

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
January 18, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:05 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

Board members present were Richard Garcia, Paul Hage and Sylvia Dowty.

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

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

**II. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

Richard Garcia noted there was not a quorum so there would not be any official business conducted during this meeting. There were no owners present to object to the 2012 Budget.

There was general discussion about the significant increase to the water rate. Paul Hage explained that the Dillon Water District was not a public utility and was therefore not subject to rate approvals. One building is currently metered and meters may be required on all buildings at some time in the future. David Thompson was asked to read the meter monthly.

Richard Garcia said he received a request for a variance to the number of pets allowed in a unit.

**III. FINES AND HEARINGS**

There were no owners present regarding fines.

**IV. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board.

*B. Collections Update*

A copy of the status report from attorney Hal Kyles was included in the meeting packet. Paul Hage said the delinquent balance as of the end of October was \$94,500; as of the end of December, the balance was up to \$110,000. Candy Ramage said there were a number of new delinquencies. She estimated that about

\$2,500 – 3,000 had been collected from delinquent owners since the new attorney took over.

Gary Nicholds will provide the Board with an update on the status of Unit I202.

**V. SET NEXT MEETING DATE**

The next regularly scheduled Board Meeting will be Wednesday, February 15, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**VI. ADJOURNMENT**

Richard Garcia made a motion to adjourn at 7:15 p.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
February 15, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:00 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

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

Owners present were Don and Laurel Gardey (Z202), Lee Vroble (X302), Carl Henry (U202) and Cathy Brosius (E106).

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Sylvia Dowty made a motion to approve the November 16, 2011 Board Meeting minutes as presented. Lisa Watkins seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no questions or comments.

**IV. 2012 BUDGET**

Bob Price made a motion to approve the 2012 Budget as presented. Glenn Johnson seconded and the motion carried.

**V. FINES AND HEARINGS**

There were no owners present regarding fines.

**VI. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board.

*B. Delinquency Report*

Gary Nicholds said he would be contacting the delinquent owner in I Building to try to schedule a meeting. If the owner does not respond, the account will be turned over to the attorney.

Candy Ramage reviewed the new report format. She broke the totals down to provide a better understanding of the delinquent balances. The total delinquent balance as of the end of January was \$114,542. It consisted of:

1. Balance of non-owners - \$17,790
2. Balance of bankruptcy filings - \$13,990
3. Pending Foreclosure accounts beyond priority lien amount - \$10,399
4. Current owners past due balance - \$78,064 current owners past due balance.
5. Amount expected to be received by February 20<sup>th</sup> - \$5,285
6. Priority lien amounts for units facing foreclosure - \$12,582
7. Total active past due balance - \$60,197

## **VII. TREASURER'S REPORT**

### *A. 2011 Year-End Report*

1. Total Income - \$1,700,051 actual vs. \$1,680,035 budget (1.2% over budget).
2. Total Expenses - \$1,517,593 actual vs. \$1,544,874 budget (1.8% under budget).
3. Total – \$182,458 actual versus \$135,161 budget.

Including Balance Sheet budgeted items, the actual net income was \$47,872.

Year-end Reserve Fund income was \$295,206 and expenses were \$99,211 resulting in net income of \$195,995. Loan Fund expenses for the year were \$110,005.

Sylvia Dowty made a motion to approve the 2011 Year-End Financial Report. Lisa Watkins seconded and the motion carried.

### *B. 2012 Year-to-Date Report*

1. Total Income - \$141,776 actual vs. \$140,406 budget (1.0% over budget).
2. Total Expenses - \$130,053 actual vs. \$129,759 budget (0.2% over budget).
3. Total – \$11,724 actual versus \$10,647 budget.

Including Balance Sheet budgeted items, the actual net income was \$488.

Year-to-date Reserve Fund income was \$24,547 and expenses were \$3,870 resulting in net income of \$20,677. There were no Loan Fund expenses.

Bob Price made a motion to approve the January Financial Report. Sylvia Dowty seconded and the motion carried.

## **VIII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said he was very pleased with the plowing. He suggested creating a sign-up sheet so owners can be called to move their cars so the spots can be cleared. Paul

Hage noted that the staff was not in the office that early in the morning. Richard Garcia thought the answering service might be able to send an automated call. Gary Nicholds said the first plowing in the early morning was usually just to clear the center of the lots and they return later to clear the parking spots.

Several Board members commented that the diverters on the roof were not preventing water from dripping in front of the buildings and forming ice.

**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*

Glenn Johnson reviewed the books and all were in order.

B. *Reserve Study*

Paul Hage anticipated that more would be spent from the Reserve Fund than collected in this coming year based on the timing of projects. Paul Hage, Bob Price, and Gary Nicholds will be meeting to make updates to the Reserve Study.

C. *Wireless Internet*

Cobianet has decided not to offer an individual à la carte option for wireless. The Board agreed they did not want to include the cost for all units in the budget.

**XI. NEW BUSINESS**

A. *Excess Funds from 2011 Budget*

The Association ended 2011 with a surplus of \$47,872. The options are to decrease the dues for the remainder of the year, to issue a one-time rebate, to carry it forward in the 2012 Operating Budget or to pay down the loan balance. The rebate would be \$56 for studio units, \$97 for one bedroom units, \$123 for two bedrooms and \$162 for three bedrooms. Paul Hage recommended carrying it forward in the Operating Budget.

Bob Price made a motion to carry the 2011 surplus forward to 2012. Sylvia Dowty seconded and the motion carried.

B. *Decision to Rebuild Men's Showers and Steam Room in Clubhouse*

David Thompson said a leak was found in the hallway to the pool. It was determined there was a faulty shower pan in the men's shower. The pans were removed and replaced. In the process, another leak was found in the steam room. The bid to rebuilding the two showers was \$3,200, which was approved. The bid for demolition of the showers and steam room was \$1,000. The cost to rebuild the steam room would be \$7,500 – \$8,000 but there would also be the option of

eliminating it entirely. The estimated cost to remove the steam room would be \$2,000. Rebuilding the showers and steam room would cost about \$12,200. Paul Hage noted that there was a \$30,000 contingency in the Reserve Fund that could be used for this project. There was general discussion regarding the amount of use of the steam room.

Sylvia Dowty made a motion to eliminate the Men's steam room. Bob Price seconded and the motion carried with four in favor and two opposed.

*C. Conflict of Interest Policy*

Paul Hage provided an amendment draft of the Conflict of Interest Policy. The Board agreed that the attorney should review the Policy.

Bob Price suggested verbiage for an additional clause regarding legal remedies.

*D. Denial of Insurance Coverage for Water Leak in Building "A"*

Negotiations are ongoing with the insurance carrier regarding a water leak in Unit A102.

**XII. SET NEXT MEETING DATE**

The next Board Meeting will be Wednesday, March 21, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**XIII. ADJOURNMENT**

Sylvia Dowty made a motion to adjourn at 8:04 p.m. Paul Hage seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

Treasurer's Report

Dillon Valley East  
Financial Summary  
As of December 31, 2011

<b>Summary Balance Sheet</b>				
	<b>Operating</b>	<b>Reserve</b>	<b>Loan</b>	<b>Total</b>
Cash Accounts	80,484.91	810,903.32	110,132.16	1,001,520.39
Other Current Assets	149,567.01	0.00	0.00	149,567.01
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<b>311,844.27</b>	<b>810,903.32</b>	<b>110,132.16</b>	<b>1,232,879.75</b>
Current Liabilities	53,457.79	312.14	0.00	53,769.93
Long Term Liabilities	115,123.30	0.00	1,482,728.00	1,597,851.30
Donated Capital	2.00			2.00
Retained Earnings	(39,196.74)	614,596.29	(1,262,590.47)	(687,190.92)
YTD Net Income	182,457.92	195,994.89	(110,005.37)	268,447.44
<b>Total Liabilities &amp; Equity</b>	<b>311,844.27</b>	<b>810,903.32</b>	<b>110,132.16</b>	<b>1,232,879.75</b>
<b>Operating Fund P&amp;L</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Difference</b>	
Dec Total Income	139,936.72	139,836.25	100.47	
Dec Total Expense	148,065.87	133,022.70	15,043.17	
Dec Net Income	(8,129.15)	6,813.55	(14,942.70)	
<b>Balance Sheet Budgeted Items</b>	<b>11,754.17</b>	<b>11,525.37</b>	<b>228.80</b>	
	(19,883.32)	(4,711.82)	(15,171.50)	
YTD Total Income	1,700,051.25	1,680,035.00	20,016.25	1.2%
YTD Total Expenses	1,517,593.33	1,544,874.00	(27,280.67)	-1.8%
YTD Net Income	182,457.92	135,161.00	47,296.92	
<b>Balance Sheet Budgeted Items</b>	<b>134,586.34</b>	<b>135,160.86</b>	<b>(574.52)</b>	
	47,871.58	0.14	47,871.44	

Major Variances, Year to Date

- Delinquency Fees are \$7684 over budget and Finance Charges on Past Due Accts are \$4691 over. Dues income is \$5805 over.
- Washer/Dryer income is \$2270 over budget.
- Loader expense is \$3066 under budget. Truck and ATV expense is \$3656 under.
- Unbudgeted expense associated with foreclosed unit A206 is \$1305.
- Crown Resealing is \$4775 under budget, Damage Claims are \$7048 under and Pest Control is \$16,347 under. Basic Maintenance is \$15,429 over and Boiler maintenance is \$5035 over.
- Clubhouse expenses are \$2760 under budget.
- Legal Fees are \$2619 over. Insurance is \$5914 over. Director's expense is \$6865 under.
- Natural gas is \$5874 over, Electric is \$3831 over, Water/Sewer is \$9273 under and Trash Removal is \$12,660 under.
- Snow removal is \$2637 under and the total of other Grounds Maintenance items is \$2768 under.

**Reserve Fund P&L**

	<b>Actual</b>
Dec Total Income	24,547.43
Dec Total Expense	<u>16,671.81</u>
Dec Net Income	<u><u>7,875.62</u></u>
YTD Total Income	295,205.82
YTD Total Expenses	<u>99,210.93</u>
YTD Net Income	<u><u>195,994.89</u></u>

**LOAN Fund P&L**

	<b>Actual</b>
Dec Total Income	0.00
Dec Total Expense	<u>5,789.00</u>
Dec Net Income	<u><u>(5,789.00)</u></u>
YTD Total Income	0.00
YTD Total Expenses	<u>110,005.37</u>
YTD Net Income	<u><u>(110,005.37)</u></u>

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
March 21, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:04 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

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

Owners present were Carl Henry (U202) and Tracy Radek (H102).

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Paul Hage made a motion to approve the February 15, 2011 Board Meeting minutes as presented. Lisa Watkins seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

Tracy Radek discussed an incident in February involving her tenant and the tenant in Unit H101. The tenant in Unit H101 is now allowed to be back on Dillon Valley East property. If he harasses anyone, makes any derogatory statements or is seen drinking or under the influence of alcohol, the staff at the Clubhouse should be notified so they can call the police. The other tenants in the building will be notified of this issue. If there is another complaint, the tenant will not be allowed back on the property. A letter will be sent to the owners of Unit H101 informing them of the fine process if there is another incident involving their tenant. Tracy suggested asking the Sheriff Department to notify the Clubhouse whenever they respond to an incident at Dillon Valley East.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board. He said the pipes in J Building were clogged with residual rust from the old boiler. The cost to flush the lines in an entire building is about \$4,000.

**B. Delinquency Report**

Candy Ramage provided a written report. She said there was one small write-off of about \$2,000 for a foreclosed unit and about \$4,000 was collected on one delinquent account through the attorney.

**VI. TREASURER'S REPORT**

**A. 2012 Year-to-Date Report**

1. Total Income - \$289,471 actual vs. \$282,715 budget (2.4% over budget).
2. Total Expenses - \$272,639 actual vs. \$257,932 budget (5.7% over budget).
3. Net Income – \$16,831 actual versus \$24,784 budget.

