. Richard Garcia said some pieces were removed because they were very worn and unsightly. She asked who was responsible for the potholes by A Building. Richard responded that potholes on Straight Creek Drive were a County responsibility. Gary Nicholds added that said once the projects are completed, any remaining loan funds would be used for filling potholes and crack sealing.

D. Pool

Susan Fiske requested addition of a lap lane in the pool. The Board will look into it.

E. Fire Safety

Lee Vroble thought the Association should have a fire mitigation or safety program. Richard Garcia pointed out the property was also in a flood zone. He thanked Lee for attending the Board meetings and for his suggestions for improvements.

F. Bedbugs

Priscilla Calahan asked if the bedbug situation had been resolved and what the projected dues increase for next year was.

Gary Nicholds said bedbugs were a countrywide epidemic with Denver being #7 in the country. The best way to kill them is to superheat the unit interior to over 120 degrees. Gary felt this should be an individual owner responsibility.

Bridget Crowe thought bedbug mitigation should be an Association responsibility in order to protect the other owners in the building. Wayne Ryon said bedbugs could spread from unit to unit and agreed mitigation should be an Association responsibility because infestation can negatively affect the unit values. Baxter Pharr said he had bedbugs in several of his units. He recommended putting covers on all bedding materials and said such items were available on the website www.pestmall.com. Richard Garcia said there were infestations in three buildings. Paul Hage said if there is an infestation, the Association could take care of it and bill the owner so the response is timely. The Association has spent \$13,000 on mitigation this year against a budget of \$20,000 compared to \$18,000 last year. Several owners spoke in favor of having the Association address bedbug issues.

Dru Griffin made a motion to have the Association finance any measures needed to address the bedbug infestation. Baxter Pharr seconded. Paul Hage called the question. The motion carried.

XI. SET NEXT MEETING DATE

The next Annual Meeting was set for Saturday, September 17, 2011 in the Dillon Valley East Clubhouse, time to be determined.

XII. ADJOURNMENT

The meeting was adjourned at 12:29 p.m.

Approved By: _____
Board Member Signature

Date: _____

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
October 20, 2010
Dillon, Colorado**

I. CALL TO ORDER

The meeting was called to order at 7:05 p.m. by Richard Garcia.

Board members present were Richard Garcia, Paul Hage, Dru Griffin and Glenn Johnson.

Representing Basic Property Management were Gary Nicholds, Candy Ramage and Julian Brodie. Erika Krainz of Summit Management Resources was recording secretary.

Owners present were Lee Vroble (X302) and Baxter Pharr (J205/X105).

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the September 18, 2010 Board Meeting as presented. Dru Griffin seconded and the motion carried.

III. OWNER COMMENTS

Lee Vroble said the previous Board minutes referred to occupancy limits. He said he had provided a notebook to the Board with research he had done on this subject ten years ago. He provided updated information to the Board, specifically in reference to the definition of a family. He said the County was not able to locate any official reference to occupancy limits. He is waiting for additional information from the Planning Department. The HUD rules specify a limit of two people per one bedroom unit. In addition, the landlord can specify maximum occupancy, as long it is not discriminatory. He will share any information he receives with the Board. Richard Garcia said he and Gary Nicholds would be meeting with the attorney next week to determine what the legal options might be.

Baxter Pharr said his tenant in Unit J205 has complained of excessive heat in the unit. Julian Brodie checked the unit and determined that it needs a new zone valve but he cannot do the work for about two weeks. Baxter felt it should be addressed sooner. Richard Garcia suggested that he hire an outside contractor to do the work. Gary Nicholds explained that Basic Property Management (BPM) had decided not to do in house maintenance in units due to time constraints and problems with payments. Staff members can elect to do this type of work on their days off and can be paid directly.

