

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

January 19, 2005

Dillon, Colorado

Board members present were Richard Garcia, Sylvia Dowty, Donald Jones, Tom Nickerson, Gregg Pooley and Ed Lee.

Homeowners present were Mike Immordino (E203), Horst Meissner (Y304), Julie Jones (B301), Paul Hage (BB203, N205 and Q305), Tony Biancarosa (Z304 and Z305), Gloria Wisser, Julie Bollinger (T206), Don and Laurel Gardy (X202), Carla and Gary Carter (I302), and Rob and Latonya Hill (G204).

Representing Basic Property Management were Julian Brody, Dan Ulmer and Lanelle Barnett. Erika Krainz was recording secretary.

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I. CALL TO ORDER

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

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

Tom Nickerson made a motion to approve the minutes of the November 17, 2004 Board Meeting as presented. Sylvia Dowty seconded and the motion carried. Sylvia Dowty made a motion to approve the minutes of the December 18, 2004 Board Meeting as presented. Tom Nickerson seconded and the motion carried.

A. Comments from the Floor

Julie Jones asked if the management position working hours would be staggered so there is someone on site at night when most of the rules violations tend to occur. Dan Ulmer said he would take it into consideration.

III. BOARD VACANCY

Chris Janz resigned from the Board in November. Mike Immordino had expressed interest in serving so Richard Garcia appointed him to serve the remainder of Chris' term, expiring in September 2006.

IV. RESIDENT MANAGER'S REPORT

A. Staff Changes

Dan Ulmer said Rob Crowe had resigned his position for another business opportunity. Julian Brody has taken over as Manager for the property and Dan is in the process of interviewing to fill Julian's position.

Dan said the staff had been working hard to manage the snow and ice, and in the process they have used almost three pallets of ice melt (about 1.5 tons).

B. Delinquencies:

Dan Ulmer reported the total current delinquent balance was \$25,154. The unit with the largest amount due will go into foreclosure and the owner carrying the loan will take possession. The Association will get six months of dues. Several other delinquent owners are making payments and trying to get caught up. One other owner has been served and the unit will go into foreclosure.

V. TREASURER'S REPORT

Donald Jones said he had recently reviewed the financial records and in the process he identified a few areas of concern, explained in detail in the Treasurer's Report:

1. The Association has paid about \$1,500 in late fees and finance charges since June. He requested that Basic account for such fees separately on the financial reports, and that the due date for each bill also be indicated.
2. Bids should be obtained for all major repair projects. About \$16,000 has been charged to the Association for projects done by Basic, including the retaining wall, exterior lights, trimming, siding, banding and major boiler repair. He asked Basic to provide copies of the bids for the projects and records of the expenditure approval by the Board.
3. The Reserve balance is currently \$97,145 with \$48,529 loaned to the operating account. Donald recommended reducing expenses for the coming year to \$30,000 in May and \$30,000 in August to increase the balance.
4. The Association switched to an accrual basis from a cash basis a few months ago. The accrual-based accounting is more complicated and he thought it might be advisable to change back to a cash basis.

He listed a few general concerns he had about the management company:

1. The information flow is not always timely regarding the budget and financials.
2. The common areas are not being kept clean consistently.
3. The collection on delinquent accounts has not been pursued.
4. Rules and Regulations enforcement has been inconsistent, especially on weekends and at night.

Donald Jones made a motion to solicit bids from other management companies in order to compare the value of the services being provided.

Sylvia Dowty made a motion to accept the Treasurer's Report. Ed Lee seconded. In discussion, Ed commended Don for his work on the report. Richard Garcia said he would need to review the concerns with Basic, since he had not seen this report prior to the meeting. The motion to approve the Treasurer's Report carried.

Discussion resumed regarding the motion to solicit management bids (as the motion was made by a member of the Executive Board, a second was not required). Tony Biancarosa asked if Dan Ulmer had seen this report prior to the meeting and Don responded he had not. Tony felt Dan should be given a chance to respond to the issues. Sylvia Dowty agreed, and pointed out there were not many management companies qualified to handle

a property of this size. She felt Basic has done a great job managing the property to this point.

Ed Lee thought there might be a need for tighter financial management on the part of both the Board and Basic. He suggested the Board should first address the overall subject represented by the issues, i.e. the management of cash and accountability thereof, and what type of changes would need to be made per the comments. Until that is done, he felt it would be premature to solicit bids. Gregg Pooley agreed.

Sylvia Dowty said the Board might also want to review the move from the cash to accrual basis. She concurred that the accrual based accounting system was more difficult to understand.

Dan Ulmer said he would need some time to review the comments in the Treasurer's Report, but pointed out that the Board hired an independent auditor to review the books in 2003 and no problems were identified. Second, there were some unbudgeted and unplanned projects done, but they were done with in-house labor on Association time. He said he would be willing to review all the financial records with any interested Board members.

The motion to solicit management company bids did not carry with one in favor and four opposed.

Richard Garcia said he would arrange a meeting with Basic and any interested Board members to discuss the items on the Treasurer's Report.

VI. FINES AND HEARINGS

Dan Ulmer reported that there were four rules violations and thirty parking violations during the past month, but no fines were assessed.

VII. BUILDINGS/GROUNDS/LANDSCAPING COMMITTEE

Julie Bollinger said the staff had worked very hard to keep the snow banks pushed back and did not contract for any heavy equipment, saving the Association about \$600. A backhoe was rented for one week at a cost of \$620 to do the work (heavy equipment would have cost \$1,200 for one day of work). Plowing will be done with the diesel truck whenever possible.

VIII. OLD BUSINESS

A. Security Inspection, Hallway Cleaning and Boiler Inspection Books
Julie Bollinger said she signed all inspection books. The hallways were vacuumed today.

B. Rental Unit Committee
Donald Jones said the Committee decided not to increase any fees for rental owners. The Committee also discussed increasing the fines being charged for

various violations. Another idea discussed was utilizing a stricter lease. There is a "crime free" addendum on Denver property leases which allows for removal of any tenants who commit crimes. The next meeting will be on January 29, 2005 at 1:00 p.m. to discuss the lease addendum and fine structures. Donald requested Board approval to forward any proposals from the meeting to the attorney for review so it can be discussed at the February Board meeting. Richard Garcia said he thought the information should be brought to the Board first. Sylvia Dowty noted many leases expire at the end of ski season in April, so the Board would have a few months to make their decision. Ed Lee said he would support having the attorney review it first so the Board knows the ideas being discussed would be legal.

Ed Lee suggested the Board require renting owners to provide a copy of their lease to the Board. Tom Nickerson said this had been discussed in the past.

The Board authorized Donald to forward the list of proposals to the attorney once it has been refined by the Committee.

C. Johnson Unit Modification Request

Richard Garcia provided a copy of a proposed Resolution to allow alteration of units. He drafted the Resolution using the CCIOA document as a guideline.

Gregg Pooley made a motion to accept the Resolution as presented. Tom Nickerson seconded and the motion carried. The Resolution will be signed by the Board President and recorded with the County. The Resolution applies to all owners in Dillon Valley East. A copy will be included as an addendum to these minutes.