Including Balance Sheet budgeted items, the actual net loss was (\$6,150).

The boilers accounted for the largest negative variance to budget (\$18,521) due to the addition of glycol. Paul Hage said he would recommend moving some of the boiler expenses to the Reserve Fund.

Year-to-date Reserve Fund income was \$49,066 and expenses were \$3,120 resulting in net income of \$45,946. There were no Loan Fund expenses.

Glenn Johnson made a motion to approve the February Financial Report. Lisa Watkins seconded and the motion carried.

**VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said he had noticed some large items sitting next to the dumpsters. Gary Nicholds confirmed that the Association should be charged extra for disposal of large items, but Candy Ramage said there had not been any extra fees charged to date. Glenn said there was quite a bit of dog waste around the property. Owners should be reminded to pick up after their pets before mowing starts. Glenn said he was very pleased with the snowplowing this winter. He noted there was a broken window in Unit S202. Richard Garcia said there was an exterior light on U Building that was always on.

**VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius notified Richard Garcia that she did not have anything to report. She asked that residents be reminded to keep toys off the lawn.

**IX. OLD BUSINESS**

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

Glenn Johnson reviewed the books and all were in order. He said he was impressed with the notes that were included in the inspection book.

## **B. Reserve Study**

The Board reviewed 2012 projects included in the capital project plan:

1. Apartment Renovation - \$5,000 for painting, new carpet, some electrical work and a stacked washer/dryer in the Manager's apartment. David Thompson said the carpet could be restretched and should last a few more years. The Board approved \$5,000 for the washer/dryer project. An additional \$5,000 is included in 2017 for new carpet and cabinets.
2. Basketball/Tennis Court Renovation - \$22,000.
3. Glycol for Boilers - \$37,000.
4. Boilers/Water Tanks - \$10,800.
5. Clubhouse Renovation - \$14,700.
6. Clubhouse Upstairs Renovation - \$6,500.
7. Mower #1 - \$20,000.
8. Parking Lot Repair and Expansion - \$231,479.
9. Patio Slabs - Bob Price felt there should be at least \$1,000 per year included for slab replacement.
10. Pool Filter Replacement - \$5,000.
11. Pool Liner - \$2,500.
12. Recarpet and Paint Hallways - \$15,000.
13. Contingency - \$30,000.

Bob Price was concerned about the \$33,800 increase for the glycol (26 buildings at \$1,300 each) that was not in the original 2012 Reserve Budget. He was not in favor of increasing the budget after the fact. Paul Hage pointed out that there were some funds carried over and ongoing contributions throughout the year. This is the first year there has been a concrete plan for capital spending. Bob emphasized that they needed to manage to the budget and not treat the Reserves as a slush fund. The \$30,000 of Contingency funds could be earmarked in 2012 for the glycol expense. There was also \$3,120 spent in January for various boiler repairs.

Budgeted Reserve expenses for 2012 total \$399,979, excluding the unknown costs for the swimming pool ceiling and sewer clean outs. About \$100,000 was spent in 2011. Bob Price wanted to establish a firm spending ceiling from Reserves. Paul Hage suggested \$485,000. This would limit expenditures in 2011 and 2012 to no more than the income to the Reserve Fund for those two years. The board concurred.

## **C. *Rebuild of Men's Shower and Steam Room***

David Thompson said there was a leak that should have been a \$500 repair, but it was subsequently determined that two showers would have to be rebuilt at a \$5,000 cost. A decision was made in February by the Board of Managers to eliminate the steam room as a more reasonable solution, which brought the cost up to \$9,000. David found that building permits would be required. The process is on hold while it is determined what may need to be done for ADA compliance. He and Gary Nicholds will meet with the County tomorrow regarding the ADA requirements.

*D. Conflict of Interest Policy*

This discussion was tabled until the next Board Meeting.

**X. NEW BUSINESS**

*A. Approval of Funding for New Computer*

David Thompson has been using his personal computer for Association business. The Board approved an expenditure of \$820 out of the Office Supplies budget to purchase a new computer, monitor, keyboard and software.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be Wednesday, April 18, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

The meeting was adjourned at 9:04 p.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

Board Member Signature

## Treasurer's Report

Dillon Valley East  
Financial Summary  
As of Feb 29, 2012

<b>Summary Balance Sheet</b>				
	<b>Operating</b>	<b>Reserve</b>	<b>Loan</b>	<b>Total</b>
Cash Accounts	88,023.22	849,605.88	110,132.16	1,047,761.26
Other Current Assets	158,302.99	0.00	0.00	158,302.99
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<u>328,118.56</u>	<u>849,605.88</u>	<u>110,132.16</u>	<u>1,287,856.60</u>
Current Liabilities	73,113.82	0.00	0.00	73,113.82
Long Term Liabilities	96,314.65	0.00	1,482,728.00	1,579,042.65
Donated Capital	2.00			2.00
Retained Earnings	141,856.84	803,659.50	(1,372,595.84)	(427,079.50)
YTD Net Income	16,831.25	45,946.38	0.00	62,777.63
<b>Total Liabilities &amp; Equity</b>	<u>328,118.56</u>	<u>849,605.88</u>	<u>110,132.16</u>	<u>1,287,856.60</u>
<b>Operating Fund P&amp;L</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Difference</b>	
Feb Total Income	147,894.87	142,309.65	5,585.22	
Feb Total Expense	139,669.64	128,172.76	11,496.88	
Feb Net Income	<u>8,225.23</u>	<u>14,136.89</u>	<u>(5,911.66)</u>	
<b>Balance Sheet Budgeted Items</b>	<u>11,744.67</u>	<u>11,516.25</u>	<u>228.42</u>	
	<u>(3,519.44)</u>	<u>2,620.65</u>	<u>(6,140.08)</u>	
YTD Total Income	289,470.54	282,715.30	6,755.24	
YTD Total Expenses	272,639.29	257,931.61	14,707.68	
YTD Net Income	<u>16,831.25</u>	<u>24,783.69</u>	<u>(7,952.44)</u>	
<b>Balance Sheet Budgeted Items</b>	<u>22,980.88</u>	<u>22,983.59</u>	<u>(2.71)</u>	
	<u>(6,149.63)</u>	<u>1,800.10</u>	<u>(7,949.73)</u>	

<b>Reserve Fund P&amp;L</b>	
	<b>Actual</b>
Feb Total Income	24,519.04
Feb Total Expense	0.00
Feb Net Income	<u>24,519.04</u>
YTD Total Income	49,066.38
YTD Total Expenses	3,120.00
YTD Net Income	<u>45,946.38</u>
	<b>Actual</b>
Feb Total Income	0.00
Feb Total Expense	0.00
Feb Net Income	<u>0.00</u>
YTD Total Income	0.00
YTD Total Expenses	0.00
YTD Net Income	<u>0.00</u>

- Major variances year to date:
- A little used, older truck was sold by the Association for \$3500.
- Delinquency fees were \$1106 over budget and finance charges on past due accounts \$1022 over.
- Boilers were \$18,521 over budget, largely due to installation of glycol in the units. It is proposed these costs come from the Reserve Fund.
- Pest control is \$813 over budget.
- Clubhouse maintenance is \$3771 over budget.
- Electric is \$1697 over budget.
- Grounds maintenance is \$974 under budget.
- Snow removal is \$1333 under.
- Truck and ATV expense is \$1404 under budget.

## **Notes from the Pres.**

Greetings

### **Delinquencies**

We have been having a difficult time collecting past due money from several owners for over a year. Working with individuals on with a payment plan has failed when an owner begins a payment plan then falls behind. To counter delinquencies, we have teamed with Orten Cavanagh Richmond & Holmes LLC, Attorneys at Law to collect delinquent payments. Our partners are very aggressive and are showing progress. We understand a late payment may be made or a month may be missed and we will make a courtesy call to remind you of a missed payment. If you are consistently delinquent or uncooperative with payments, you will receive either a call or letter from our partners.

### **Bad Neighbors**

If you experience a bothersome neighbor causing problems after hours, please call the Sheriff (Non-Emergency 970-453-2232, Emergency 911) to voice a complaint. After the incident, please let our clubhouse know what has happened so we may document the problem and begin our process for a warning and possible fine to the property owner. Our property manager will speak with a unit owner regarding a continuing disturbance but will not intervene during a disturbance. Safety of our manager is primary concern.

### **Parking Lot Repair**

In the next few weeks we will begin resurfacing our parking lots. We were to begin last fall, but did not because of cold weather. Please use caution when entering your condominium with tar possibly on your shoes.

### **Men's Locker Room**

The Men's locker room in the clubhouse has been closed due to construction. A water leak from the showers caused damage to wall structure and consequently, we were forced to perform a major remodel of the wet area in the locker room.

### **Swimming Pool Ceiling**

We are looking for a contractor to replace the ceiling over the swimming pool. When we find a contractor who can perform the work, the pool will be drained during the operation.

### **Weeds, Weeds, and More Weeds**

Once again, we will spread fertilizer with weed control on the grass. In our area, it is a hit or miss operation regarding weed control. So if you see yellow weeds blooming in a few weeks, please accept the event as Nature vs Man and Man losing.

Sincerely,

Richard Garcia

President

Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
April 18, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:00 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

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

Owners present were Cathy Brosius (E106), Lee Vroble (X302) and Theresa and Steve Schoenmakers (U302).

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Bob Price made a motion to approve the March 21, 2012 Board Meeting minutes as presented. Glenn Johnson seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no comments from the floor or comment box.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. Candy Ramage said one unit was up for short sale. She asked if she was authorized to specify the amount required based on the attorney's recommendation. The Board authorized her to follow the attorney's recommendation.

## **VI. TREASURER'S REPORT**

### *A. 2012 Year-to-Date Report*

1. Total Income - \$431,796 actual vs. \$423,021 budget (2.1% over budget).
2. Total Expenses - \$383,429 actual vs. \$385,787 budget (0.6% under budget).
3. Net Income – \$48,366 actual versus \$37,234 budget.

Including Balance Sheet budgeted items, the actual net income was \$14,054. Candy Ramage noted that Natural Gas was \$3,471 under budget.

Year-to-date Reserve Fund income was \$73,584 and expenses were \$33,366 resulting in net income of \$40,218. There were no Loan Fund expenses.

Bob Price said he wanted to meet with the natural gas provider regarding the contract.

Lisa Watkins made a motion to approve the February Financial Report. Glenn Johnson seconded and the motion carried.

## **VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said there were signs installed the day after the last meeting. He thanked David Thompson for his quick response.

Some of the doorways are damaged and need some attention. There is also some trash alongside the buildings that should be cleaned up after all the snow melts. Cathy Brosius suggested vacuuming the entryways instead of blowing to keep the debris out of the window wells.

## **VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius reported that a white patio door had been painted brown.

## **IX. OLD BUSINESS**

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

Glenn Johnson reviewed the books and all were in order.

### *B. Reserve Study*

Gary Nicholds said he would meet with Paul Hage next week to review some of the Reserve Study details. Gary reviewed some of the key projects:

1. Pool Ceiling – the ceiling is starting to sag. Travis Construction looked at it and suggested a conventional hard-coat (sand/cement) stucco finish. This type of application has worked well at other commercial facilities. David has a written bid from Travis for \$51,144. The pool will need to be

drained and repairs can be made at that time. The pool should be refilled before water metering starts in 2013. Bob Price asked if spray foam or poly-iso and staining the rafters might be a less expensive alternative for the ceiling. He will provide names of contractors who work with the material. David Thompson said there was some ductwork in the space that would not be very attractive if exposed.

