

DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
March 21, 2022

I. CALL TO ORDER

The meeting was called to order at 6:01 p.m. by Richard Garcia in the Basic Property Management conference room and via videoconference (Webex).

Board members participating (*via videoconference) were Richard Garcia, Bob Price*, Joyleen Helcoski, Willie Hoevers*, Holly Holden, and Lisa Watkins.

Owner Hillary Papp (F201/Z201/E302/AA101) * was a guest at the meeting.

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

II. APPROVAL OF PREVIOUS MEETING MINUTES

Motion: Holly Holden moved to approve the February 21, 2022; Board Meeting minutes as presented. Joyleen Helcoski seconded, and the motion carried.

III. OWNER COMMENTS

Hillary Papp said there have been issues with cars parked in the lots that are not being moved and are buried in the snow. Some are missing license plates and parking permits. There is also a large camper in the N lot. Matt Litowkin said the cost to tow a car is \$250, which is paid by the owner if they pick it up or by the Association if the car is not claimed from the tow lot within a certain timeframe. Some of the towing companies do not have space in their lots.

Action Item: Matt Litowkin will follow up on these vehicles tomorrow.

IV. TREASURER'S REPORT

Bob Price reported that prices continue to rise. Nearly 40% of the February price increase for finished products was due to higher gas prices. The Association was \$8,700 unfavorable to budget for the month of February and \$10,910 unfavorable to budget year-to-date. For January, the 12-month price inflation was revised up to 10%. The CPI rose 7.9% for the 12 months ending February. Bob reviewed the significant variances:

1. Administrative - over budget due to the employee bonuses, which were not budgeted and should be included in the budget next year.
2. Washer/Dryer Income - \$1,958 unfavorable to budget due to the timing of the check from vendor.
3. Director Expense - \$7,417 unfavorable to budget due to staff bonuses,
4. Trash - \$804 unfavorable to budget. Bob Price will be analyzing the trash invoices by building to determine if there is a pattern for the overages. Matt Litowkin said overages are more common in summer when rental units turn over. Refrigerators are often left by the dumpsters because they are difficult to move and there is a charge for disposal at the landfill.

Action Item: Matt Litowkin will follow up with Patti Vande Zande on the trash overages.

5. Utilities - \$4,100 unfavorable to budget. Gas/Electric was \$3,668 unfavorable to budget.

The Balance Sheet reflected \$2.5 million in cash, including \$794,000 in Operating and \$1.71 million in Reserves.

Reserve expenses totaled \$4,587, with \$3,510 for boiler/water tanks, \$547 for sewer/water lines and \$530 for governing document revisions.

Motion: Lisa Watkins moved to approve the financial report. Joyleen Helcoski seconded, and the motion carried.

V. FINES AND HEARINGS

There were no fines or hearings.

VI. MANAGER'S REPORT

A. *Manager's Report*

Matt Litowkin distributed his report prior to the meeting and there were no questions.

B. *Delinquency Report*

Bob Price reported that the delinquent balance was down. The Association received \$10,800 and \$2,650 was sent to collections.

VII. ARCHITECTURAL REVIEW COMMITTEE

An owner who is planning to sell, discovered radon in the unit. The HOA attorney drafted a document that assigns all responsibility for installation, repair, and maintenance of any radon mitigation system to the current and future owners. Richard Garcia signed the document, and the current owner will be asked to sign it.

VIII. OLD BUSINESS

A. *Declarations & Bylaws Voting*

The documents were filed with the court last week.

B. *New Truck*

The truck is ready, but the dealer is still waiting for delivery of the computer chip.

C. *Playground*

A survey was conducted of the owners and there were 55 respondents. Richard Garcia reviewed the responses. It was noted that the survey question answers somewhat contradicted the written comments. The three preferred pieces of equipment were swings, a climbing tower, and slides.

Action Item: Richard Garcia will forward the written comments to the Board for review.

Action Item: Matt Litowkin will obtain updated bids.

IX. NEW BUSINESS

A. *List of Contracts Coming Up for Renewal*

The Timberline contract has been renewed. All other contracts are valid for at least two more years.

B. *Your Voice Matters*

House Bill 22-1137 is pending in the legislature. Richard Garcia noted that BPM is already acting in compliance with about 95% of the requirements. It could impact the Collection Policy and procedure for foreclosure, but this would be handled by the attorney. Bob Price summarized key points of the 2013 Collection Policy and the proposed bill.

The comments from the attorney at Orton Cavanagh and Joyleen Helcoski were reviewed:

1. This bill proposes to limit and/or prohibit associations from charging and collecting reasonable late fees, interest, and fines for violations of governing documents, including failure or refusal to pay assessments. The limits are 8% interest and \$50/day, which does not seem unreasonable.
2. The bill proposes to cap damages that associations are entitled to recover from delinquent homeowners. The bill will also strip associations of their rights to enforce liens and recover attorney fees incurred to enforce the governing documents, including homeowners' obligations to pay assessments. The bill has a \$7,500 limit on collecting delinquencies in small claims court, but accounts can be sent to collections with a simple vote of the Board. This bill does not prohibit the association from enforcing liens or recovering attorney fees, but they are capped at three times the delinquent balance.
3. Additional requirements will be imposed on volunteer board members and managers when homeowners refuse to pay assessments, including requiring board members or managers to confront delinquent owners in person and via text message. This poses significant safety risks for board members and managers who are not trained or comfortable with confronting homeowners in this manner. Sending an email and certified letter is not a safety risk and is a courtesy.
4. Associations would face significant financial harm due to the limited ability or inability to enforce contractual payment obligations, including payment plans. The bill would mandate extended multi-year payment plans and would also allow delinquent owners to miss or skip payments without penalty or recourse for associations. The payment plan specified that monthly payments cannot exceed 10% of monthly dues, but if three payments are missed, foreclosure can be pursued. Large delinquencies will take over one year to collect.

Joy Helcoski summarized that BPM does a great job enforcing the governing documents without abusing the powers. She supports the bill in general and feels it will protect owners who are members of predatory associations.

There was agreement that there would not be much of an impact for DVE, if any. The only action is to ask the attorney for her thoughts.

Action Item: Gary Nicholds will ask Lindsay Smith to provide a summary for Board review.

C. *Carpet Bids*

Frisco Flooring was on site last week to measure a single stack and a double stack.

Action Item: Matt Litowkin will forward their bid to the Board once received.

X. **SET NEXT MEETING DATE**

The next Board Meeting will be held on Monday, April 18, 2022, at 6:00 p.m. at the BPM Office and via Webex.

XI. **ADJOURNMENT**

Motion: Richard Garcia moved to adjourn at 7:20 p.m.

Approved By: _____ Date: _____
Board Member Signature