An architectural change agreement was also drafted and will be signed by the Johnson's.

D. Convert Short Term Parking to Paid Long Term Parking

Donald Jones said he did not have any new information to present. Tom Nickerson made a motion to table this issue until the July meeting. Donald Jones seconded and the motion carried.

E. Owner of Unit X202

The owner has not responded to the invoice and demand letters regarding the \$3,805 expense for the repair of water damage. Dan Ulmer recommended turning the issue over to the attorney to be handled like a delinquency. Dan was directed by the Board to have the attorney write the owner a letter.

IX. NEW BUSINESS

A. Resolution for Fines and Hearings

Rich Garcia postponed this issue for another month.

B. Property Management Contract

The new management contract with Basic was signed for a three-year term starting in January 2005.

C. Parking Permit

Ed Lee provided a sample of the temporary parking permit. He suggested that "No Back-In Parking" be printed on the tag. Rich Garcia reviewed how the numbering system for parking spaces and tags was developed. Management was asked to get a bid to convert the entire complex back to traditional parking space numbers. Julie Jones noted there should be street numbers on the ends of the buildings as required by the Fire Department. An owner proposed providing a map in the Clubhouse indicating where cars should be parked. Mike Immordino suggested leaving "Dillon Valley East" off the tag for security reasons.

X. SET NEXT MEETING DATE

The next Board Meeting will be on *Wednesday, February 16, 2005 at 7:00 p.m.* in the Dillon Valley East Clubhouse.

XI. ADJOURNMENT

The meeting was adjourned at 8:25 p.m.

Approved By: _____ Date: _____
Board Member Signature

Addendum

DVE Treasurer's Report December 31, 2004

The following is a summary of the Dillon Valley East financial condition for January through December, 2004.

ASSETS	
Current Assets	35,057.51
Allocated Reserves	145,673.51
Fixed Assets	<u>174,429.70</u>
Total Assets	<u><u>355,160.72</u></u>

LIABILITIES/FUND BALANCE	
Liabilities	175,149.53
Operating Fund Balance	34,337.68
Replacement Reserve Fund Balance	<u>145,673.51</u>
Total Liabilities/Fund Balance	<u><u>355,160.72</u></u>

Year-to-date operating income and expense actual vs. budgeted amounts:

	Actual	Budget	Diff
Income	1,161,737.27	1,154,146.00	7,591.27
Expenses	<u>1,198,076.66</u>	<u>1,151,646.00</u>	<u>46,430.66</u>
Net Income	<u><u>(36,339.39)</u></u>	<u><u>2,500.00</u></u>	<u><u>(38,839.39)</u></u>

The largest areas of expense overages were due to utility rate increases, insurance rate increase, and several sewer backups and broken pipes.

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
February 16, 2005
Dillon, Colorado**

Board members present were Richard Garcia, Sylvia Dowty, Donald Jones, Tom Nickerson and Mike Immordino.

Homeowners/tenants present were Tony Biancarosa and Gloria Wisser (Z304 and Z305), Julie Bollinger (T206), Barb and Glenn Johnson (S104 and S105), Don and Laurel Gardy (X202), Jean Buckman (Q303), Lee Vroble (X302), Dan Mills (I103), William Pifer (T101), Sabino Blanco (AA103), Jacob Suskewicz and Jason Greenhouse (O202), and Adam Robinson and Joe Mondello (P104).

Representing Basic Property Management were Julian Brody, Dan Ulmer and Lanelle Barnett. Erika Krainz was recording secretary.

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I. CALL TO ORDER

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

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

Tom Nickerson made a motion to approve the minutes of the January 19, 2005 Board Meeting as presented. Mike Immordino seconded and the motion carried.

A. Comments from the Floor

Lee Vroble presented a resolution requesting replacement of the side door panel that is still damaged. Richard Garcia asked Julian Brody to follow up.

Dan Mills said he spoke to Robert Crowe about storage of his kayak on his balcony a few months ago. He was told it needed to be moved but it is too long to store under the stairs so he requested a variance. It is hung from two hooks just like a bicycle. Dan Ulmer said the Rules did not allow anything to be visible above the handrail and suggested storing it behind the garage instead. Dan will work with Julian Brody to locate a storage area.

Jacob Suskewitz described an incident involving him and his roommates at the Clubhouse. They were thrown out by the Manager, their privileges revoked and the Sheriff was called. He did not feel the matter was handled appropriately. Richard Garcia said he would make sure the privileges were reinstated. Jacob was informed he must contact his leasing agent to get the appropriate membership card.

William Pifer said his unit was infested with roaches so he had the unit sprayed. He recommended the surrounding units be inspected and exterminated as needed.

Sabino Blanco said he had a problem for several months with a leak coming from the unit above his. Dan Ulmer said the leak had been fixed. Sabino did not think it should have taken over four months to get repaired. He has also had an ongoing problem with excessive noise in the unit above him. The owner of the unit above him said she would ask the tenants to move if directed to do so by the Board. Rich Garcia said the Board would review Gustavo's written documentation of the complaints and contact her.

III. RESIDENT MANAGER'S REPORT

Julian Brody provided a written summary of management activity (attached). He said there had been numerous leaks caused by collapsing copper pipes, especially in the G Building. He anticipates there will be more deterioration in the coming years in other buildings due to aging.

He would like to replace all the top valves because they are deteriorating. Rich Garcia asked him to include this on his project list.

The moisture damage in Unit T101 was cleaned up. The seven incorrect building numbers will be replaced.

A. Delinquency Report

Dan Ulmer reviewed the Delinquency Report, noting there were ten units with significant balances. One unit (\$4,716 delinquent) is under contract and is due to close soon. Four are making regular payments to get caught up. Donald Jones requested that the credit balances be reflected as liabilities. Lanelle Barnett agreed to make that change to the reports.

IV. TREASURER'S REPORT

Donald Jones reported that as of the end of January the Association was \$8,988 under budget with an operating balance of \$8,148. He recommended allocating \$4,124 to the Reserve account each month to start paying back the loan.

As of the end of January the Reserve account balance was \$108,919. There is an outstanding loan from 2004 to the Operating account of \$48,507. There are no large projects forecasted for March and April.

The Gas bill increased from about \$18,000 for October to \$32,409 in December. He walked the property and found there were over forty open sliding doors and/or windows. He requested that residents turn down the thermostat instead of opening the windows. He also asked residents to contact management about any excessive or inadequate heating issues. Donald noted owners should not turn off the heat entirely during the winter to avoid frozen pipes.

Tony Biancarosa requested copies of the actual Balance Sheet and Income Statement in addition to the Treasurer's Report.

Tom Nickerson made a motion to accept the Treasurer's Report as presented and to address the recommendation regarding repayment of the loan in New Business. Sylvia Dowty seconded and the motion carried.

V. FINES AND HEARINGS

Dan Ulmer reported that there were fifty warnings issued and one potential fine to AA203 for disturbance.

VI. BUILDINGS/GROUNDS/LANDSCAPING COMMITTEE

Julie Bollinger suggested the Board consider raising the fines considerably in order to help with enforcement.