2. Pool Filters – The estimated cost to replace the pool filters is \$4,350.
3. Sewer Clean-Outs – David Thompson received a second bid, from Ace Plumbing, for an amount not to exceed \$3,500. Gary recommended having the lines blown out at least every two years as preventative maintenance. J Building has presented a number of problems due to accumulation of rust from the old boilers in the pipes.
4. Parking Lot Repair/Expansion – Gary is waiting for the expected start date for the project. They looked at all the lots that could be expanded. The next step is to stake the potential expansion for each lot where it will be possible. He should have an estimated cost by the next meeting. Bob Price recommended locking a price for the asphalt as soon as possible.

The Board authorized proceeding with the pool ceiling (and related pool work while it is drained), pool filters and sewer clean-outs.

Gary Nicholds was asked to provide some more detail on the list regarding the specific parking lots and buildings that will be repaired.

*C. Rebuild of Men's Shower and Steam Room*

David Thompson said he received the permit today and the cost will be nominal. The changes required to make one shower ADA compliant will be minimal. He thought the expense would be paid out of Operating; Candy Ramage will follow up with Paul Hage regarding this question. The estimated cost is \$10,000. Construction is scheduled to start on Friday. He expects it can be completed within about one month.

*D. Conflict of Interest Policy*

Richard Garcia sent a copy of the Policy to all Board members. Paul Hage provided a proposed change, which Richard read aloud. Bob Price recommended using Paul's wording. Bob Price made a motion to adopt the Conflict of Interest Policy as amended by Paul Hage. Sylvia Dowty seconded and the motion carried.

**X. NEW BUSINESS**

*A. Parking Lot Resolution*

This Resolution is in progress. Gary Nicholds will make the requested revisions and will send it to the Board for approval by email so it can be implemented before the summer season.

*B. Keyless Entry*

Three owners requested authorization to install a keyless lock in their stack. The attorney has drafted a document for the owners to sign. Waiting for specific information about the lock from the owners so it can be placed in the agreement.

C. *Pickleball*

Glenn Johnson said pickleball was a combination of tennis and badminton. It is played on a tennis court and might provide more usage of the tennis court. The only modification required would be additional lines. An announcement will be made and Glenn will be the contact person.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be Wednesday, May 16, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Bob Price made a motion to adjourn at 7:45 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**Dillon Valley East  
Financial Summary  
As of Mar 31, 2012**

<b>Summary Balance Sheet</b>				
	Operating	Reserve	Loan	Total
Cash Accounts	132,516.91	843,877.58	110,132.16	1,086,526.65
Other Current Assets	141,615.01	0.00	0.00	141,615.01
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<b>355,924.27</b>	<b>843,877.58</b>	<b>110,132.16</b>	<b>1,309,934.01</b>
<b>Current Liabilities</b>	<b>76,914.69</b>	<b>0.00</b>	<b>0.00</b>	<b>76,914.69</b>
Long Term Liabilities	88,784.34	0.00	1,482,728.00	1,571,512.34
Donated Capital	2.00			2.00
Retained Earnings	141,856.84	803,659.50	(1,372,595.84)	(427,079.50)
YTD Net Income	48,366.40	40,218.08	0.00	88,584.48
<b>Total Liabilities &amp; Equity</b>	<b>355,924.27</b>	<b>843,877.58</b>	<b>110,132.16</b>	<b>1,309,934.01</b>
<b>Operating Fund P&amp;L</b>				
	Actual	Budget	Difference	
Mar Total Income	142,350.67	140,305.65	2,045.02	
Mar Total Expense	126,914.74	127,855.78	(941.04)	
Mar Net Income	15,435.93	12,449.87	2,986.06	
Balance Sheet Budgeted Items	11,791.05	11,565.39	225.66	
	3,644.89	884.48	2,760.40	
YTD Total Income	431,795.79	423,020.95	8,774.84	2.1%
YTD Total Expenses	383,429.39	385,787.39	(2,358.00)	-0.6%
YTD Net Income	48,366.40	37,233.56	11,132.84	
Balance Sheet Budgeted Items	34,312.81	34,548.98	(236.17)	
	14,053.60	2,684.59	11,369.01	

**Major deviations YTD**

- Sale of an underused vehicle resulted in \$3500 of unplanned income. Income from delinquency fees is \$1704 over budget and from finance charges on past due accounts is \$1629 over.
- Washer/dryer income is \$932 over planned. Washer/dryer utility usage is \$596 over.
- Loader expenses are \$1114 under budget, Truck/ATV expense is \$2367 under and snow removal is \$2000 under.
- Pest control is \$397 over budget and damage claims \$665 over.
- Total for clubhouse & recreational is \$7136 over – primarily due to some fence repair, replacement of a garage door on the maintenance building and fixing the significant problems with the men's showers.
- Electric is \$1939 over while natural gas is \$3471 under. Overall grounds maintenance is \$917 under.
- Legal fees are \$828 over and office expense \$795 over.

---

**Reserve Fund P&L**

	Actual
Mar Total Income	24,517.81
Mar Total Expense	<u>11,756.99</u>
Mar Net Income	<u><u>12,760.82</u></u>

YTD Total Income	73,584.19
YTD Total Expenses	<u>33,366.11</u>
YTD Net Income	40,218.08

---

**LOAN Fund P&L**

	Actual
Mar Total Income	0.00
Mar Total Expense	<u>0.00</u>
Mar Net Income	<u><u>0.00</u></u>

YTD Total Income	0.00
YTD Total Expenses	<u>0.00</u>
YTD Net Income	<u><u>0.00</u></u>

## Notes from the Pres.

Greetings

Our swimming pool will be closing for a few weeks. The ceiling will be replaced and the pool liner will either be replaced or repaired of small leaks or worn areas.

Several parking lots will be resurfaced in the next few weeks. This will inconvenience parking, but it is a maintenance item we cannot defer later. Some residents will ask why we are not expanding the lots to accommodate more vehicles. Answer: The lots that need more space, do not have space to enlarge too unless we do some serious earth removal along with shoring up dirt to prevent erosion.

**Renters** – Do you have insurance to protect your personal items such as furniture, electronics, and rental of a living space in case your unit is damaged by an unfortunate event?

Too often, people think they don't have enough property to make a renter's insurance policy worthwhile. But take a minute to think about what you own, and what you've got to lose, including:

- Clothing
- Furniture
- A television or entertainment system
- A computer
- An iPod
- Musical or sporting equipment
- Jewelry

If you do not have renter's insurance, check your phone directory or search the web for "renter's insurance.

**Landlords** – Do you have insurance to cover unexpected damage or loss of income due to fire or water damage? Search the web for "landlords insurance". Then seek out an insurance agent.

**Interested in Pickle Ball?** If so, contact Glenn Johnson at 303-262-1695. Glenn is a Board member and would like to establish pickle ball courts within the tennis courts. Your Board of Managers would like to support the effort, but will not proceed unless there is interest from our community.

**FHA Insured Loans** – Trying to sell your unit and prospective buyers cannot get an FHA insured loan? That's because the Association cannot prove to the insurance industry that at least 50% of the condominium units are occupied by owners full time. "Full time" means you actually live in the unit. We will again attempt to survey owners for the Annual Meeting in September.

Enjoy your Summer,

Richard Garcia  
President  
Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
May 16, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:04 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

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

Owners present were Cathy Brosius (E106), Lee Vroble (X302) and Carl Henry (U202).

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Bob Price made a motion to approve the April 18, 2012 Board Meeting minutes as presented. Lisa Watkins seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no comments from the floor or comment box.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board. The VoIP (Voice over Internet Protocol) phone system is now operational and will save the Association \$2,600 annually.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. Sylvia Dowty noted that the third unit listed on the report closed today. The Association will receive six months of dues.

**VI. TREASURER'S REPORT**

*A. 2012 Year-to-Date Report*

There was no Treasurer's Report.

**VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said the weather had not been consistently warm enough to start planting.

## **VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius said she had one inquiry about interior remodeling from a new owner.

## **IX. OLD BUSINESS**

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

Glenn Johnson reviewed the books and all were in order.

B. *Reserve Study*

Treasurer, Paul Hage sent all Board members the latest spreadsheet. Gary Nicholds will determine what needs to be done in the Manager's apartment. There is \$12,000 budgeted for repairs to the tennis courts; the bid received was \$10,146. A contractor has been scheduled to do the work.

C. *Rebuild of Men's Shower and Steam Room*

David Thompson said it was a challenge getting contractors back after the permit delay. The shower pan has been removed. The plumbing work should start on Friday and tiling is scheduled for next week. The project should be completely finished by the end of the month. Only one of the two shower stalls had to be made ADA compliant. The project is on budget (about \$9,000) except for the cost for the ADA compliance issues, which added about \$1,000.

D. *Swimming Pool Ceiling*

Travis Construction worked out the details with the County. The project will have to be coordinated with Kaupas Water. The pool will be drained this week, the scaffolding will be erected next week and the project should take about one month. The ceiling surface will be stucco. Notice of the closure should be posted on the Clubhouse entry door.

E. *Sewer Cleanouts*

David Thompson is optimistic that RKR will provide a lower bid than the \$6,000 bid provided by Snowbridge Inc. / Roto Rooter. The goal is to get cleanouts installed so the drains that have historically had problems can be cleaned proactively.

F. *Parking Lot Repair/Expansion*

The parking lot repairs are underway. There are six potentially expandable areas. Paul Hage indicated that there was adequate funding in the Replacement Fund and recommended proceeding with the expansions. The cost will be around \$90,000. The irrigation system will need to be moved in some areas. David Thompson explained that the stakes with string are marking areas that were over seeded and the stakes with orange paint are marking the potential expansion areas. This project can be formally approved at the June meeting.

*G. Parking Lot Policy for Extra Vehicles and Trailers*

David Thompson drafted a policy for the storage lot. The Board discussed if there should be a fee for usage and if so, how much. Gary Nicholds and David felt the program could be structured so the office staff could enforce the payment of fees. There was discussion about the rationale for charging. Sylvia Dowty noted that there were maintenance costs associated with the lot such as plowing and resurfacing and the revenue could offset some of those costs. Bob Price felt that owners should not have to pay for use since they already pay dues for the common areas. Eric Nicholds suggested charging a refundable deposit. There was agreement that delinquent owners should not be able to use the space. This restriction will be added to the policy.

Glenn Johnson made a motion to approve the policy as presented. Sylvia Dowty seconded and the motion carried.

Bob Price made a motion that in accordance with the new policy, the Association is authorized to collect at \$100 deposit per space for parking vehicles or trailers in the storage lot and delinquent owners will not be allowed to use the storage lot. Sylvia Dowty seconded and the motion carried.

**X. NEW BUSINESS**

*A. Natural Gas Price*

Bob Price communicated with the natural gas supplier. He wants to blend the existing contract price (for 50% of total usage) with the new contract price for next winter to lower the rate. The representative has recommended waiting to lock the price.

*B. Pickleball Courts*

David Thompson said there were a number of options. The cost would be about \$400 per court. The proposal is to restripe two courts so they can be used for either tennis or Pickleball. The nets will need to be lowered 2" in the center, which can be accomplished by adjusting the tape in the center.

Glenn Johnson asked if use of the courts should be opened up to non-owners. The Board agreed access should be permitted for residents and their guests only.

Glenn Johnson made a motion to authorize restriping of two tennis courts for Pickleball at a cost of \$800 in conjunction with the tennis court repairs. Sylvia Dowty seconded and the motion carried.

*C. Lending Institutions Questionnaire*

Sylvia Dowty said Dillon Valley East is mainly a first home buyer market and buyers usually do not have 20% down. The mortgage companies are now using Fannie Mae and Freddie Mac questionnaires because investors want assurance they will be able to resell the mortgages. Management needs some guidance for

answering the questions; they are concerned about potential liability for inaccurate answers. Sylvia said there was a good appraiser who is willing to provide the information for the forms. She felt this would release the Association from any liability since the information is being provided by an expert. The information will need to be kept on file and updated on an annual basis. The appraiser is willing to provide the information to the Association at no charge since it is in his best interest to facilitate sales of the units.