Baxter Pharr said he purchased Unit X105 in 2007 and the seller paid the title company for a new zone valve at closing. The title company indicated they sent a check to either BPM or the Association for the new zone valve. There was an issue with excessive heat in the unit last winter and he was told by Dan Ulmer that the zone valve could not be replaced until spring. Some adjustments were made and the zone valve is now working but he does not believe the zone valve was ever replaced. He was asked to provide some type of proof of payment.

IV. FINES & HEARINGS

No owners were present regarding fines.

V. MANAGERS REPORT

A. Property Manager's Report

1. There were sewer backups in E and W Buildings, most likely due to disposal of grease.
2. Started the zone valve inventory and completed most of the upper half of the complex.
3. Completed all carpet cleaning.
4. All vehicles are being winterized.
5. Glycol is being added to the boilers.
6. Finished the Clubhouse apartment bathroom.
7. The sauna is operational.
8. There were water leaks in F202 and C202 but they were not due to leaking pipes.

B. Delinquency Report as of September 30, 2010

Gary Nicholds provided a written report.

1. There are now four units in foreclosure.
2. The top five to ten on the list account for the majority of the delinquent balance.
3. About 16 units are in the 30 – 60 day delinquent timeframe.
4. The total delinquent balance this month was \$65,794, up from \$58,399 last month.

VI. TREASURER'S REPORT

A. Year-to-Date Profit and Loss as of September 30, 2010

1. Total Income - \$1,165,447 actual vs. \$1,163,543 budget (0.16% over budget).
2. Total Expenses - \$1,170,670 actual vs. \$1,165,497 budget (0.04% over budget).
3. Total – (\$5,223) actual loss versus (\$1,954) budgeted loss, so \$3,269 unfavorable to budget.

There were significant variances in Delinquency Fees, Washer/Dryer Income, Interest and Bad Debt.

Year-to-date Reserve expenses were \$383,729 and revenue was \$267,257 resulting in a \$116,472 negative variance. All but about \$1,600 of that amount will be converted to the loan.

Dru Griffin made a motion to approve the Treasurer's Report for September 2010. Glenn Johnson seconded and the motion carried.

VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glenn Johnson said he was really pleased with the flower care in front of the Clubhouse this summer. He mentioned there was mold on the floor of the women's shower room but it was cleaned up quickly once the staff was informed. He thanked Sylvia Dowty for finding furniture for the media room but he was disappointed that she threw away the existing furniture.

VIII. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius provided a note for Richard Garcia to read. She noted she was disappointed at the number of damaged units given the amount of work that has been done around the property. She said most owners should consider replacing their patio doors and windows if they have not already done so, and noted the Accent doors and windows appeared to be a superior quality. A list of issues was provided to management. Owners will be notified of the deficiencies and will be given a deadline by which the work must be done. If the work is not done by the deadline, the Association will do the work and bill the owner. The entire process could take three to four months.

IX. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*

Glenn Johnson said he had not checked the books. He will do it tomorrow.

B. *Project Status by Individual Projects for 2010*

1. Siding, painting and balconies have been completed.
2. The piping for the boiler in the Clubhouse has been completed.
3. The new doors are being trimmed, painted and caulked. Some of the doors do not close properly but the final inspection has not yet been completed and Gary Nicholds assured the Board that all deficiencies would be addressed.
4. The boilers are all installed but the inspector is in the process of completing the final approvals.
5. About half of the electrical work has been completed and certified by the inspector. The remaining work should be completed by next Thursday.

C. *Rules Update*

Richard Garcia said he was still working on this project with Cathy Brosius.

There was general discussion about recommending background and/or criminal checks for potential tenants. Paul Hage felt this should only be required if it could also be enforced for potential buyers.

D. *Zone Valve Inspection Update*

The zone valve inspections are ongoing.

X. NEW BUSINESS

A. *2011 Budget*

The Board will schedule another budget meeting before the Board Meeting next month.