VII. OLD BUSINESS

A. Security Inspection, Hallway Cleaning and Boiler Inspection Books
Julie Bollinger said she signed all inspection books.

B. Rental Unit Committee

Donald Jones said the Committee met on January 29th and had a long, productive meeting. Turnout was not as good as the first meeting with only about ten in attendance. The Committee supported attaching the "Crime Free Addendum" to all leases. He also presented a proposal for a standardized lease. The next step will be to have the lease reviewed by an attorney, and then to incorporate a policy wherein the standard lease and addendum must be used and copies provided to management. This should be ready for review by the Board by the next meeting.

Dan Ulmer explained the use and benefit of the "Crime Free Addendum". Gloria Wisser suggested having the Crime Free Addendum translated into different languages. Dan said this could be done after approval by the Board and attorney. It will also be uploaded to the website.

Val Crangle was recognized for her efforts on this project.

C. Johnson Unit Modification Request

The Resolution has been recorded with the Summit County Clerk. Barb Johnson thanked the Board for their work on this project. She provided copies of the architectural drawings and signed inspections for the project. She invited the Board to stop in to see the final results.

D. Owner of Unit X202

The owner has not responded to the invoice and demand letters regarding the \$3,805 expense for the repair of water damage. The issue has been handed over to the attorney.

- E. *Structural Problem in Unit A205*
The owner has not responded to the demand letter. Dan Ulmer said he would have to find a contractor to finish the work.
- F. *Parking Permit Change Bids*
Dan Ulmer proposed adding the unit numbers above the existing numbers on each parking spot.

VIII. NEW BUSINESS

- A. *Resolution for Fines and Hearings*
Rich Garcia said there had been a change in the way the fines are issued and he did not feel the Resolution was necessary at this point. This Resolution could be revisited at some time in the future if necessary. The Board agreed to table this issue indefinitely.
- B. *Indemnification Agreement between DVE and Summit County*
Rich Garcia explained the walkway was on the Summit County right of way so the Association probably did not have much of a choice.

- C. *Contract Amendment*
The new management contract was signed for a three-year term starting in January 2005. Rich Garcia reintroduced an Amendment that was created last year. It specifies that Basic Property Management staff will be allowed to perform heavy duty work on the property, instead of only outside contractors.

Tom Nickerson made a motion to accept the Contract Amendment. Sylvia Dowty seconded and the motion carried (copy attached).

- D. *Loan Repayment*
Donald Jones made a motion to start repayment of the loan to the Operating account from the Reserve account through a \$4,124 monthly transfer. Tom Nickerson seconded and the motion carried.

IX. SET NEXT MEETING DATE

The next Board Meeting will be on *Wednesday, March 16, 2005 at 7:00 p.m.* in the Dillon Valley East Clubhouse.

X. ADJOURNMENT

With no further business the meeting was adjourned at 8:15 p.m.

Approved By: _____ Date: _____
Board Member Signature

Resident Manager's Report. Board Meeting Feb 16, 2005

Clubhouse:

- 1- Replaced two boilers tubes for Clubhouse main boiler. Work done by in house labor.

Buildings:

- 1- A water leak in B-102 was repaired. The leak caused damage to drywall, repaired, Texture and painted. Work done by in house labor.
- 2- A water leak in AA-203 caused damaged to AA-103 was repaired. Dry wall damage and texture was repaired, and also repainted. Done by in house labor. Bill was sent to owner of AA-203.
- 3- Glycol leak in Q-304 caused damaged to Q-204. It was repaired and billed owner of Q-304.
- 4- A water leak in G-105 was repaired. Drywall and texture. In house labor.
- 5- A water leak in G-103 was repaired. Drywall and texture. In house labor.
- 6- Water leak in H-101 was repaired. Four Kings was called to clean up water damage. We also had drywall damage. We are in the process of completing repair.
- 7- A water leak in O-201 was repaired. The leak caused damage to unit O-101. Repaired drywall damage and called Four Kings to clean up water damage. Bill was sent to owner of O-201.
- 8- In T-101 water damage was repaired and drywall texture.
- 9- Installed building numbers on all main building from A to BB.
- 10- Towed 4 cars.
- 11- Gave out 50 warnings.
- 12- A warning with a proposed fine was given to the tenant of AA- 203 for disturbance. Owner of AA-103 called the police for the disturbance.

Basic Property Management Contract Modification

Richard Garcia proposed a motion to change Section V, Major/Special Projects to allow Basic Property Management staff to do heavy maintenance, since they now have the necessary training and equipment.

The only change is in the sentence:

“When such events or projects occur, they shall be done by outside contractors, **not** Basic personnel, and at Association expense”.

The amendment would change the **not** to **and/or**.

A motion was made to approve the amendment by Richard Garcia and seconded by Thom Nickerson. The motion was carried.

Notes from the Pres.

As we approach spring, your Board of Managers is working with our property management company, Basic Property, to line up projects for spring, summer and fall. The dumpster enclosures will be completed and several building entrance doors will be replaced. In March, we will have specific information about which doors will be replaced. We may not complete the walkway east of the clubhouse due to price increases and budget constraints. Our focus is to grow our financial reserves.

Why a reserve fund and what is it?

A reserve fund is a replacement fund for major items that will eventually wear out and need replacement. It is not a repair fund. Some may wonder why they should contribute to items that may not need to be replaced for several years. The answer is: You pay a little now, or pay a lot later in the form of an assessment. I am talking about \$10,000 to \$15,000 assessments.

A Reserve Fund:

- Meets legal fiduciary and professional requirements.
- It provides for the planned replacement of major items that must, at some point in time, be replaced.
- Major items deteriorate during use. Although a roof will be replaced when it is 25 years old, every owner who lived under it should share its replacement costs.
- It minimizes the need for special assessments. Owners, especially those on fixed incomes, may have limited resources. They may be unable to afford the large special assessments necessary for major replacements.
- A replacement fund enhances resale values. Lenders and real estate agents are aware of the ramifications for new buyers if the replacement reserves are inadequate.

Parking

In case you have not noticed, parking is at a premium. Several units have multiple tenants to share expense and each tenant usually brings along their own vehicle and believes they have a right to park in their parking lot. The rules have not changed. Each unit is allowed two (2) parking spaces in their respective parking lot. All other vehicles must be removed from the parking lot. We understand that guests take up space. But that is usually for a few hours. Long term guests (One or more days.) should park their vehicles at the clubhouse after getting the OK from the clubhouse staff. By the way, owners are responsible for their tenant's behavior. A vehicle receiving a fine will cause action against the owner of the unit.

Vehicles without parking passes, not registered, having expired tags, or parked incorrectly will be warned, and then fined or towed. If the vehicle is not registered with the clubhouse, it will be towed at the expense of the owner. Towing charges are at \$250.00 with storage fees added on.

Security Doors

The entrance doors to the buildings are called security doors. They provide access to multiple units. Propping the doors open for loading and unloading is OK. But to prop the door open and not be around invites intruders to enter and do harm. If you find the door for your building has been propped open with the responsible person not nearby, please report the situation to the clubhouse. If two out of three people in a stack make a report, then by elimination we can find the culprit and educate them with a warning or fine.