Bob Price felt the Association would still have liability for the actions of the agent. He recommended consulting with the attorney about this issue. Gary Nicholds was directed to contact Dan Wolf tomorrow to ask if using the appraiser will address his liability concerns.

*D. Parking Lot Signage*

Lisa Watkins requested addition of signage addressing children playing in the parking lots.

*E. Lock Box Bar*

The lock box bar for owners is full. Eric Nicholds will contact the contractor who made the original one about fabricating another bar. The Board authorized this project at a cost not to exceed \$150.

*F. Project Costs*

Bob Price requested a report that details all projects and costs to date.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be June 20, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Bob Price made a motion to adjourn at 8:17 p.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION**  
**BOARD OF MANAGERS MEETING**  
**June 20, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:02 p.m. by Sylvia Dowty in the Dillon Valley East Clubhouse.

Board members present were Paul Hage, Lisa Watkins and Sylvia Dowty.

With only three Board members present a quorum was not reached.

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

Owners present were Cathy Brosius (E106) and Lee Vroble (X302).

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

The minutes were not approved since there was not a quorum.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no comments from the floor or comment box.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board. David Thompson commented that when there are complaints about noisy pipes, it is often due to low pressure. Adding glycol usually remedies the problem.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. Some money is coming in and the delinquent balance has been reduced slightly. Sylvia Dowty requested an explanation of the process that is followed once the attorney receives the delinquent owner information.

Candy Ramage said for collection of outstanding amounts from individuals who no longer own at the property, the Association has the option of the 30/70 split plus legal fees or a 50/50 split with no legal fees. Candy will get additional information from the attorney and the Board will vote by email.

Candy was also asked to determine if there is any recourse for the Association to collect from previous owners who never settled their accounts but are still living in the County.

## **VI. TREASURER'S REPORT**

### *A. 2012 Year-to-Date Report*

1. Total Income - \$717,482 actual vs. \$703,632 budget (2.0% over budget).
2. Total Expenses - \$620,326 actual vs. \$652,927 budget (5.0% under budget).
3. Net Income – \$97,156 actual versus \$50,705 budget.

Including Balance Sheet budgeted items, the actual net income was \$39,791. Wash and Dryer income was higher than budget. Building Maintenance was under budget due to timing on some projects.

Year-to-date Reserve Fund income was \$122,597 and expenses were \$156,943 resulting in net income of (\$34,346). There were no Loan Fund expenses. The Loan Fund balance was \$110,000.

## **VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson was not present to provide a report.

## **VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius did not have anything to report.

## **IX. OLD BUSINESS**

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

Glenn Johnson was not present to provide a report.

### *B. Reserve Study*

Paul Hage said there were some funds carried over from 2011 from the parking lot repair. Paul will update the pool ceiling amount and the other 2012 Reserve Budget figures once the new pool ceiling bid is approved by the Board.

### *C. Swimming Pool Ceiling*

The bid for redoing the pool ceiling with stucco was just under \$52,000. The Board felt this was too high so David Thompson obtained a second bid of \$38,000 from Travis Construction for a corrugated aluminum material. It should be a maintenance free ceiling. The existing ceiling will be left in place and covered with the aluminum panels. This will be put to an email vote.

*D. Rebuild of Men's Shower and Steam Room*

The permit process went through and the tile contractors are back on the job. David Thompson anticipates completion and the final inspection next week. The old lockers will be removed and replaced with new ones. Work will be done on the pool liner while the pool ceiling is being installed and the deck will be resurfaced.

*E. Parking Lot Repair/Expansion*

There are eight parking lots that can be substantially increased by realigning the parking spaces. A bid of \$95,000 was obtained from the paving contractor. Paul Hage would like to use the remaining \$110,000 from the loan to complete this project. This will be put to an email vote.

*F. Sewer Cleanouts*

David Thompson said he received a bid for \$6,000 from Snowbridge, which he thought was high. RKR provided a bid of \$3,400 but he is having trouble getting the contractor to show up. RKR has been given an end of June deadline; if he does not start work by then, the contract will be awarded to Snowbridge. Sylvia Dowty suggested trying to negotiate the price with Snowbridge. David was also asked to give the contractor a completion deadline of mid-July. If he cannot comply, the project will be given to Snowbridge. David will also ask if the price can include the camera work.

*G. Tennis Court and Pickleball Court Status*

The company in Denver has indicated the project will be completed by mid-July. The basketball court will be refurbished and painted using in-house labor.

*H. Information for Lending Institutions Regarding Residents and Financial Status*

The attorney has confirmed that a Colorado licensed and certified appraiser can provide these figures to avoid liability on behalf of the management company or Association.

*I. Additional Lock Box Bar Update for Owners*

Fabrication of an additional lock box bar is in progress.

**X. NEW BUSINESS**

*A. Set Annual Meeting Date*

The Annual Meeting will be Saturday, September 22, 2012.

*B. Graffiti on Cement Foundations*

Lisa Watkins said it appeared that children were drawing with chalk on the foundation of a building. David Thompson will follow up.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be July 18, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

The meeting was adjourned at 7:51 p.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**Dillon Valley East  
Financial Summary  
As of May 31, 2012**

<b>Summary Balance Sheet</b>				
	<b>Operating</b>	<b>Reserve</b>	<b>Loan</b>	<b>Total</b>
Cash Accounts	138,078.37	769,313.16	110,132.16	1,017,523.69
Other Current Assets	133,770.16	0.00	0.00	133,770.16
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<b>353,640.88</b>	<b>769,313.16</b>	<b>110,132.16</b>	<b>1,233,086.20</b>
Current Liabilities	43,855.95	0.00	0.00	43,855.95
Long Term Liabilities	70,770.36	0.00	1,482,728.00	1,553,498.36
Donated Capital	2.00			2.00
Retained Earnings	141,856.84	803,659.50	(1,372,595.84)	(427,079.50)
YTD Net Income	97,155.73	(34,346.34)	0.00	62,809.39
<b>Total Liabilities &amp; Equity</b>	<b>353,640.88</b>	<b>769,313.16</b>	<b>110,132.16</b>	<b>1,233,086.20</b>
<b>Operating Fund P&amp;L</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Difference</b>	
May Total Income	141,952.97	140,305.65	1,647.32	
May Total Expense	116,731.48	139,729.33	(22,997.85)	
May Net Income	25,221.49	576.32	24,645.17	
<b>Balance Sheet Budgeted Items</b>	<b>11,438.61</b>	<b>11,664.41</b>	<b>(225.80)</b>	
	<b>13,782.89</b>	<b>(11,088.09)</b>	<b>24,870.97</b>	
YTD Total Income	717,482.12	703,632.25	13,849.87	2.0%
YTD Total Expenses	620,326.39	652,926.80	(32,600.41)	-5.0%
YTD Net Income	97,155.73	50,705.45	46,450.28	
<b>Balance Sheet Budgeted Items</b>	<b>57,365.02</b>	<b>57,828.15</b>	<b>(463.13)</b>	
	<b>39,790.72</b>	<b>(7,122.70)</b>	<b>46,913.41</b>	

Major variances YTD:

- A little used, older truck was sold by the Association for \$3500 of unbudgeted income.
- Delinquency fees were \$2270 over budget and finance charges on past due accounts \$2770 over.
- Income from the washer/dryers is \$4296 more than budgeted.
- Total Building Maintenance is \$15,707 under budget – largely a timing issue. Budgeted amounts have appeared for chimney cleans and crown resealing that have not been started yet. Hallway carpet cleaning is being done for less than budget and hallway painting/carpeting is being done from reserves.
- Total clubhouse/recreational is \$1647 over expenses but also \$797 over in projected income.
- Electric is \$1201 over budget. Gas is \$9886 under.

- Grounds maintenance is \$561 under budget.
- Legal fees are \$1107 over, office expense \$816 over and telephone \$836 over.
- Snow removal is \$2667 under.
- Truck and ATV expense is \$2764 under budget and loader expenses are \$1781 under.

<b>Reserve Fund P&amp;L</b>	
<b>Actual</b>	
May Total Income	24,512.01
May Total Expense	106,997.88
May Net Income	<u>(82,485.87)</u>
YTD Total Income	122,597.02
YTD Total Expenses	156,943.36
YTD Net Income	<u>(34,346.34)</u>
<b>LOAN Fund P&amp;L</b>	
<b>Actual</b>	
May Total Income	0.00
May Total Expense	0.00
May Net Income	<u>0.00</u>
YTD Total Income	0.00
YTD Total Expenses	0.00
YTD Net Income	<u>0.00</u>

## **Notes from the Pres.**

Greetings

Your Board of Managers did not have a quorum for a meeting in June due to business requirements of individuals and the forest fires in Colorado.

I remind all of the high fire danger that surrounds Dillon Valley East and Summit County. When a fire starts, there will be little warning for evacuation of the valley. On your computer, open your web browser and search for “Red Cross Ready” (without quotes) and read up on ways you can prepare for a large inconvenience or loss.

Register with the Summit County Community Alert System by going to [www.Summit911.org](http://www.Summit911.org) or by clicking on [this link](#). This is a free alert notification system that allows officials to immediately contact you during a major crisis or emergency and can deliver important emergency alerts, notifications and updates to your cell phone, smart phone, pager, email, or other handheld devices.

If you are displaced by an emergency, the financial world will not stop. You will still need to pay mortgages, association dues and fines. Review your insurance policy with your insurance agent to see how long you can be setup in a motel or another rental until your condominium can be safe to occupy or rebuilt. Check to see if your personal items are covered for cleaning of smoke and ash. If you rent your condominium, make sure you are covered for loss of income during an evacuation. Do your renters have Renters Insurance? Know where your valuable paper work is located and how you would gather them for quick evacuation.

Sincerely,

Richard Garcia  
President  
Dillon Valley East Condominium Association  
American Red Cross Shelter Manager

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
July 18, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:02 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

With four Board members present a quorum was reached.

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Giovanna Voge and David Thompson. Erika Krainz of Summit Management Resources was recording secretary.

Owners present were Cathy Brosius (E106), Lee Vroble (X302), Jeff Schramm (I205), Rita Kay and David Ryan (A101), and Nanci Campbell (U304/BB302).

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Sylvia Dowty made a motion to approve the May 16, 2012 Board Meeting minutes as presented. Glenn Johnson seconded and the motion carried.

Glenn Johnson made a motion to approve the June 20, 2012 Board Meeting minute as presented. Sylvia Dowty seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

David Ryan said he was impressed with the improvements and upgrades at the property. He expressed some concerns about the parking situation at the A Building. He said the driveway was very narrow, making it difficult to turn into his parking space. He requested addition of about 1' of asphalt along the edge to expand the turning radius. David Thompson was asked to look into this issue.

Jeff Schramm asked how water payments would be handled once the individual meters are installed. Richard Garcia said it was not yet known. Jeff thought the Water District planned to install individual meters to the units but Richard said that would be impossible without additional piping because there was only one main feeder line.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. He said there were no new developments. He continues to work with the attorneys and liens are being filed as appropriate.

**VI. TREASURER'S REPORT**

*A. 2012 Year-to-Date Report*

1. Total Income - \$856,939 actual vs. \$843,938 budget (1.5% over budget).
2. Total Expenses - \$729,837 actual vs. \$773,890 budget (5.7% under budget).
3. Net Income – \$127,102 actual versus \$70,048 budget.

Including Balance Sheet budgeted items, the actual net income was \$57,804.

Significant favorable variances to budget included Washer/Dryer Income, the sale of the truck and Delinquency Fees. Building Maintenance was \$18,000 favorable to budget mainly due to timing of some projects. Clubhouse Maintenance was \$1,232 unfavorable to budget and Gas was \$13,766 favorable to budget.