B. Crack Sealing

Gary Nicholds said the only asphalt or concrete work that can be done at this point is crack sealing. A-Peak walked all the parking lots. Columbine was also supposed to provide a bid but has not yet done so. A-Peak provided a bid of \$36,500 to seal all the asphalt cracks throughout the property. Paul Hage said if Columbine does not provide a bid by Monday, they should move forward with the A-Peak bid and have the work done as soon as possible.

Dru Griffin made a motion to approve the A-Peak bid to crack seal if Columbine does not provide a more competitive bid by 11/25/10. Paul Hage seconded and the motion carried.

C. Foreclosures

Richard Garcia reviewed the foreclosure issues:

1. Unit Z201 – the owner has agreed to a payment plan. The attorney has drawn up guidelines for the plan. The guidelines include provisions for lack of payment.
2. Unit E101 – the attorney suggested waiting two to three months before initiating a lawsuit. The owner is working with the bank to develop a payment plan. Glenn Johnson made a motion to wait three months before initiating a lawsuit per the attorney's recommendation. Paul Hage seconded and the motion carried.
3. Unit Y106 – the owner owes about \$5,000 and the last payment was made in March 2010. A lien was filed in May but there has been no response from the owner. The attorney recommended waiting until December to see if the lender forecloses. Dru Griffin made a motion to wait until December to take further action per the attorney's recommendation. Glenn Johnson seconded and the motion carried.
4. Unit G205 – the owner owes about \$7,000. The foreclosure sale is currently scheduled for next month. The attorney recommended waiting until after the November sale date. Paul Hage made a motion to wait until November before taking action per the attorney's recommendation. Glenn Johnson seconded and the motion carried.

D. Holiday Hours for Clubhouse

Richard Garcia will send an email with the recommended hours to all Board members.

XI. SET NEXT MEETING DATE

The next Board Meeting will be November 17, 2010 in the Clubhouse.

XII. ADJOURNMENT

Paul Hage made a motion to adjourn at 8:31 p.m. Glenn Johnson seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
November 17, 2010
Dillon, Colorado**

I. CALL TO ORDER

The meeting was called to order at 7:04 p.m. by Richard Garcia.

Board members present were Richard Garcia, Paul Hage, Sylvia Dowty, Bob Price and Lisa Watkins.

Representing Basic Property Management were Gary Nicholds and Candy Ramage. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

Owners present were Lee Vroble (X302) and Cathy Brosius (E106). Bruce Yanke of A-Peak Asphalt was a guest at the meeting.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Paul Hage made a motion to approve the minutes from the October 20, 2010 Board Meeting as presented. Sylvia Dowty seconded and the motion carried.

III. OWNER COMMENTS

There were no owner comments.

IV. FINES & HEARINGS

No owners were present regarding fines.

V. ASPHALT REPORT

Bruce Yanke provided a report on the condition of the asphalt around the property. He provided recommendations including crack sealing, addition of some drainage pans and other drainage improvements to prolong the life of the asphalt. The cost estimate to crack seal all the parking lots was \$36,000. Miscellaneous patching, removing the humps and replacement of three driveway approaches would be an additional \$30,000. The cost to add concrete pans for drainage would be \$10,000 – 20,000 per lot. These projects should be prioritized and considered for next spring.

VI. MANAGER'S REPORT

A. Delinquency Report as of October 31, 2010

Gary Nicholds provided a written report.

1. Several units are at or near foreclosure.
2. The top five to ten on the list account for the majority of the delinquent balance.

Bob Price requested that the unit size be listed on the report in the future.

VII. TREASURER'S REPORT

A. Year-to-Date Profit and Loss as of October 31, 2010

1. Total Income - \$1,296,979 actual vs. \$1,292,592 budget (0.3% over budget).
2. Total Expenses - \$1,283,293 actual vs. \$1,282,753 budget (on budget).
3. Total – \$13,686 actual versus \$9,839 budget, so \$3,847 favorable to budget.

Water and Sewer was over budget because no rate increase was forecast when the budget was written.

There was general discussion about validating the gas rate being charged. Bob Price thought the rate was based on some type of index.

