

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
October 21, 2024**

I. CALL TO ORDER

The meeting was called to order at 5:31 p.m. by Richard Garcia in the Basic Property Management office and via videoconference (*).

Board members present were:

Richard Garcia, President, T106*
Bob Price, Treasurer, G305
Sarah Olson, Member, R305*

Willie Hoevers, Vice President, J206
Joy Helcoski, Secretary, B106
Adrienne Issac, Member, Y206

Owner Donny Cryer 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 transcribed the minutes from recording.

II. APPROVAL OF SEPTEMBER BOARD MEETING MINUTES

Motion: Willie Hoevers moved to approve the September 21, 2024 Board of Directors Meeting minutes as presented. Sarah Olson seconded and the motion carried.

III. TREASURER'S REPORT

As of September 30, 2024, Total Expenses were 74.8% of budget with a \$504,000 favorable variance to budget. The cash balance was \$2.89 million. There was a \$4,258 unfavorable variance for the month due to overages in Insurance, Building Maintenance and Water & Sewer. There were favorable variances for the month in Natural Gas (\$8,600) and Repair & Maintenance (\$1,300). There was a year-to-date favorable variance of \$7,460 due to favorable variances in Natural Gas (\$25,000), Office and Director (\$2,700), Pest and Damage Claims (\$4,700).

The \$15,483 expense for Income Tax was moved to Reserves. There is a \$250,000 provision for the roof project down payment, in addition to the other scheduled projects.

Owner delinquencies totaled \$8,986 for five units. There was \$1,941 collected in September. Two owners are in collections, two have been sent statements and one account was brought current. There is one owner in foreclosure proceedings.

Motion: Willie Hoevers moved to approve the Treasurer's and Owner Delinquency Reports. Joyleen Helcoski seconded and the motion carried.

IV. FINES & HEARINGS

There were no fines or hearings.

V. MANAGER'S REPORT

Matt Litowkin sent his report to the Board prior to the meeting.

VI. ARCHITECTURAL REVIEW COMMITTEE

Richard Garcia reported that an owner rebuilt their fence and there was a complaint from a neighbor. He presented photos of the new fence, which included a metal post for the gate and caps on the posts. He recommended modifying the Fence Policy. The existing fences would be grandfathered.

Action Item: Matt Litowkin and Sarah Olson will work on updating the Fence Policy.

VII. OLD BUSINESS

A. *Swimming Pool Deck Project*

The pool deck project was completed on Friday and the pool was opened today after chemical checks and cleaning.

B. *Insurance*

Gary Nicholds reported that the new policy is a five-month property policy at a cost of about \$50,000 with a March 1st renewal date. The policy includes wildfire and ordinance and law coverage. The goal is to get back into the standard market with an annual policy that will cost \$250,000 - \$300,000. There are two agents working on obtaining quotes before the start date of the new policy on November 15th. The new policy can be cancelled if a less expensive policy is identified.

C. *Roofs*

Bob Price reported that the building roofs were last replaced between 1998 – 2003 so they are now 21 - 26 years old. The Clubhouse roof was replaced in 2011. There is some useful life remaining but there are deteriorated areas and a bid of \$4,300 was received from Blue Spruce for repairs that are recommended before winter. There are two detailed bids for replacement of \$1.994 million from Blue Spruce and \$1.3 million from Monroe for all 26 buildings including the Clubhouse. The 2025 Budget includes a \$1.5 million line item for asphalt shingles spread over three years. There is a \$250,000 allocation in 2024 for a deposit to lock in material costs and the 2025 Budget includes \$250,000 to complete 1/3 of the re-roofing project. A decision needs to be made about the repairs and when to start the roof replacement. Bob thinks there could be an insurance advantage to metal roofing or Class 4 asphalt shingles. The Board agreed to start the project in the spring of 2025.

Action Item: Bob Price will chair a committee to work on the roofing project and develop a list of specifications with Gary Nicholds and Matt Litowkin.

D. *Fire Extinguisher Inspection*

The fire extinguisher inspection in the common areas has been completed. There were several extinguishers that required replacement so the expense was higher than anticipated.

E. *Certify Sarah Olson as the Architectural Committee Chairperson*

Richard Garcia confirmed Sarah Olson as the Architectural Committee Chairperson.

F. *ADA Compliant Ramp at Building E*

The ramp was built on common area and maintenance and snow removal are now an Association responsibility. The owner is aware the ramp needs to be modified so the snow does not dump into a parking space. Another option would be to have the owner switch parking spaces with another owner so his stall is at the bottom of the ramp.

VIII. NEW BUSINESS

A. *Swanson de Oro Ditch*

Matt Litowkin said there is a sinkhole above the culvert. When A-Peak started the repairs, they discovered that the culvert had deteriorated and needed to be replaced. The owner of the ranch that is on the receiving end of the water from the culvert offered to sell DVE a piece of culvert for \$1,300, which will save DVE \$1,400. The cost to dig out and replace the culvert will be \$23,420. The drive lane by Building A will be unpassable for a day or two. There is a sense of urgency because Peak One will no longer manufacture asphalt for patching after November 15th. The Board approved the project.

B. *Selective Tree Removal*

Gary Nicholds said there were about 32 trees identified by Alpine Tree that need to be removed or trimmed at a cost of about \$8,200. This work can be scheduled in the spring.

C. *E101 Water Damage*

Eric Nicholds said the bathtub hot water faucet was left running possibly for weeks or possibly months and once discovered, there was extensive mold throughout the unit. The damage was limited to the unit.

D. *Update Policy Regarding Patio Fences*

This agenda item was discussed under Section VI.

E. *Entry Door Cylinder Lock Replacements*

Matt Litowkin said there have been some owner complaints about the common entry door locks. The cost to replace all locks would be about \$65 each. The Board agreed incurring this expense was not necessary since there have not been multiple complaints about the same door.

IX. OWNER COMMENTS

Donny Cryer said the minutes from last month's meeting were not posted and the links from the realtor information page to the Policies and insurance link are not working. Richard Garcia said the Policies can be accessed from the Documents tab. The insurance renewal information was just recently received and will be posted.

X. 2025 BUDGET

Bob Price reviewed highlights of the 2025 Budget.

1. The key issues for 2025 include insurance, energy prices, the roof replacement project and the Reserve Budget.
2. The Board has little influence over about 94% of the budget expenses, which include the Management Contract, Water & Sewer, Cable, Common Area Insurance, Natural Gas, Trash and Electric line items.
3. Total Operating expenses are budgeted to increase 3.5%.
3. The Reserve Budget includes a \$250,000 deposit for roofing materials and total Reserve expenses of \$520,990.
4. The Reserve contribution was increased to 13.8% of monthly assessments, up from 10.9% the prior year.

- 5. The 2025 Budget includes an overall 11.1% dues increase, which equates to \$25/month for studios, \$43/month for one bedrooms, \$56/month for two bedrooms and \$72/month for three bedrooms.

There was discussion about reducing the amount of the dues increase and addressing the cost increases with a Special Assessment instead.

Action Item: Bob Price will send the Board information on different dues increase scenarios, once the insurance renewal information is received.

XI. NEXT BOARD MEETING

A Special Board Meeting was scheduled for November 12, 2024 at 5:30 p.m. to approve the budget. The next regular Board Meeting was scheduled for November 18, 2024 at BPM and by Zoom. The Board dinner will be held on December 17th at Tavern West at 6:00 p.m. There will not be a Board Meeting in December.

XII. ADJOURNMENT

The meeting was adjourned 7:32 p.m.

Approved By: _____
Board Member Signature

Date: _____