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

**VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said the pickleball court lines had been painted. The flowerpots are growing but the geraniums did not survive. The tennis court contractor did a great job repairing the courts.

**VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius did not have anything to report. One fence was built without Committee approval (Y106) but it looks good.

**IX. OLD BUSINESS**

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

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

*B. Reserve Study*

Discussion on this topic was tabled since Paul Hage was not present.

*C. Rebuild of Men's Shower and Steam Room*

David Thompson reported that the construction and inspection were completed and he was waiting for the Certificate of Occupancy (CO). The cost increased from \$9,000 to \$11,000 to accommodate the Americans with Disability Act (ADA) requirements.

*D. Swimming Pool Ceiling*

A different material for the ceiling has been identified that will save \$7,000 compared to the aluminum panels. The project has been put on hold until after Labor Day so the new material can be researched. David Thompson is getting spec sheets from the manufacturer to ensure it is suitable for the ceiling since the product is designed for roofs. The pool will remain open in the meantime.

*E. Sewer Cleanouts*

RKR Incorporated was given a deadline. He parked his equipment before the deadline and started the work five days later. The work will be done at D and E Buildings.

*F. Information for Lending Institutions Regarding Residents and Financial Status*

The attorney has recommended hiring a licensed certified appraiser to provide this information. A licensed certified appraiser has agreed to allow Basic Property Management to use his compiled information at no charge.

*G. Additional Lock Box Bar Update for Owners*

The contractor's bid has been approved and work should begin shortly.

**X. NEW BUSINESS**

*A. Ratification of Email Votes*

1. Swimming pool ceiling replacement bid of \$38,000, to be paid from the Reserves. - The Board voted unanimously in favor of this expenditure by email. A motion was made and seconded to ratify the email vote. The motion carried.
2. \$95,000 for parking lot repair/expansion to be taken from the remaining \$110,000 loan. - The Board voted unanimously in favor of this expenditure by email. Bob Price made a motion to ratify the email vote. Glenn Johnson seconded and the motion carried.
3. 50/50 split of fees between Association and attorneys for follow-up on former owners for delinquencies. - The Board voted unanimously in favor of this expenditure by email. Sylvia Dowty made a motion to ratify the email vote. Bob Price seconded and the motion carried.

*B. Wildfire Safety*

Richard Garcia distributed pamphlets from the Red Cross. He noted there were only four main exits out of Summit County, excluding Loveland Pass since it would not be an option due to smoke. He will make a presentation at the Annual Meeting. Lee Vroble asked if a request had been made to clear out the dead lodgepole pines along Straight Creek. Richard will follow up on this.

*C. Hallway Carpeting*

Nanci Campbell suggested installing tile instead of carpet in the entries. Richard Garcia said an experiment was done and it was determined that the tile created noise and cleaning issues.

*D. Property Manager Recognition*

Nanci Campbell recognized David Thompson for doing a great job.

*E. Nominating Committee*

The terms of Glenn Johnson and Lisa Watkins expire this year. Sylvia Dowty and Bob Price were appointed to serve as the Nomination Committee.

*F. Executive Meeting*

The Board held an Executive Meeting in May regarding an absentee Board member. This issue will be brought up at the Annual Meeting in order to hold a vote to have this individual removed from the Board.

*G. Storage Lot*

David Thompson said he had received deposits from most of the vehicles currently parked in the lot. The policy is posted on the website.

*H. Annual Meeting*

The Annual Meeting will be Saturday, September 22, 2012 in the Clubhouse.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be August 15, 2012 at 7:00 p.m. in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Sylvia Dowty made a motion to adjourn at 7:55 p.m. Glenn Johnson seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

## Notes from the Pres.

Greetings

Our Annual Meeting will be on September 22<sup>nd</sup> in the clubhouse at 10:00 AM. Join us for lunch immediately following the meeting. If you would like to be nominated for a position on the Board of Managers, contact the following members of the Nominating Committee as soon as possible. Here is a chance to be active in the direction your Association is going. You may not be able to make drastic changes, but you will learn why we make decisions that either agree or disagree with you.

Sylvia Dowty [Sylvia@dillonvalleyeast.org](mailto:Sylvia@dillonvalleyeast.org)

Bob Price [bob@dillonvalleyeast.org](mailto:bob@dillonvalleyeast.org)

The Men's locker room in the clubhouse is finally open for use. A water leak in the drainage turned into a major modification of the wet area in order to bring the area up to today's building code.

Thanks for being patient with our parking lot repairs. We had only one large problem area. Building "J" parking lot backfired on us. As we uncovered the lot, we discovered the soil under the old pavement was in poor shape, and we could not ignore the problem and cover it up. Fortunately, there was enough money in our loan that the added expense was covered. As we continue with the parking lots, test holes will be made so we can avoid extra expenses this year.

We are in the process of installing sewer cleanouts for the buildings and hope to finish before the snow flies. Cleanouts are access pipes to the building's sewer system. They allow our maintenance staff to flush out grease from the sewer pipes before the pipes get clogged and cause a smelly backup of the system into first floor units. Please do not pour cooking fat down the drain. Using hot water to flush the fat down gets the fat out from under the building and congeals when the cold sub-surface hardens the grease.

Looking forward to seeing you at the Annual Meeting in September.

Richard Garcia

President

Dillon Valley East Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
August 15, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 6:58 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

With four Board members present a quorum was reached.

Jeffrey Bonte of Dutchtech was a guest at the meeting.

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Giovanna Voge and David Thompson. Erika Krainz of Summit Management Resources was recording secretary.

Owner Cathy Brosius (E106) was present.

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Sylvia Dowty made a motion to approve the July 18, 2012 Board Meeting minutes as presented. Glenn Johnson seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no questions or comments.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

David Thompson provided a written report to the Board.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. The attorney informed Gary that the second owner on the list is now in receivership and the owners declared bankruptcy. A contractor inspected the unit and estimated that it would cost \$5,350 to make the unit inhabitable; the Association could make the repairs and rent the unit but this would be risky since the owner could decide to do a short sale. The total amount of the delinquency is about \$18,000. Gary will ask the attorney what would happen if the owner does a short sale and how long the unit will stay in receivership. Sylvia Dowty will research when the bankruptcy was filed since this will prevent the bank from foreclosing if the bankruptcy is deemed valid. Sylvia pointed out that the sixth unit

listed was foreclosed about six weeks ago and about \$4,000 was paid to the Association. Gary will send the file for the twelfth unit listed to the attorney if this has not already been done.

## **VI. TREASURER'S REPORT**

### *A. 2012 Year-to-Date Report as of July 31, 2012*

1. Total Income - \$1,000,622 actual vs. \$984,244 budget (1.7% over budget).
2. Total Expenses - \$847,499 actual vs. \$897,720 budget (5.6% under budget).
3. Net Income – \$153,123 actual versus \$86,523 budget.

Including Balance Sheet budgeted items, the actual net income was \$72,284. Paul Hage pointed out that the income figure reflected all budgeted income but does not account for owners who are not paying their dues. There are also some positive variances in expenses that are due to timing of the projects and payments.

Year-to-date Reserve income was \$171,509 with \$279,672 in expenses, resulting in a net loss of \$108,163. There were no Loan Fund expenses.

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

## **VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said it looked like the flowers would survive until the Annual Meeting. David Thompson has been busy mowing.

## **VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius did not have anything to report.

## **IX. OLD BUSINESS**

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

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

### *B. Reserve Study*

Paul Hage reviewed the Reserve spreadsheet:

1. Clubhouse Upstairs - \$6,500 for new floor covering. The flooring will be replaced with the same materials (linoleum and carpet).
2. Pool Deck Resurface - \$9,000.
3. Pool Liner - \$2,500. The pool liner will be cleaned when the pool is drained. There is some bubbling of the surface.
4. Pool - \$52,000 for the pool ceiling. The original bid was to do some type of stucco. The bid for an aluminum product was \$38,000. David Thompson then found a corrugated PVC material that was less expensive than the aluminum. He confirmed with the manufacturer that it was suitable for use as a ceiling. The bid

for this product was \$31,000. He will meet with Travis Construction to finalize the bid. He anticipated the bid might be adjusted by no more than \$1,000 for the specified fasteners and other finishing details. Paul Hage made a motion to approve the plastic product for the ceiling as long as the bid does not increase by much more than \$1,000. Glenn Johnson seconded and the motion carried. The work will be scheduled for after Labor Day; it might not be finished prior to the Annual Meeting.

5. Patio Slabs - \$3,500 for three slabs. David said there were 11 damaged slabs. There are some that are cracked and a portion of the slab has settled significantly. Three have been repaired this year leaving eight more to be done. After discussion, the Board agreed to try to address these patios next year.
6. Boiler Glycol - \$43,000 budgeted and \$42,950 spent.
7. Boilers/Water Tanks - \$10,800 to replace four tanks. David Thompson was directed to purchase one tank for inventory.
8. Clubhouse Renovation - \$20,000 budgeted and \$10,618 spent for the men's locker room. This project is basically completed, except for locker replacement, which should cost about \$5,000.
9. Manager's Unit - \$5,000 budgeted and \$6,983 spent. About \$1,700 was spent on the Clubhouse apartment.
10. Parking Lot Repairs - \$231,479 budgeted and \$198,375 spent. Paul anticipated this project would be about 4% over budget when completed.
11. Replace Hallway Carpet - \$7,500. The bid has been awarded to a contractor and the materials purchased but the work has not yet started.
12. Sewer Line Cleanouts - \$12,000 budgeted and \$3,654 spent so far for one building pair. One more building pair will be done.
13. Tennis/Basketball Courts - \$12,000. The tennis court work was completed at a cost of about \$11,000. The cracks were sealed on the basketball court and the repainting was done in-house, but the paint did not cover as much area as expected so only about 1/3 of the court was covered.

C. *Parking Lot Repair/Expansion*

Paul Hage said Building J was the first parking lot expansion. It has been determined that the soil is very poor. A-Peak suggested testing the soil in the other expansion areas but has not yet provided a final report. Given the potential additional expense for poor soil at other buildings, it may not be possible to expand all the lots as budgeted. The expansions will be done on as many parking lots as possible within the financial parameters. Buildings N and O probably will not be done this year.

D. *Additional Lock Box Bar Update for Owners*

An additional lock box bar has been installed.

**X. NEW BUSINESS**

A. *Building J Boiler System*

David Thompson said Building J has had intermittent heat and hot water. There are rust particles in the pipes that turn to mud when wet. Filters were installed and it was determined that the rust is coming from the new boilers. Glycol has not yet been added

to the system because there is a leak that cannot be located. The rust is caused by the addition of water to the system (about 25 gallons per month). The leak is probably somewhere in the first floor slab as no water damage has been found anywhere else in the building. The options for addressing this problem are:

1. Put glycol in the system, allow it to leak and continue to refill the glycol as necessary.
2. Hire a plumber with thermal imaging equipment. This will be very expensive and there is no guarantee the leak will be located.
3. Give up on finding the leak and install a new boiler that will not be affected by oxygen in the water. The cost for a new stainless steel boiler, pumps and expansion tank, installed with a two-year warranty would be \$22,000. The building would be without hot water for three days.

Paul Hage made a motion to spend \$22,000 to replace the boiler, pumps and expansion tank with stainless steel equipment, to be paid out of the Contingency. Sylvia Dowty seconded and the motion carried.

*B. Annual Meeting Preparation*

The Annual Meeting will be Saturday, September 22, 2012 in the Clubhouse. Board nominations will be accepted until August 23, 2012. The terms of Glenn Johnson and Lisa Watkins expire this year. Glenn Johnson and Cathy Brosius self-nominated but Lisa Watkins said she would not be running again.

*C. ADA Requirements*

Paul Hage said he was concerned about the use of the pickleball courts by guests. He was concerned it could somehow result in an ADA compliance requirement for the pool area. Gary Nicholds was directed to discuss this issue with the Association attorney.