Thank you,

Richard Garcia
President
Dillon Valley East Condominium Association

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

**March 16, 2005
Dillon, Colorado**

Board members present were Ed Lee, Sylvia Dowty, Donald Jones, Tom Nickerson and Mike Immordino.

Homeowners present were Julie Bollinger (T206), Barb and Glenn Johnson (S104 and S105), Don and Laurel Gardy (Z202), Lee Vroble (X302), Paul Hage (BB203, Q205, N305), Carla Rigger (G205), and Tom Lorenz (X103).

Representing Basic Property Management were Julian Brody and Dan Ulmer. Erika Krainz was recording secretary.

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I. CALL TO ORDER

The meeting was called to order at 7:20 p.m. by Tom Nickerson.

II. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

Sylvia Dowty made a motion to approve the minutes of the February 15, 2005 Board of Managers Meeting as presented. Ed Lee seconded and the motion carried.

A. Comments from the Floor

Lee Vroble asked about the status of the letter he sent regarding the rental lease. Tom Nickerson said the Board was still in the process of reviewing the lease. Once the review is completed the Board will contact the owners regarding inclusion of the lease in the Association documents. Lee noted that the Committee members might like to see the final product. He felt there was an opportunity to address the two primary concerns, i.e. demographics and density. He believes these two issues need to be addressed or the other problems will never be resolved. Tom said he would circulate the letter to all Board members.

III. RESIDENT MANAGER'S REPORT

A. Leaks in G Building

Julian Brody stated there were major leaks in the G Building. Every lower unit had a leak in the main line. Dan Ulmer explained that the copper pipes were starting to develop pinholes, resulting in six leaks in a one month period. So far only the G Building has experienced the problem. Ed Lee predicted there would be more leaks and asked what prudent action should be taken, such as replacement, to minimize the damage. Julian said he did all the work in-house, including the plumbing and sheetrock. He cut out the bad pipe sections and soldered in new pipe. Ed felt this was a temporary solution. There does not appear to be any pattern in the location of the leaks.

Dan Ulmer noted the unoccupied units were checked regularly for evidence of leaks, but inspecting the actual pipes would require cutting holes in the ceilings and walls, which would then have to be repaired. Dan recommended taking further action if the leaking gets worse, but otherwise to wait and watch. Ed Lee asked if an engineer/plumber could help develop a plan for the future. Dan said he could contact Tom Hill.

B. Zone Valves

Julian Brody said Roy Rodgers was not manufacturing any more zone valves, so any valves needing replacement must be converted to the Honeywell valve, which is more expensive and requires some new piping. He has a few more Roy Rodgers valves in inventory. Each replacement costs several hundred dollars because the entire heating system has to be shut down and drained. Donald Jones suggested paying a company to reverse engineer a valve that is compatible with the Roy Rodgers fitting since there over 400 of them around the complex. In the last two years Julian has installed about 24 zone valves. Home Depot is searching for more Roy Rodgers valves.

C. Carpet Cleaning

This weekend Julian Brody will rent a large carpet cleaning machine to clean the entryway of the Z Building. He will track the time spent to determine if it would be cost effective to purchase a machine and do the work with in-house labor. This would necessitate hiring more staff, which will be factored into the cost.

Dan Ulmer mentioned that his goal as management has been to do as much work as possible in-house. He cannot do anything that requires a permit, however, since such work requires a license.

D. Common Area Painting

Julian Brody has started painting the common areas, commencing with the A Building. He is also staining the front doors and trim. After the common areas are painted the carpet will be cleaned.

E. Shut Off Valves

This summer new shut off valves will be installed on every water line coming into the buildings. It should cost about \$30/building for the parts, plus in-house labor.

F. Delinquency Report

Dan Ulmer reviewed the list of delinquencies, noting the first twelve listed were of primary concern. The first unit listed sold at auction last week so the Association should receive some of the dues shortly. The second unit is under contract so the total amount due should be collected at closing. The third amount is being paid off slowly by the owner and the courts. The fifth unit listed is new to the list and will end up in foreclosure. The sixth delinquency has to do with

engineering expenses and he will discuss it in more detail later during the meeting. The seventh unit listed was delinquent in the past; the owners paid off the balance but they are now back in the same position. The next three listed are making payments. All the remaining units are new to the list. Dan clarified that the lien letter is sent after the third missed payment (90 days).

IV. TREASURER'S REPORT

Donald Jones reported the Association was under budget by \$6,239 last month with an Operating checking account balance of \$2,616. Accounts Receivable is at an all time high of \$42,467. The Reserve Fund is getting healthier with a current balance of \$124,578. The loan balance was decreased last month. There are no large expenditures forecast for April or May. Questions about the financial reports should be emailed to Donald.Jones@dillonvalley.org. He would like to continue to pay down the loan at \$4,124 per month.

Ed Lee made a motion to approve the Treasurer's Report as presented. Mike Immordino seconded and the motion carried.

V. FINES AND HEARINGS

The previous tenant of Unit O101 was present. His security deposit was retained by his management company when he moved out due to outstanding parking violations. He was fined \$50 twice in July 2003 for parking violations, but the cars did not belong to him. Donald Jones did not feel the Board should absolve the fines because the issue was between the tenant and his management company. Ed Lee suggested the Board make an official statement that no further action is necessary.

Julie Bollinger suggested keeping a log of each fine as well as the resolution of each for the records. Dan Ulmer said he could access the information from the system. In addition, she suggested owners be reminded that they are responsible for updating their car registration information and for making sure their tenants know to register. Dan said Gustavo was working on this project.

VI. BUILDINGS/GROUNDS/LANDSCAPING COMMITTEE

Julie Bollinger requested information about the flower budget for the coming summer. Tom Nickerson said the Board had not yet discussed it. Donald Jones encouraged her to submit suggestions.

Barb Johnson recognized the staff for their efforts in removing snow and ice.

VII. OLD BUSINESS

- A. *Security Inspection, Hallway Cleaning and Boiler Inspection Books*
Julie Bollinger said she signed all inspection books.

B. Rental Unit Committee

Donald Jones said the Committee had completed its task and the information was now with the Board for review. Eventually the document will be put up on the website, but it has not yet been finalized. Tom Nickerson said the document would probably be sent back to the Committee at least one more time. Donald Jones objected to this course of action, stating it was not necessary. He resigned from the Rental Unit Committee. Tom agreed to post it on the website instead for comments from the Committee. Any questions or comments should be directed to Dan Ulmer. A hard copy will be made available for all owners to review once it has been finalized.

C. X202 Water Damage

A tenant installed a water line improperly and flooded the unit below (X102). Management is joining the lawsuit with the insurance company to get damages. The Association attorney is communicating with the tenant's attorney.

D. A205 Attorney Fees

The engineering work still has not been completed and a letter has been sent to the owner with a deadline for doing the work. If the owner does not meet the deadline a contractor will be hired by the Association to remedy the problem, with all expenses to be charged back to the owner.

E. Parking Permits

Small signs have been purchased to clearly indicate the unit number (under the existing number) on the parking spaces at a cost of about \$1,300. The Board decided on this course of action because it will be less expensive than removing the old signs.