Year-to-date Reserve expenses were \$526,549 and revenue was \$296,968 resulting in a \$229,581 negative variance. Projects that will remain as Reserve expenses included \$67,000 for the loader, \$9,093 for Clubhouse roof repairs, \$4,901 for the Clubhouse remodel, sewer cleanouts and \$3,551 for hallway carpet replacement. The remainder of the total expenses will be converted to the loan.

Bob Price made a motion to approve the Treasurer's Report for October 2010. Lisa Watkins seconded and the motion carried.

B. 2011 Budget

Paul Hage reviewed the proposed 2011 Budget. Total budgeted expenses including Operating and the Reserve contribution are \$1,945,979. Paul noted that Basic Property Management did not increase their management fee as allowed in the contract for the second year in a row. The dues will be broken out in accordance with the Declarations. The main component of the dues increase in 2011 is for amortization of the loan. The increase will be less than originally project two years ago. Without the loan, a dues increase would not have been necessary.

Bob Price made a motion to approve the 2011 Budget as presented. Sylvia Dowty seconded and the motion carried.

Owners who would like to review the 2011 Budget details should make an appointment with Basic Property Management.

VIII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE

Glen Johnson was not present to provide a report.

IX. ARCHITECTURAL REVIEW COMMITTEE

Cathy Brosius did not have anything to report.

X. OLD BUSINESS

A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments (Buildings & Grounds Committee).*
Glen Johnson was not present to provide a report.

B. *Project Status by Individual Projects for 2010*

1. Gary Nicholds had a call from Merle Clocke, Senior Vice President of the Alpine Bank, to confirm that when the loan is converted in February any unspent funds will be switched into a new account. Gary will work with the bank on the rate.
2. All boiler rooms passed the electrical inspections. The only area remaining to be done is the Clubhouse.
3. The door project is almost completed. Gary anticipated the walk through could be done next week. Any problems will be fixed immediately.
4. There about eight more boilers that need to be inspected. Gary believes the inspections have been scheduled.
5. All Associations are now required to register with the state and pay a \$50 fee. At this point, however, there is no information available about how to register.
6. Gary asked the Board about coupons. Bob Price said the Board had decided only to send coupon books upon request and at owner expense.
7. Gary said Board Meeting minutes would not be sent by regular mail to all owners unless specifically requested. They will be emailed and posted on the website. Hard copies of the Annual Meeting minutes will be sent to all owners.

C. *Zone Valve Inspection Update*

The zone valve inspections were on hold temporarily due to the snow but should be completed within the next two weeks.

XI. NEW BUSINESS

A. *Occupancy Restrictions*

Richard Garcia presented a draft document from the attorney that would replace a section in the Rules. Enforcement will be problematic but violations of the Rule could result in a fine, similar to the way unauthorized pets are handled. Lee Vroble commented that the new Rule did not really do anything because it did not restrict the number of occupants per bedroom. Richard responded that the Rule was drafted by the attorney in accordance with his recommendations.

There was no motion to adopt the Rule.

B. Letter to Owners Regarding FHA Approval

Sylvia Dowty said if 51% of the units are either owner occupied or were bought as a second home the complex could qualify for FHA financing. As of 12/7/10 the FHA will suspend all qualifications for FHA until properties are re-approved. Sylvia said getting this qualification would assist with resale's.

C: Budget for 2011

The Budget for year 2011 was approved by the Board. Membership may review the budget by contacting Basic Property Management during regular business hours at 970-668-0714. During the next Board meeting on January 19, 2011, owners may reject the budget with a 66% vote of the owners.

Basic Property Management did not increase their fee for the second year in a row. The Board of Managers expressed their gratitude to Gary Nicholds and his staff.

XII. SET NEXT MEETING DATE

The next Board Meeting will be January 19, 2011 at 7:00 p.m. in the Clubhouse.

XIII. ADJOURNMENT

A motion was made to adjourn at 8:25 p.m.