*D. Owner Complaints*

Lisa Watkins said there had been complaints about trash and vandalism of the trees at P Building and about use of the Clubhouse by unauthorized individuals.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be September 22, 2012 following the Annual Meeting in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Paul Hage made a motion to adjourn at 8:19 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**Financial Summary  
As of July 31, 2012  
Summary Balance Sheet**

	<b>Operating</b>	<b>Reserve</b>	<b>Loan</b>	<b>Total</b>
Cash Accounts	173,505.16	695,496.47	110,132.16	979,133.79
Other Current Assets	144,253.00	0.00	0.00	144,253.00
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<b>399,550.51</b>	<b>695,496.47</b>	<b>110,132.16</b>	<b>1,205,179.14</b>
Current Liabilities	51,518.20	0.00	0.00	51,518.20
Long Term Liabilities	53,049.94	0.00	1,482,728.00	1,535,777.94
Donated Capital	2.00			2.00
Retained Earnings	141,856.84	803,659.50	(1,372,595.84)	(427,079.50)
YTD Net Income	153,123.53	(108,163.03)	0.00	44,960.50
<b>Total Liabilities &amp; Equity</b>	<b>399,550.51</b>	<b>695,496.47</b>	<b>110,132.16</b>	<b>1,205,179.14</b>

**Operating Fund P&L**

	<b>Actual</b>	<b>Budget</b>	<b>Difference</b>
July Total Income	143,683.55	140,305.65	3,377.90
July Total Expense	115,579.53	123,830.38	(8,250.85)
July Net Income	28,104.02	16,475.27	11,628.75
<b>Balance Sheet Budgeted Items</b>	<b>11,540.76</b>	<b>11,764.42</b>	<b>(223.66)</b>
	16,563.27	4,710.85	11,852.41

YTD Total Income	1,000,622.30	984,243.55	16,378.75	1.7%
YTD Total Expenses	847,498.77	897,720.13	(50,221.36)	-5.6%
YTD Net Income	153,123.53	86,523.42	66,600.11	
<b>Balance Sheet Budgeted Items</b>	80,839.39	81,306.57	(467.18)	
	72,284.14	5,216.86	67,067.29	

Major variances YTD:

- A little used, older truck was sold by the Association for \$3500 of unbudgeted income.
- Income from Delinquency fees was \$2611 over budget and finance charges on past due accounts \$3793 over.
- Income from the washer/dryers is \$4633 more than budgeted.\$1619 under budget.
- Total Building Maintenance is \$19,515 under budget – largely a timing issue. Budgeted amounts have appeared for chimney cleans and crown resealing that are just now underway. Hallway carpet cleaning and painting are being done in-house for less than budget.
- Total clubhouse/recreational is \$893 over expenses but also \$1662 over in projected income.
- Electric is \$416 over budget. Gas is \$16,397 under. Water & sewer is \$1133 under.
- Legal fees are \$1417 over and office expense is \$604 over.
- Snow removal is \$2667 under.
- Truck and ATV expense is \$4116 under budget and loader expenses are \$2602 under. Truck insurance is \$1619 under budget.

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
September 22, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 1:03 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

Owners present were Chris Heer (X204/X303), Barbara Johnson (S103/S104) and Carl Henry (U202).

Representing Basic Property Management were Gary Nicholds, Giovanna Voge and David Thompson. Erika Krainz of Summit Management Resources was recording secretary.

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Bob Price made a motion to approve the August 15, 2012 Board Meeting minutes as presented. Sylvia Dowty seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no questions or comments.

**IV. FINES AND HEARINGS**

There were no owners present regarding fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

The Manager's Report was reviewed during the Annual Meeting. .

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. He distributed an update report from Orten, Cavanagh & Holmes. Sylvia Dowty will provide information regarding the employment of two of the delinquent owners for the attorney.

**VI. TREASURER'S REPORT**

*A. 2012 Year-to-Date Report as of August 31, 2012*

This report was reviewed during the Annual Meeting. There is some Reserve Fund work still pending. Paul Hage distributed copies of the Reserve P&L.

The curb stop work has cost about \$9,000 so far. That expense, combined with the J Building boiler work, will cause an overrun in the Contingency account but the pool ceiling is expected to come in under budget.

Sylvia Dowty made a motion to approve the Financial Report. Bob Price seconded and the motion carried.

**VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

This report was reviewed during the Annual Meeting.

**VIII. ARCHITECTURAL REVIEW COMMITTEE**

This report was reviewed during the Annual Meeting.

**IX. OLD BUSINESS**

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

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

B. *Reserve Study*

In November and December Paul Hage and the Committee will look closely at the projects scheduled for the next few years. Chris Heer volunteered to serve on the Committee. She can be reached at [cheerr@msn.com](mailto:cheerr@msn.com) or 720/269-9066.

**X. NEW BUSINESS**

A. *Election of Officers*

Bob Price made a motion to retain the same Officers as last year. Sylvia Dowty seconded and the motion carried.

Bob Price made a motion to elect Cathy Brosius as Secretary. Sylvia Dowty seconded and the motion carried.

B. *Change to Fiscal Year*

Paul Hage said budgeting would be difficult if the fiscal year was changed to October through September due to the short construction season in Summit County. Richard Garcia said a July through June fiscal year was tried once before but it did not work well and the Association switched back.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be October 17, 2012 in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Sylvia Dowty made a motion to adjourn at 1:18 p.m. Paul Hage seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**Dillon Valley East  
Financial Summary  
As of August 31, 2012**

<b>Summary Balance Sheet</b>				
	<b>Operating</b>	<b>Reserve</b>	<b>Loan</b>	<b>Total</b>
Cash Accounts	288,855.58	642,508.87	74,281.16	1,005,645.61
Other Current Assets	121,817.11	0.00	0.00	121,817.11
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<b>492,465.04</b>	<b>642,508.87</b>	<b>74,281.16</b>	<b>1,209,255.07</b>
Current Liabilities	139,760.93	0.00	0.00	139,760.93
Long Term Liabilities	40,292.05	4,043.84	1,482,728.00	1,527,063.89
Donated Capital	2.00			2.00
Retained Earnings	141,856.84	803,659.50	(1,372,595.84)	(427,079.50)
YTD Net Income	170,553.22	(165,194.47)	(35,851.00)	(30,492.25)
<b>Total Liabilities &amp; Equity</b>	<b>492,465.04</b>	<b>642,508.87</b>	<b>74,281.16</b>	<b>1,209,255.07</b>

  

<b>Operating Fund P&amp;L</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Difference</b>	
August Total Income	140,840.57	140,305.65	534.92	
August Total Expense	130,219.16	122,271.75	7,947.41	
August Net Income	10,621.41	18,033.90	(7,412.49)	
<b>Balance Sheet Budgeted Items</b>	11,591.67	11,814.80	(223.13)	
	(970.25)	6,219.10	(7,189.36)	
YTD Total Income	1,141,408.44	1,124,549.20	16,859.24	1.5%
YTD Total Expenses	970,855.22	1,019,991.88	(49,136.66)	-4.8%
YTD Net Income	170,553.22	104,557.32	65,995.90	
<b>Balance Sheet Budgeted Items</b>	92,431.33	93,121.64	(690.31)	
	78,121.89	11,435.68	66,686.21	

Major variances YTD:

- A little used, older truck was sold by the Association for \$3500 of unbudgeted income.
- Income from Delinquency fees was \$2972 over budget and finance charges on past due accounts \$4292 over.
- Income from the washer/dryers is \$4833 more than budgeted.\$1619 under budget.
- Total Building Maintenance is \$13,757 under budget – largely a timing issue. Budgeted amounts have appeared for chimney cleans and crown resealing that are just now underway. Hallway carpet cleaning and painting are being done in-house for less than budget.
- Total clubhouse/recreational is \$308 over expenses but also \$1102 over in projected income.
- Gas is \$17,628 under budget. Water & sewer is \$2266 under.
- Legal fees are \$1554 over and office expense is \$1428 over.
- Snow removal is \$2667 under.
- Total Grounds Maintenance is 1976 under budget.

*Treasurer's Report*

- Truck and ATV expense is \$4665 under budget and loader expenses are \$2602 under. Truck insurance is \$1619 under budget.

<b>Reserve Fund P&amp;L</b>	
<b>Actual</b>	
August Total Income	24,452.10
August Total Expense	<u>70,501.54</u>
August Net Income	<u><u>(46,049.44)</u></u>
YTD Total Income	195,961.42
YTD Total Expenses	<u>361,155.89</u>
YTD Net Income	<u><u>(165,194.47)</u></u>

  

<b>LOAN Fund P&amp;L</b>	
<b>Actual</b>	
August Total Income	0.00
August Total Expense	<u>35,851.00</u>
August Net Income	<u><u>(35,851.00)</u></u>
YTD Total Income	0.00
YTD Total Expenses	<u>35,851.00</u>
YTD Net Income	<u><u>(35,851.00)</u></u>

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
ANNUAL MEETING  
September 22, 2012**

**I. ROLL CALL AND CERTIFICATION OF PROXIES**

The meeting was called to order at 10:08 a.m. by Richard Garcia in the Dillon Valley East Clubhouse.

Board members present were:

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

Homeowners present were:

Joseph & Nancy Bain, B103	Donald & Loretta Baker, P304
Cathy Brosius, E106	Deborah Burg, S301
Priscilla Calahan, B204	Anthony Dobrski, O203/T302
Laura Hartman, R201	Carl Henry, U202
Ed & Suzanne Husler, O306	Barbara Johnson, S103/S104
Paul Jones, N101	Colleen & Kevin Kaiser, D301
Thomas Lorenz, X103	Cesar Munoz, J102
Dolores Nelson, N306	Mark O'Brien, S205
Joyce Oleson, R101	John & Martha Pirnat, X301
John & Mary Regan, A204	David & Rita Ryan, A101
Jeffrey Schramm, I205	Barbara Slater, E201/I305
Richard Spangler, A203	Lee Vroble, X302
Kiyoshi Yamada, N301	Edith Webster & Chris Heer, X204/X303
Gail Wepfer, I102	

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Giovanna Voge, David Thompson and Kerry Hartnett. Erika Krainz of Summit Management Resources was recording secretary.

**II. DETERMINATION OF QUORUM**

A quorum was confirmed with 39 units represented in person and 62 proxies received.

**III. PROOF OF NOTICE**

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

**IV. APPROVE PREVIOUS MEETING MINUTES**

Anthony Dobrski made a motion to approve the minutes of the September 17, 2011 Annual Meeting as presented. David Ryan seconded and the motion carried.

## V. REPORTS OF OFFICERS

### A. *Red Cross Recommendations*

Richard Garcia, who is a volunteer coordinator for the Red Cross, provided some tips for emergency preparedness.

1. Prepare a Kit – The Red Cross recommends keeping a duffel bag packed with water, food, a flashlight, a radio, batteries, a first aid kit, medications for one week, a multi-purpose tool, hygiene items, a towel, copies of personal documents, cell phone chargers and family and emergency contact information.
2. Make a Plan – Family members should discuss how to prepare and respond to emergencies that are most likely to occur where you live. Identify responsibilities for each member of the household and plan to work together as a team.
3. Be Informed – Register at [www.scalert.org](http://www.scalert.org) for text or email emergency alerts.

### B. *Architectural Control Committee Report*

Cathy Brosius said it had been a quiet summer. She reminded owners that door and window replacements must be almond color.

### C. *Building and Grounds Committee Report*

Glenn Johnson said the staff did a tremendous job keeping the grounds in good shape. They will be working on the flowers by AA Building to provide a good first impression.