F. Correcting Street Number Signs

This project has been completed.

VIII. NEW BUSINESS

A. Tenant in Unit O202

The tenant has been banned from the Clubhouse except for the laundry room and to attend meetings. The Board was willing to schedule a hearing for him but he did not appear.

B. Security Monitor

There are monitors covering the shed, hot tub, downstairs in the Clubhouse and one other area. The existing system will be upgraded in the next few days.

C. X Building Issues

The owner of X106 complained about trash being left in the hallways at night by Units X105 and X205. Someone in the building is also throwing cigarette butts

into her garden. The security door is not being locked on a regular basis. Julian Brody said he repaired it recently but he will look at it again. Dan Ulmer will address the trash issue.

D. Roaches in T Building

Julie Bollinger said a tenant had called her about roaches in the building. She explained the situation regarding the unit below him and informed him the exterminator will be returning. The entire building was already sprayed once.

E. Windows and Sliders

Sylvia Dowty said Accent Windows has agreed to hold the price at the same level as the past two years. Accent will provide a price list which will be kept in the Clubhouse. Windows are not a common element; they belong to the individual owners so the Board cannot mandate replacement.

IX. SET NEXT MEETING DATE

The next Board Meeting will be *Wednesday, April 20, 2005 at 7:00 p.m.* in the Dillon Valley East Clubhouse.

X. ADJOURNMENT

With no further business the meeting was adjourned at 8:30 p.m.

Approved By: _____ Date: _____

Board Member Signature

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
April 20, 2005
Dillon, Colorado**

Board members in attendance were Richard Garcia, Ed Lee, Donald Jones, Sylvia Dowty, Gregg Pooley and Mike Immordino.

Homeowners present were Julie Jones (B301) and Lee Vroble (X302).

Representing Basic Property Management were Dan Ulmer, Lanelle Barnett and Julian Brody. Amy Whalen was recording secretary.

* * * * *

I. CALL TO ORDER

The meeting was called to order by Board President Richard Garcia at 7:06 p.m.

II. APPROVAL OF MINUTES

Sylvia Dowty made a motion to approve the minutes of the March 16, 2005 Board Meeting as written. Mike Immordino seconded and the motion carried.

III. GENERAL QUESTIONS/COMMENTS

A. Brett Tubbs, Unit I-202

Brett Tubbs told the Board that the unit above him flooded and his ceiling may need to be replaced. He said he does maintenance and drywall for a living and could probably do the work himself. He estimates the damage at \$500 - 600. He has spoken to his neighbor, as well as to Tomas from maintenance, who came to look at the problem but there was a language barrier. Richard Garcia asked Julian Brody to act as an interpreter and to talk to the tenants first, and then to the owners, and to inform them that they will be subject to legal action. He also asked Gustavo D'Andrea to draft a letter to the owners.

Brett Tubbs' truck topper was stolen from the parking lot/storage lot. It had been stored there for about seven months and disappeared March 25. The police recovered it but it was destroyed. He was aware that property was supposed to be registered but Robert Crowe told him he would watch out for it. Richard Garcia reiterated that property must be registered and can be stored for a maximum of thirty days. The lot is not secured and the Association is not responsible for loss or damage of property, so the Board cannot help him.

Brett Tubbs and a friend did \$2,500 worth of painting in Unit U302. They were working for Progressive Maintenance, Robert Crowe's company, and Robert has left town without paying. Because the work was not related to the Association, Richard Garcia suggested he pursue the matter in small claims court or contacting Robert's realtor, whose name is posted at his home on Straight Creek Drive.

B. Swim Cap Policy

Owner Katherine Natale had written a letter to the Board regarding the requirement for swimming caps at the pool. She suggested the requirement be removed or changed. Dan Ulmer did some research at local recreation centers and Richard Garcia researched health clubs in Denver and Colorado Springs and found that caps are not required at any of them. There was general agreement that non-use of caps causes very little extra maintenance work and that the rule mostly served to anger guests.

A motion was made to rescind the requirement for swim caps. Ed Lee seconded and the motion passed unanimously.

IV. RESIDENT MANAGER REPORT

A. Birds

Julian Brody has secured a mechanical lift from Allman Painting to address the bird situation this week, weather permitting.

B. Sheet Rock Repair

There was another leak in Building B requiring sheet rock repair.

C. Carpet Cleaning

Julian Brody rented a carpet cleaning machine for the common areas and cleaned the carpets and chairs. Building A also has clean carpets and is newly painted. Sylvia Dowty asked if the Association would purchase its own carpet cleaner as discussed at a previous meeting. Julian reported that the machine cost \$160 for one weekend and that one building was completed at 45 minutes per hallway. Ed Lee felt it was better to rent than purchase. Dan Ulmer would like to purchase the machine, which is about \$3,000, but it is not clear if the maintenance staff would have time to clean carpets in addition to the rest of the workload. Hiring someone and charging back the owners would be a possibility.

Rich Garcia asked for a proposal at the next meeting to evaluate the costs of the machine and labor to do the work.

D. Fire in Unit I203

The fire was caused by a candle sitting unattended on a television. There was extensive damage throughout the unit and water damage to the unit below. The tenant had no insurance. The owner's insurance company will pursue the tenant. Basic Property staff responded right away and the fire department did a good job of minimizing the amount of water used. Gregg Pooley was concerned that the Association could be liable but the other Board members did not feel this was an issue.

E. Zone Valve Replacement

The original zone valves are not made anymore. In the future, repairs will be made by cutting into the feeder pipe to the valve and installing a new fitting, which is time consuming. Including labor, it costs about \$200 to replace a valve because the pipes must be drained, cut, etc. The cost of new valves is the owners' responsibility. Once the new fitting is installed future valves replacements will be much easier.

Dan Ulmer provided a proposal to Ed Lee for installing gas fireplaces in all 404 units including piping, gas logs, gas meters, etc. He believes it will improve the value of the units. Gregg Pooley asked if it would change insurance requirements and/or premiums, and Dan said this was a possibility.

F. Other Maintenance Items

All fire extinguishers have been changed. Julian Brody found them for \$10 each instead of \$39 each. Julian and Tomas fixed numerous leaks in-house instead of hiring a plumber, completed the electrical work for the new video monitoring system and purchased a general tool set for residents. Cork boards are being installed in common areas to eliminate the problem of tape residue from posting notices.

G. Delinquency Report

Dan Ulmer reported that the current total delinquent balance was \$39,266. One unit is for sale and has had two sales fall through. One person is paying through bankruptcy court; he pays current dues and is paying the rest down gradually. In other cases, some people are paying and others have liens on their property. Out of the 403 units, fourteen have some kind of problem.

Robert Crowe told Chris Cottner that he could keep a trailer in the storage lot without registering it. Julian Brody has informed him that his time limit was up a year ago. Chris Cottner requested a couple of weeks to make other arrangements. Richard Garcia authorized a grace period of 30 days of storage. After which, Mr. Cottner must remove his trailer for at least 14 days before returning it to the lot.