Approved By: _____ Date: _____
Board Member Signature

Notes from the Pres.

Greetings and Happy Holidays

Winter came quickly and caught everyone off guard. Two of our important projects, to isolate and repair loud knocking in the heating system and hallway painting, were delayed due to snow removal and heating problems that appeared. Just when you think all is well, Mother Nature proves us wrong.

Snow Removal

When major snow removal occurs, large orange signs will be posted at the entrance to your parking lot before 3:00 PM the day before operations. On the day of snow removal, please park your vehicles either at the clubhouse parking lot or in the lot to the west (downhill) of the clubhouse before 8:00 AM. Then, when operations are completed, move your vehicles back to your parking lot.

If you will be away for any period, please leave your vehicle key with a trusted neighbor or speak with our maintenance personnel about your absence. Vehicles not removed for snow removal will be towed at the owner's expense. Our towing company of choice is Dillon Towing, 970-468-2907. They will charge a towing fee and storage fee for vehicles not picked up. Call them for directions to their storage facility because they are located in Silverthorne and Dillon.

And be cautious about parking on Straight Creek Drive. The street is a No Parking zone. You might receive a citation from the town of Dillon.

Clubhouse Holiday Hours

Christmas Eve	9:00 AM – 4:00 PM
Christmas Day	Closed
New Year's Eve	9:00 AM – 4:00 PM
New Year's Day	12:00 AM – 9:00 PM

Parking Limitations

Our community was not designed for multiple vehicles per unit. So we have to work with what we have. Please do not park in the parking lot to the west (downhill) of your building. You are subject to a fine and towing. During weekends in the winter, we have a large volume of guests and owners with vehicles arriving after dark and there is nothing we can do because the vehicles are there for the night and depart in the morning. You can help us with repeat offenders by jotting down the vehicle description, license plate number, and perhaps a building the driver is in and provide the information to the clubhouse. We will not ask our property manager to patrol the parking lots at night for their safety. Hiring a patrol person is definitely not in our budget.

Last Mailing of Minutes

If you receive the Board meeting minutes through US Postage, this will be your last edition. We are switching to electronic delivery through our web site at www.DillonValley.org. If you wish to continue to receive meeting minutes through US Postage, please call Basic Property

Management at 970-668-0714 Ext. 7003. Notices of Annual Meetings, Special Meetings, and voting will continue through US Postage.

Your Board of Managers has discussed the pros and cons of electronic delivery. The simplicity of electronic delivery far outweighs the cost of physical delivery.

Parking Permits

New parking permits are available at the clubhouse. Owners must either claim the permits in person or go on-line to www.DillonValley.org and request a parking permit be sent to them, their rental agent, or give permission for their renter to pick up the permits.

FHA Approved Mortgage Loans

The United States Department of Housing and Urban Development (HUD) is forcing condominium associations to report the percentage of owner occupied condominiums. In another mailing from us, you will receive will be a form to fill out asking you if your unit is owner occupied full time. You may mail or FAX the form or call the phone number provided. If Dillon Valley East does have more than 50% *owner occupied* units, the Federal Housing Authority (FHA) may not authorize mortgages with their backing. Being a resort community, we do not know if we can reach a 50% status and we will not provide false information. The worst case scenario is: new owners seeking FHA approval will be denied and only conventional loans will be made.

Rules Violations

Several owners will receive Warnings in the next two weeks for various violations such as wrong curtain colors, hallway obstruction, broken windows and doors, blocking doors open, etc. If the warnings are not headed, a fine will follow. Three Board members walked from building to building this summer and found several violations that detract from the cleanliness that we are trying to uphold.

Monthly Coupon Books for Dues

In effort to control costs, monthly coupon books will be available at a cost of \$10.00. In a separate mailing, more information is provided with contact information and directions to begin electronic payments.

Have a Safe Holiday

Richard Garcia
President
Dillon Valley East Condominium Association