### D. *Real Estate Report*

Sylvia Dowty said there were 27 units on the market in the past year. There are currently two units on the market. There have been 17 sales with eight sales pending. The mortgage process is now much more detailed. Management has been very responsive with providing required information for lenders. Sales are taking longer to close and prices have been low. Three bedroom units have been most affected by the downturn in the economy with an average sales price of \$120,000 – 130,000, down about \$100,000 from five years ago. Two bedroom unit sales prices have been \$105,000 – 115 and one bedroom sales prices have been \$80,000 – 100,000. Foreclosures have really hurt the prices. The market appears to be stabilizing. She encouraged owners to upgrade their unit interiors.

## VI. MANAGEMENT COMPANY REPORT

Gary Nicholds introduced the Basic Property Management staff.

### A. *Project Update*

1. Sprinkler Lines - The sprinkler lines will be blown out starting tomorrow in preparation for winter.
2. Water Meters and Curb Stops – The Water District will start metering all buildings individually. The water rate nearly doubled in July 2012. The budget for this year was increased by \$42,000 to cover this half year and will need to be increased by another \$42,000 for year 2013. Many of the curb stops have been buried over the years. All but two of them have been located and cleaned out. (Note: A curb stop is a water valve near the property line that allows the water

- to a building to be turned off for maintenance.) The meter installation for all of Dillon Valley is scheduled to start next week. The Water District will pay for the meters.
3. Men's Locker Room – There was a leak in shower in the men's shower area and the sauna. The infrastructure had to be remodeled. The shower area was rebuilt and the steam sauna was removed and converted to an addition to the locker room.
  4. Carpet Cleaning – The hallways are inspected quarterly. They are rated on a 1 – 5 scale for prioritization of cleaning and painting.
  5. Window Well Grates – About 20 of the window well grates were damaged and posed a safety risk. They have been replaced.
  6. J Building Boiler – There have been issues with inconsistent hot water and heat in the J Building. There is a slow leak under the building somewhere in the slab that cannot be located. The cast iron boilers are only two years old but are rusting due to the constant introduction of new water. The Board has decided to replace the boilers with stainless steel boilers. The cost will be about \$40,000. The pumps will be saved and reused and an attempt will be made to sell the old boilers.
  7. Hallway Window Cleaning – The common area windows in the hallways are being cleaned as time allows by the in-house staff.
  8. Sewer Cleanouts for Buildings D, E, H and I – There have been a number of sewer backups in these buildings. A program has been developed to proactively clean out the problem areas on a regular basis.
  9. Front Door Painting – Twelve doors will be painted before winter.
  10. Pool Ceiling – The original aluminum ceiling is sagging and needs to be replaced. The pool will be closed soon for a couple of months and a number of projects will be done, including ceiling replacement, deck replacement and pool repairs.
  11. Pool Filters – The filters have been replaced. Replacement parts are no longer available for the old pool filters. They will be replaced.
  12. Hot Tub Cover – A user-friendly hot tub cover will be purchased.
  13. Lockers – The rusty metal lockers will be replaced as part of the pool project.
  14. Parking Lot Overlays and Expansions – Lots AA, BB, H, I, F, G, B, C and J have been overlaid. Lots A and J have been expanded. Lot J required some unanticipated work for addition of proper road base. Lots P, O, R, S, X, Y and Z remain to be completed this year or next. Lots N and O are being considered.
  15. Tennis Courts – The tennis courts were resurfaced and lined for pickleball. The courts are for the use of owners, tenants and guests only.

**Owner Comments:**

1. Ed Husler said there were ongoing problems with clutter in the hallway. David Thompson asked owners to contact him about such issues.
2. Jeff Schramm recommended fining owners for violations.
3. An owner felt there should be a fine structure developed for renter violations in addition to the unit owners.
4. Joey Webster asked if the Fire Department could issue citations or fines. Richard Garcia said they could not.

5. Deborah Burg suggested installing kickplates on the doors. David Thompson said he was planning to put some on several doors as a trial. She commented that the cover plate was loose on the doorknob to her stack. David will follow-up. David said the lock cylinders were being replaced as needed. He will also look at the door weather stripping on A Building.
6. Anthony Dobrski commented that he never saw many people using the pool. David Thompson said it was used by approximately 10 – 15 people per day.
7. Carl Henry asked how much the cost overrun was for the J Lot expansion. Gary Nicholds said the overrun was \$15,000. Paul Hage added that the maintenance overlay work was only 4% over budget on a total budget of \$232,500.
8. Chris Heer said there was a big depression in the asphalt by Unit X104 that should be filled with some material until it is repaired permanently so water does not seep in to the unit.

David Thompson was recognized by the membership for his work at the property.

## VII. FINANCIAL REPORT

### A. 2011 Year-End Financial Status

Paul Hage reviewed the Profit and Loss as of December 31, 2011:

1. Total Income - \$1,700,051 actual vs. \$1,680,035 budget (1.2% over budget).
2. Total Expenses - \$1,652,179 actual vs. \$1,680,035 budget (1.7% under budget).
3. Net Income – \$47,872. This surplus was used to offset accrued negative retained earnings from prior years.

Reserve income August 2012 YTD is \$195,961 and expenses are \$361,156 giving a YTD net income of -\$165,194. Paul Hage noted we had positive net income in 2011 and the plan is for combined 2011-2012 expenses to be less than the combined income for those two years. For the Loan Fund, \$35,851 has been spent YTD against the \$110,005 beginning year balance of the fund.

Reserve income in 2011 totaled \$295,206 and expenses were \$99,211. The net income for the year was \$195,995. The Loan Fund balance was \$110,005.

### B. Year-to-Date Profit and Loss as of August 31, 2012

1. Total Income - \$1,141,408 actual vs. \$1,124,549 budget (1.5% over budget).
2. Total Expenses - \$1,063,286 actual vs. \$1,113,114 budget (4.5% under budget).
3. Net Income – \$78,122.

Paul Hage said the Board's goal was to keep the dues flat for next year, but cautioned that the water rate increase would have to be absorbed.

The total delinquent balance was \$113,000, including late fees and interest. The Association switched to a more aggressive legal firm that will attempt to collect as much of the past due amounts as possible. Balances are only written off after units foreclose. There is an annual provision for bad debt of \$30,000 in the Operating Budget.

C. *2012 Year-End Surplus*

Anthony Dobrski made a motion to authorize transfer of any 2012 year-end Operating surplus to the 2013 Operating Budget. Mark O'Brien seconded and the motion carried.

D. *Reserve Fund Status*

Year-to-date income for the Reserve Fund was \$195,961 and expenses totaled \$361,156 resulting in net income of -\$164,195.

The next large Reserve Fund project will be roof replacement.

Tom Lorenz made a motion to approve the Financial Report as presented. David Ryan seconded and the motion carried.

E. *Natural Gas Prices*

Bob Price said the natural gas rate was locked for 50% of the gas usage through next April. The other 50% will be at market price. There is no premium for locking the rate.

### VIII. ELECTION OF MANAGERS

The terms of Glenn Johnson and Lisa Watkins expired this year. Lisa Watkins was not standing for reelection. Cathy Brosius and Glenn Johnson have accepted nominations to fill the vacancies and both provided biographical information. Chris Heer made a motion to elect the two candidates by acclamation. Kiyoshi Yamada seconded and the motion carried.

Lisa Watkins was thanked for her service on the Board.

### IX. NEW BUSINESS

A. *Request for Resignation of Board Member*

Richard Garcia said Board member Dru Griffin had only attended five of twenty Board Meetings since January 2011 and did not provide advance notice that he would not be attending. As a result, there was not a quorum at two of the meetings. Per the Declarations, there is not enough representation at this meeting to officially remove him from the Board. He has been sent three letters requesting his resignation but he has not responded. Richard asked the owners if they supported the Board's request to have Dru Griffin resign from the Board. In a show of hands the owners unanimously agreed that he should be asked to resign. He has one year remaining in his term.

B. *Owner Comments*

1. Insurance – Lee Vroble said his insurance company has requested a copy of the Master Policy. He asked the Board to provide a statement in the minutes regarding the Association coverage. Gary Nicholds said the Association Declarations were written in the early 1970's. Some of the Resolutions are vague. To change the Declarations would be very difficult and would cost \$6,000 – 8,000. The attorney has been asked to provide a legal summary for the Board. Regarding the insurance coverage, anything that is not attached to the unit interior is an owner responsibility and anything attached is an Association responsibility. He noted that the policy covered the property "as built" and did

- not cover interior upgrades. Owners were strongly encouraged to have coverage for their unit interiors.
2. Cars Idling in the Parking Lot – Lee Vroble commented that cars are often left idling early in the morning in the winter. He asked the Board to put out a notice and to post a notice on the unit doors regarding the idling regulations. Chris Heer thought there was a “Puffer Law” that prohibited cars being left idling. Richard Garcia said owners needed to report violations. Enforcement will ultimately be through the Sheriff.
  3. Water Metering - Cathy Peterson said owners with washing machines currently pay an extra fee of \$100/year. She suggested increasing the fee based on the water rate increase. Jeff Schramm noted that he is a full time resident but travels much of the time. He did not feel it would be fair to increase his fee.
  4. Occupancy – Lee Vroble said high occupancy in the units was an issue. He was in favor of stronger controls on the number of tenants in any given unit.
  5. Bed Bugs – David Thompson estimated there were about 40 treatments done for bed bugs, and some units were treated multiple times. Currently it is not a significant issue.
  6. Patio Replacement – David Thompson said three patios were replaced this year and three more are scheduled for next year. All patios were inspected and graded for prioritization. Most of the patios have cracks but this is not a criterion for automatic replacement. The patios are only replaced if there is significant shifting or settling.
  7. Fiscal Year - Mark O’Brien suggested changing to an October 1 – September 30 fiscal year. Richard Garcia said the Board would consider this proposal.

The membership recognized the Board for their work on the Association’s behalf.

**X. SET NEXT MEETING DATE**

The next Annual Meeting was set for Saturday, September 21, 2013 in the Dillon Valley East Clubhouse.

**XI. ADJOURNMENT**

Tom Lorenz made a motion to adjourn at 12:03 p.m.

Approved By: \_\_\_\_\_

Board Member Signature

Date: \_\_\_\_\_

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
October 17, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 6:58 p.m. by Richard Garcia in the Dillon Valley East Clubhouse.

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

Owner Lee Vroble (X302) was present.

Representing Basic Property Management were Gary Nicholds, Giovanna Voge, Eric Nicholds and David Thompson. Erika Krainz of Summit Management Resources was recording secretary.

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Bob Price made a motion to approve the September 22, 2012 Board Meeting minutes as presented. Paul Hage seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

Lee Vroble commented that Comcast removed the Turner Movie channel from the lineup.

**IV. FINES AND HEARINGS**

David Thompson said there had not been any fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

The written Manager's Report was distributed to all Board Members prior to the meeting.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. One unit is in the process of being put into receivership. One unit was in receivership and is scheduled for foreclosure on 11/20/12.

Unit Z201 is owned by the Association. The Board needs to determine if there is a mortgage and decide if it should be listed for sale or rented. Sylvia Dowty will research the status of the unit.

Paul Hage noted that several outstanding balances from previous owners should be written off. Giovanna Voge will meet with the CPA later this month to discuss how the bad debt and 30% attorney fees should be handled.

## **VI. TREASURER'S REPORT**

### *A. 2012 Year-to-Date Report as of September 30, 2012*

1. Total Income - \$1,282,300 actual vs. \$1,264,855 budget (1.4% over budget).
2. Total Expenses - \$1,195,917 actual vs. \$1,246,988 budget (4.4% under budget).
3. Net Income – \$86,383 actual versus \$17,867 budget.

Year-to-date Reserve income was \$220,390 with \$381,301 in expenses, resulting in a net loss of \$160,911. There were no Loan Fund expenses.

Bob Price made a motion to approve the Financial Report. Cathy Brosius seconded and the motion carried.

### *B. 2013 Budget*

The Board will meet Friday, November 30, 2013 at 6:00 p.m. to work on the 2013 Budget. The Board requested a draft of the budget one week prior to the meeting.