V. BUILDINGS/GROUNDS/LANDSCAPE COMMITTEE

Dan Ulmer provided an aerial photo of Dillon Valley East. A former colleague of Dan's works for a Denver landscaping company and has offered to work for Dillon Valley. Conceptual drawings, including an opinion on the fences and the entrance, would run \$3,200.

Dan also provided copies of the preliminary landscaping proposal in three parts – patios, xeriscaping, and the entrance. Each part of the proposal includes a "conceptual phase" and these conceptual plans together would run \$4,800 (\$6,000 less 20%).

Some problems to be addressed include inconsistency of the patios, fencing, and the general look of ground level units from the outside, sprucing up the entrance with a new, bolder sign and some lighting and/or landscaping. With conceptual plans the Board could then create a prioritized plan and begin some work this summer.

Gregg Pooley suggested getting three bids from contractors instead of purchasing conceptual plans. He did not feel he could justify the expenditure of \$4,800 to the membership without a bidding process.

Sylvia Dowty pointed out that the Association's needs include several disciplines. For example, the landscaper will not fix the patios or install lighting. She suggested that the Board find someone to "bring it all together". Work could then be prioritized and some could possibly be done in-house.

Ed Lee felt that the project was not big enough to attract detailed bids, especially if the project did not include general contracting. He also would prefer to have a rough cost estimate for the entire project up front instead of completing Phase I and then finding out how much Phase II would cost. Dan Ulmer pointed out that there are few landscape architects in Summit County.

Lee Vroble asserted that by far the biggest problem was uniformity in patios and getting rid of "junk" on the ground floor. He believed the other issues were a distant second.

Richard Garcia asked that everyone look at the existing information before next month's meeting. He also asked Ed Lee to write a Request for Proposal spelling out the Association's basic needs that could be put out for bid.

VI. TREASURER'S REPORT

Treasurer Don Jones highlighted several items from the Balance Sheet. The Association is currently \$5,098 favorable to budget, Net Income was \$7,991 favorable, and the Reserve balance was \$145,737.

Don suggested looking at alternatives to the GMAC demand note, as GM has lost investment grade status on its bonds. He and Lanelle Barnett will investigate other options.

Dan Ulmer noted that year-to-date operations were nearly \$20,000 under budget due to savings in Gas, Snow Removal (done with in-house labor), and Water and Sewer (rate increases have not been received).

Lanelle Barnett explained cash accounting versus accrual accounting. Accounting using a cash basis means that expenses are recorded when they are paid and revenue is recorded when it is received.

For an Association, a cash basis does not show a true picture because of the many costs incurred by the Association before they are billed. The GAAP standard for Associations is accrual based accounting, which reflects expenses when they are accrued. In the past Dillon Valley East used a hybrid with cash accounting for monthly reporting and accrual accounting at year-end.

Don Jones felt the accrual system was confusing for homeowners because it gives the impression that the Association has paid for things that it has not. Lanelle explained the drawback of a cash basis, i.e. it does not show what has not been paid. All agreed that neither system is perfect.

Don Jones announced his resignation as Treasurer. Sylvia Dowty agreed to take over until the next election.

VII. OLD BUSINESS

- A. Security Inspection, Hallway Cleaning and Boiler Inspection Books*
Julie Bollinger said the grounds were improving but added there were still too many cigarette butts and dog waste. She provided Richard Garcia with a letter which he will copy and distribute.

Julie said she reviewed all inspection books and they looked fine.

- B. Rental Unit Committee*
Numerous changes need to be made to the lease. Richard Garcia has gathered information to take back to the original Committee.

- C. Demand Letter for Unit X202*
A dishwasher leak in this unit caused damage to the unit below. The Board has evidence that the leak was due to faulty repair of the dishwasher, but the owner, denies responsibility. The total cost to repair the water damage was about \$4,000. An individual named Dave installed the dishwasher initially, but he seems unlikely to testify. Another individual named Nick repaired the sheetrock below but did not actually see the dishwasher. The owner later hired someone himself to fix the dishwasher.

Gregg Pooley suggested that the burden of proof was on the owner to show the leak was not his fault. Since he had work done on the dishwasher before the incident there is evidence that he knew there was a problem of some kind and he did not fix it properly. Therefore, the Association should be able to attach a lien and make him fight it.

- D. Unit A205*
There was nothing to report regarding restoring building integrity and charges for the engineering study.

E. Building X Trash

The trash problem has been solved for now, although it is not known who was causing the problem. Julian Brody spoke to the tenant who complained.

F. Building T Roach Problem

No one has heard anything more about problems with roaches.

VIII. NEW BUSINESS

A. Maintenance Visit Notification

There was a complaint from a new owner that she had not been notified that maintenance visited her unit. She did not realize that there is a sheet posted for maintenance to sign when they enter the unit. There does not seem to be a need to change this system.

B. Temporary Parking Lot

The existing form to register vehicles in the lot does not state that the vehicle has to be moved after thirty days; the form is being amended. Residents who have vehicles parked there now will be notified when they came back in to sign the form again. They will have a thirty-day grace period and then will need to remove their vehicles for 14 days before returning them to the lot. The form will also state that the Association is not responsible for loss or damage.

C. Possible Leak Problem

Mike Immordino came home one night to find a gallon or two of water on his floor. The dishwasher hose had blown out of the drain up above. He did not see any damage at the time, but a couple of nights ago he noticed a thin ceiling crack about two feet long. He wished to have the incident on record.

IX. NEXT BOARD MEETING

The next meeting is scheduled for May 18, 2005 at 7:00 p.m. at the Dillon Valley East Clubhouse.

X. ADJOURNMENT

Don Jones made a motion to adjourn. Gregg Pooley seconded and the meeting was adjourned at 9:14 p.m.

Approved By: _____
Board Member Signature

Date: _____

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

**May 18, 2005
Dillon, Colorado**

Special Notice

Insurance Meeting, June 15th. There will be a special presentation on insurance for owners, renters, and land lords. Rob Nelson of State Farm will share information that all residents should be aware of. Do you have the correct insurance? Do you have any insurance? The presentation will begin at 6:30 PM in the club house. All residents (Owners, renters) are welcome. Landlords, please inform your renters of this special meeting.

Annual Meeting – September 17, 10:00 AM in the Clubhouse. If you would like to nominate yourself for membership onto the Board of Mangers, please contact the clubhouse at 970-468-1371, Mike Immordino at 970-468-1390, or Basic Property Management at 970-468-0714.

Board members present were Richard Garcia, Ed Lee, Sylvia Dowty, Donald Jones, Tom Nickerson, Mike Immordino and Gregg Pooley.

Homeowners present were Julie Bollinger (T206), Lee Vroble (X302) and Paul Hage (BB203, Q205, N305).

Representing Basic Property Management were Dan Ulmer and Lanelle Barnett. Erika Krainz was recording secretary.

* * * * *

I. CALL TO ORDER

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

II. APPROVAL OF PREVIOUS MEETING MINUTES

Sylvia Dowty made a motion to approve the minutes of the April 20, 2005 Board Meeting as presented. Tom Nickerson seconded and the motion carried.