## **VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson was not present to provide a report.

## **VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius did not have anything new to report.

## **IX. OLD BUSINESS**

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

Glenn Johnson was not present to provide a report.

### *B. Reserve Study*

1. David Thompson will be getting bids for new flooring for the lower level of the Clubhouse.
2. P, Q and Z Buildings parking lot expansions have been completed. R and S Buildings are next on the schedule but probably will not be done until spring.

### *C. Swimming Pool Ceiling*

The scaffolding is up. The contractor determined that two of the trusses are 2" out of level. A change order for \$500 was signed to fix the trusses. They will have to be jacked up and gusseted with plywood. This will delay the project completion by about one week and will result in a slight cost overrun.

### *D. Sewer Cleanouts*

Two building pairs were done this year. RKR did the work for about half the anticipated price. The remaining funds were used to scope the lines in some buildings that have experienced problems in the past.

*E. Parking Lot Repair/Expansion*

David Thompson said there was a small pond by the fire hydrant by Building Y. It was there before the sprinkler system was turned on so he did not think it was related to the irrigation system. He called the County and they determined there is a leak between the main line and one of the buildings. RKR is supposed to start digging tomorrow. It is unknown how far they will have to dig or how much it will cost. David will ask RKR if they have equipment to help pinpoint the location of the leak.

**X. NEW BUSINESS**

*A. Rate Increase for Units with Washers and Dryers*

An owner proposed an extra fee for owners who have washers and dryers in their units, given the upcoming water rate increase. Paul Hage was not in favor of implementing a surcharge.

*B. Board Resignation Request*

At the Annual Meeting, the owners voted unanimously to have the Board ask Dru Griffin to resign. Richard Garcia has sent Dru notification by email and regular mail but has not received any response.

*C. Association Policies*

Gary Nicholds said there were some new policies that would be effective January 1, 2013 regarding the keeping of Association records. He will provide information about these policies for the next Board Meeting.

**XI. SET NEXT MEETING DATE**

The next Board Meeting will be November 14, 2012 in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Sylvia Dowty made a motion to adjourn at 7:53 p.m. Paul Hage seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION  
BOARD OF MANAGERS MEETING  
November 14, 2012**

**I. CALL TO ORDER**

The meeting was called to order at 7:05 p.m. by Paul Hage in the Dillon Valley East Clubhouse.

Board members present were Paul Hage, Bob Price and Glenn Johnson. Sylvia Dowty participated via teleconference.

Owner Lee Vroble (X302) was present.

Representing Basic Property Management were Gary Nicholds, Giovanna Voge, Eric Nicholds, David Thompson and Elpidio Romero. Erika Krainz of Summit Management Resources was recording secretary.

**II. APPROVAL OF PREVIOUS MEETING MINUTES**

Bob Price made a motion to approve the October 17, 2012 Board Meeting minutes as presented. Paul Hage seconded and the motion carried.

**III. QUESTIONS AND COMMENTS FROM THE FLOOR/COMMENT BOX**

There were no questions or comments from the floor or comment box.

**IV. FINES AND HEARINGS**

David Thompson said there had not been any fines.

**V. MANAGER'S REPORT**

*A. Manager's Report*

The written Manager's Report was distributed to all Board Members prior to the meeting. Highlights included:

1. Boiler Control Panels – David Thompson will talk to the contractor about the frequent failure of the boiler control panels.
2. Zone Valve – David Thompson has informed an owner whose zone valve failed that replacement will be an owner responsibility.
3. Leak Repair – The total leak repair cost to a building feed line was \$5,000. This was an Association expense.

*B. Delinquency Report*

Gary Nicholds reviewed the written Delinquency Report. The unit at the top of the list is scheduled for foreclosure on November 30, 2012. The bad debt balance that will be written off at the end of 2012 is \$51,011. There are some units in receivership and 30% of whatever is collected goes to the attorney. Another unit is scheduled for foreclosure on February 15, 2013.

## **VI. TREASURER'S REPORT**

- A. *2012 Year-to-Date Report as of October 31, 2012*
1. Total Income - \$1,424,060 actual vs. \$1,405,160 budget (1.3% over budget).
  2. Total expenses - \$1,353,739 actual vs. \$1,382,908 budget (2.1% under budget). Expenses include both Operating Fund and Balance Sheet budgeted items.
  3. Net Income – \$70,321 actual versus \$22,252 budget.

Year-to-date Reserve income was \$244,832 with \$385,647 in expenses, resulting in a net loss of \$140,816. There were Loan Fund expenses totaling \$61,001 for the parking lot expansions.

Bob Price made a motion to approve the Financial Report. Glenn Johnson seconded and the motion carried.

## **VII. BUILDINGS, GROUNDS AND LANDSCAPING COMMITTEE**

Glenn Johnson said the first plowing last weekend was well done.

## **VIII. ARCHITECTURAL REVIEW COMMITTEE**

Cathy Brosius was not present to provide a report.

## **IX. OLD BUSINESS**

- A. *Review Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book, Public Comments*  
Glenn Johnson checked the books and all were in order for last month and this month.
- B. *Reserve Study*  
Paul Hage, Gary Nicholds and David Thompson will be meeting next week to work on the Reserve Study.
- C. *Swimming Pool Ceiling*  
The ceiling and deck have been completed. The interior of the pool needs to be cleaned. The liner needs to be inspected before the cleaning is done. David Thompson anticipates the pool will reopen by Thanksgiving.
- D. *Sewer Cleanouts*  
All scheduled cleanouts were completed. The project will be resumed in the spring.
- E. *Parking Lot Repair/Expansion*  
The planned expansions were completed for AA, J, Z, P and Q. There is \$49,000 of funding remaining for next year.

*F. Association Policies*

There is a new CCIOA requirement that will be effective January 1, 2013 related to retention of Board email correspondence.

There will also need to be a policy regarding access to Association documents for owners.

Gary Nicholds said the Association was only missing one or two of the policies required per CCIOA.

**X. NEW BUSINESS**

*A. Insurance*

Gary Nicholds said he was working with the insurance agent to clarify what is covered by the Association policy. He will have the information for the January meeting.

*B. Idling Cars*

Lee Vroble requested posting of notices reminding owners and renters not to leave cars idling in the parking lots.

*C. Nomination of a Secretary*

Glenn Johnson nominated Cathy Brosius to serve as Secretary. Bob Price seconded and the motion carried.

*D. Unit Z201*

Gary Nicholds will inspect the unit tomorrow and determine what is needed to get it in ready for renting. He asked Sylvia Dowty to determine who holds the mortgage. Sylvia will contact the title company tomorrow.

**XI. SET NEXT MEETING DATE**

The Budget Meeting will be on Friday, November 30, 2012 at 6:00 p.m. at the Basic Property Management office.

The Board will have an informal gathering on Wednesday, December 19, 2012.

The next Board Meeting will be January 16, 2013 in the Dillon Valley East Clubhouse.

**XII. ADJOURNMENT**

Glenn Johnson made a motion to adjourn at 7:46 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

Board Member Signature

Treasurer's Report

**Dillon Valley East  
Financial Summary  
As of October 31, 2012**

<b>Summary Balance Sheet</b>				
	<b>Operating</b>	<b>Reserve</b>	<b>Loan</b>	<b>Total</b>
Cash Accounts	231,273.28	662,843.97	49,131.16	943,248.41
Other Current Assets	110,421.03	0.00	0.00	110,421.03
Fixed Assets (net of depreciation)	81,792.35			81,792.35
<b>Total Assets</b>	<b>423,486.66</b>	<b>662,843.97</b>	<b>49,131.16</b>	<b>1,135,461.79</b>
Current Liabilities	69,280.69	0.00	0.00	69,280.69
Long Term Liabilities	26,038.87	0.00	1,482,728.00	1,508,766.87
Donated Capital	2.00			2.00
Retained Earnings	141,856.84	803,659.50	(1,372,595.84)	(427,079.50)
YTD Net Income	186,308.26	(140,815.53)	(61,001.00)	(15,508.27)
<b>Total Liabilities &amp; Equity</b>	<b>423,486.66</b>	<b>662,843.97</b>	<b>49,131.16</b>	<b>1,135,461.79</b>
<b>Operating Fund P&amp;L</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Difference</b>	
October Total Income	141,762.56	140,305.65	1,456.91	
October Total Expense	146,126.18	124,004.08	22,122.10	
October Net Income	(4,363.62)	16,301.57	(20,665.19)	
<b>Balance Sheet Budgeted Items</b>	<b>11,695.39</b>	<b>11,916.32</b>	<b>(220.93)</b>	
	<b>(16,059.01)</b>	<b>4,385.25</b>	<b>(20,444.26)</b>	
YTD Total Income	1,424,059.51	1,405,160.50	18,899.01	1.3%
YTD Total Expenses	1,237,751.25	1,266,004.77	(28,253.52)	-2.2%
YTD Net Income	186,308.26	139,155.73	47,152.53	
<b>Balance Sheet Budgeted Items</b>	<b>115,987.58</b>	<b>116,903.38</b>	<b>(915.80)</b>	
	<b>70,320.68</b>	<b>22,252.35</b>	<b>48,068.33</b>	

Major variances YTD:

- A little used, older truck was sold by the Association for \$3500 of unbudgeted income.
- Income from Delinquency fees was \$3403 over budget and finance charges on past due accounts \$4868 over.
- Income from the washer/dryers is \$5068 more than budgeted.
- Bad debt expense is \$26,011 over budget as we finally booked much which had built up over time.
- Total Building Maintenance is \$15,230 under budget.
- Total clubhouse/recreational is \$2696 over budgeted expenses but also \$2095 over in projected income.

- Gas is \$16,191 under budget. Water & sewer is \$4533 under.
- Legal fees are \$1371 over and office expense is \$1447 over. Director's expense is \$3899 under.
- Snow removal is \$2667 under.
- Total Grounds Maintenance is \$2810 under budget. Truck and ATV expense is \$4329 under budget and loader expenses are \$1340 under. Truck insurance is \$955 under budget.

<b>Reserve Fund P&amp;L</b>	
	<b>Actual</b>
October Total Income	24,441.86
October Total Expense	<u>4,346.24</u>
October Net Income	<u><u>20,095.62</u></u>
YTD Total Income	244,831.70
YTD Total Expenses	<u>385,647.23</u>
YTD Net Income	<u><u>(140,815.53)</u></u>
<b>LOAN Fund P&amp;L</b>	
	<b>Actual</b>
October Total Income	0.00
October Total Expense	<u>25,150.00</u>
October Net Income	<u><u>(25,150.00)</u></u>
YTD Total Income	0.00
YTD Total Expenses	<u>61,001.00</u>
YTD Net Income	<u><u>(61,001.00)</u></u>

## Notes from the President

### Season's Greetings

We had a mild start for winter with little snowfall. Bad news for skiers and riders. Good news for our maintenance budget. Sorry for being a Scrooge, but us not spending much money moving snow this fall helps the overall budget.

Speaking about the budget, it looks like the dues for 2013 will not increase. During the budget meeting in November, the committee recommends not raising the dues for 2013. A final vote will take place in mid-December.

Investors, please remind your renters not to lower the thermostat below 60 degrees. Many of the buildings have heating pipes in the exterior wall and there is potential for frozen pipes if the heating fluid is not flowing.

Several residents have hung seasonal lights on the balconies. Thanks for making Dillon Valley East colorful.

### Clubhouse Holiday Hours

Christmas Eve	9:00 AM – 3:00 PM
Christmas Day	Closed
New Year's Eve	9:00 AM – 3:00 PM
New Year's Day	12:00AM – 9:00 PM

There will not be a formal Board meeting in December. The next formal meeting will be January 16, 2013.

Sincerely,

Richard Garcia  
President  
Dillon Valley East Condominium Association