III. RESDIENT MANAGER'S REPORT

Dan Ulmer reviewed Julian Brody's report:

1. Completed installation of 3/8" wire netting on all buildings against the birds.
2. Fertilized grass with organic fertilizer which requires less water. The entire complex was also aerated and mowed.
3. Cleaned behind all washers/dryers.

4. Organized tools in shed. Purchased a welding tool for making repairs to the snow plow. Purchased acetylene torch for plumbing repairs in boiler rooms.
5. Changed oil in Toro tractor using in-house labor.
6. Repaired B102 drywall damage from a water leak. This was the only leak this month. There were four leaks in building B last month.
7. Purchased a new printer for office after the old one failed.
8. Removed fences from lower units that had been recently sold. A resolution was created long ago to have the fences of first floor units removed when the unit was sold.
9. An old trailer was removed from the complex.
10. The state boiler inspector signed off on all the boilers.
11. Hot tub was down for several days due to a hole in the heat exchanger. It has been repaired.
12. Issued six vehicle violation warnings. No vehicles were towed.
13. Extinguisher boxes and air handlers on the Clubhouse building roof have been painted.
14. New fence by the pool area was installed using in-house labor. The material cost was about \$1,500.
15. Tennis nets have been put up and the courts are open.
16. Mouse bait was placed around the buildings. Sylvia Dowty recommended notifying all occupants.

Dan Ulmer mentioned that the tennis courts were both badly cracked. He obtained a bid of \$8,900 from a contractor to resurface both, including two surface coats and restriping. Another option would be to fill the cracks, which would cost \$950 for each court. Dan recommended crack filling at this point. Ed Lee made a motion to have the cracks filled on both courts at a cost of \$1,900. Sylvia Dowty seconded and the motion carried.

Dan said he received a letter on behalf of Richard Garcia from an owner complaining about past dues going back three years. The amount outstanding is \$213. Richard Garcia will write her a letter informing her that she owes the full amount.

Dan Ulmer reviewed the current delinquencies. The largest delinquency is in bankruptcy proceedings and the Association should receive \$6,792. The second delinquency has been foreclosed and the Association should receive six months of dues. The unit with a \$3,280 balance will probably be foreclosed. The owner of the unit with the structural defect has paid \$850, but still needs to provide a letter from a structural engineer. The owner has been billed for the structural engineer report and attorney fees. One of the units with a delinquent balance is under contract. The owner of the twelfth delinquent unit on the list requested a ceiling repair last month. Dan Ulmer inspected it and found the damage was extremely minor. The owner was informed that repair would require cutting out the ceiling and was asked to decide if he wanted to go that route. The owner of the fourteenth delinquent unit on the list may have disappeared and the sixteenth delinquency has to do with the dishwasher leak problem.

IV. TREASURER'S REPORT

Sylvia Dowty reviewed the financial reports. Year-to-date the Association was ahead of budget by about \$12,000 due to some anticipated increases hitting later than budgeted (such as Water/Sewer). Snow Removal was under budget due to lower snowfall and in-house snow clearing.

Mike Immordino made a motion to approve Treasurer's Report as presented. Tom Nickerson seconded and the motion carried.

V. FINES AND HEARINGS

The owner of Unit E304 had an extension cord running out of the bedroom window for over a month. The owner was fined and he indicated he planned to protest the fine, but he was not present at the meeting. Dan Ulmer recommended the Board uphold the \$50 fine. The Board agree to let the fine process take its' course.

No owners were present to contest any fines.

VI. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Julie Bollinger requested residents be asked to curtail the loud music outside the units. Residents also should be reminded not to perform automobile maintenance or consume alcohol in the parking lots.

Ed Lee mentioned there was a big grease stain on spot 17-15 in front of Building T. The grease is being tracked into the hallways. Dan Ulmer said the tenant will be notified that it will cost \$150 to have it cleaned, or the owner can do it himself. Donald Jones suggested taking a picture of it before cleaning. Richard Garcia said he had already approved purchase of a digital camera for the Association.

The meeting was recessed at 7:38 p.m. and reconvened at 7:49 p.m.

VII. OLD BUSINESS

A. Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments
The books were reviewed and all was in order.

B. Rental Unit Committee
Richard Garcia did not have anything to report.

C. Demand Letter to Owner of Unit X202
Dan Ulmer reported that the insurance company backed out because they no longer have a witness. The Association will assess the owner of Unit X202 for the damages.

D. Update on Unit A205

The owner made a payment of \$850 and said he would pay an additional \$850 soon but he still has not produced an engineering report as requested. Richard Garcia proposed giving the owner a thirty-day notice to produce an engineer's report. If he does not comply he will be assessed a fine of \$1,000 per month. The letter should be sent by June 1, 2005 with a deadline of June 30, 2005. It will be sent certified with delivery confirmation. Richard and Dan Ulmer will draft the letter. Sylvia Dowty motion to send a letter to the owner of Unit A205 requesting he provide proof that an engineering study has been performed no later than June 30, 2005 or a fine of \$1,000 will be levied, with an additional \$1,000 fine every thirty days until the requested report is received. Tom Nickerson seconded and the motion carried.

E. Landscaping Proposal

Ed Lee summarized the proposal for landscaping consulting services, to address a Dillon Valley East entry feature, xeriscape design and patio screen design. The total cost for the work included in the proposal was \$18,000. For the small amount of architectural work it would only cost a few thousand dollars. He asked Dan Vaughn from Stonefield Development if it would be possible to phase his proposal. He requested some conceptual ideas for fencing the patios and balconies, fence to screen the length of the building and xeriscaping. A project of this reduced scope, including conceptual ideas and rough cost estimates, would be about \$3,500, which Ed felt was more in the ballpark. He did not get any other bids. Ed Lee made a motion to hire Dan Vaughn at a cost not to exceed \$4,000 to provide conceptual ideas for patio fences, balconies, vision screen and xeriscaping within the next two months. Donald Jones seconded and the motion carried.

VIII. NEW BUSINESS

A. Commercial Grade Carpet Cleaning Machine

Discussion on this issue was tabled until the next meeting because Dan Ulmer did not have the information from Julian. The Board agreed that if Julian can do the carpet cleaning for 50% or less of the cost to hire a contractor, it would be worth buying the machine. Ed Lee was concerned about overloading the staff. Dan said the contract was modified last year in order to allow management to hire additional hourly staff as needed in order to free up the more skilled upper level staff. Ed said he would like to be able to lower the monthly fees as a result of all the cost savings measures. The Board felt it would be useful to have a quantitative comparison of what the actual savings would be, taking into consideration the wages for the extra hourly laborers needed.

B. Staff List

Donald Jones asked that a new staff list be provided for the owners since there have been so many turnovers.

C. Gas Fireplace Installations

Ed Lee was asked to evaluate a proposal to pipe all units for gas and to make it available on a sole source basis to install either a gas stove or a gas log. The cost to install the gas line for 404 units would be \$168,000. The cost of a gas stove would be \$2,500 – 2,800. A gas log would be about \$900 installed. There would not be any savings to the heating bill. Ed noted there were other higher priority issues to be addressed and he felt the cost to install the gas lines (Approximately \$400, which would be an Association expense) was not warranted at this time. He recommended the Board take no further action. Gregg Pooley thought it might be a good idea to present the idea of adding the gas lines to the owners in order to improve unit value and aesthetics. Lee Vroble felt the money could be better spent preparing for the possibility of a future heating system failure. It was noted that if all units were converted to gas fireplaces, owners should not be allowed to burn wood anymore. It would also be necessary to have individual gas meters for each unit.

Richard Garcia asked for a show of hands. Two Board members felt more work should be done and the others (excluding Richard) felt it was a moot point. Gregg Pooley again suggested the owners be polled, but no other Board members supported this idea.

D. Window Replacement

Sylvia Dowty met with Mike Osborne from Accent Windows. He provided a price list from a bid he prepared in June 2001. He would be willing to honor the same prices. He would include a lifetime warranty on all windows, installation and clean-up. The warranty can be sold to a subsequent owner for a fee.

Sylvia initially thought the prices were a little high, but in light of all the work involved she realized the price was more reasonable. She will leave the information in the management office.

E. Formation of Nominating Committee

Richard Garcia appointed Mike Immordino as chairman of the nominating committee. Terms for Richard Garcia, Ed Lee, and Thomas Nickerson will expire in September. Any member in good standing with the association may contact either Basic Property Management at 970-668-0714 or Mike Immordino at 970-469-1390 to nominate them for position on the Board of Managers.

F. Building J

Building J now has a physical address - 1133 Straight Creek Drive.

IX. SET NEXT MEETING DATE

The Annual Meeting will be Saturday, September 17, 2005 at 10:00 a.m. in the Clubhouse, followed by lunch.

There will not be a June Board Meeting due to lack of a quorum. The next Board Meeting will be on Wednesday, July 20, 2005 at 7:00 p.m. in the Clubhouse.

There will be a presentation by Rob Nelson from State Farm Insurance on June 15, 2005 at 6:30 p.m. covering owner and renter insurance information.

X. ADJOURNMENT

Gregg Pooley made a motion to adjourn. Sylvia Dowty seconded and the meeting was adjourned at 8:42 p.m.

Approved By: _____ Date: _____
Board Member Signature

Addendum to Minutes

DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF APRIL 30, 2005

Summary Balance Sheet:

	Operating	Reserve	Total
Cash Accounts	3,760.38	156,729.52	160,489.90
Other Current Assets	10,465.10	36,156.50	46,621.60
Fixed Assets (net of depreciation)	174,429.70		174,429.70
Total Assets	<u>188,655.18</u>	<u>192,886.02</u>	<u>381,541.20</u>
Short Term Liabilities	80,312.90		80,312.90
Long Term Liabilities	123,428.00		123,428.00
Donated Capital	2.00		2.00
Retained Earnings	7,685.82	145,757.51	153,443.33
YTD Net Income	(22,773.54)	47,128.51	24,354.97
Total Liabilities & Equity	<u>188,655.18</u>	<u>192,886.02</u>	<u>381,541.20</u>

Operating Fund:

	Actual	Budget	Diff
April Total Income	108,148.39	108,220.75	(72.36)
April Total Expenses	138,897.59	130,350.67	8,546.92
April Net Income	<u>(30,749.20)</u>	<u>(22,129.92)</u>	<u>(8,619.28)</u>
YTD Total Income	435,937.61	432,883.00	3,054.61
YTD Total Expenses	458,711.15	467,260.68	(8,549.53)
YTD Net Income	<u>(22,773.54)</u>	<u>(34,377.68)</u>	<u>11,604.14</u>

For the first four months, our net income is ahead of budget by approximately 12,000.

We had budgeted hallway re-carpeting, which has not been done yet.

We are over budget on building maintenance due to replacing a heat exchanger for \$3,600.

Summer supplies are over budget due to purchase of fertilizer.

We are under budget for snow removal due to renting equipment and due to more snow clearing performed in-house.

Water/sewer is under budget - We budgeted for a rate increase which has not happened yet.

Respectfully submitted,

Sylvia Dowty
Treasurer, Dillon Valley East Condo Association

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

**July 20, 2005
Dillon, Colorado**

Special Notice

Annual Meeting – September 17, 10:00 AM in the Clubhouse. If you would like to be nominated for membership to the Board of Managers, contact the clubhouse at 970-468-1371; Mike Immordino, 970-468-1390; or Basic Property Management, 970-468-0714. Nominations will close on August 17th.

Dogs – Only owners may have a pet. In no event will any dog be permitted in/on any portion of the common elements except on a leash.

Board members present were Richard Garcia, Ed Lee, Sylvia Dowty, Donald Jones, Tom Nickerson and Mike Immordino.

Homeowners present were Julie Bollinger (T206), Lee Vroble (X302), Paul Hage (BB203, Q205, and N305), Horst Meissner (Y304), William Pifer (E104, F102, and P104), Barb and Glenn Johnson (S104), James Heath (C302), Carla Rigger (G205) and Cathy Brosius (E106).

Representing Basic Property Management were Dan Ulmer and Julian Brody. Erika Krainz was recording secretary.

* * * * *

I. CALL TO ORDER

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

II. APPROVAL OF PREVIOUS MEETING MINUTES

Tom Nickerson made a motion to approve the minutes of the May 18, 2005 Board Meeting as presented. Mike Immordino seconded and the motion carried.

III. COMMENTS FROM THE FLOOR

Barbara Johnson asked about the enforcement of the long term parking regulations. Richard Garcia said the Board was enforcing the rules, i.e. vehicles can be parked in the long term lot for thirty days but then the vehicle must be removed for fifteen days before the vehicle can be returned to the lot for another 30 days.

Horst Meissner said he received a ticket because his parking pass fell off. He was told he could not park his commercial step van in a regular lot. Richard Garcia said the commercial vehicle could not be parked in the regular lot. He can park in the clubhouse lot as long as the vehicle is moved each day.

Bill Pifer said he evicted the tenant from T101. The tenant in F102 had an oil spill and did not clean it up. The previous manager said he would address it but did not. Bill asked for Board direction about handling oil spills. Richard said Bill had gone beyond his responsibility and he should not be held accountable for the old spill since it had now penetrated the asphalt. Richard suggested the section be replaced when the asphalt company does repairs. Ed Lee asked if asphalt repair was on the list of upcoming projects. Richard confirmed it was.

James Heath mentioned there was a bike path from the south part of the complex to the Clubhouse and asked when it would be completed in other areas. He also noted that some buildings have a concrete pad for the dumpster, but at his building the dumpster is in the middle of the parking lot; he would like to see it moved to the side. Dan Ulmer said there were plans to build dumpster enclosures for all exposed dumpsters this summer. It will be a Board decision when to finish the bike path. Richard Garcia said there was a budget overrun in 2004, so the remaining section of the bikepath was delayed from 2005. Donald Jones said it was in the plans.

Carla Rigger said there were many oil spots in her parking lot. She thought the Board should develop a policy for handling spots, i.e. inspect every time a unit sells and assess the selling owner for any oil spots. She also thought there were violations of the patio rules, with items stored on many balconies. There is also a tenant on the second floor of D Building who has a charcoal grill. She suggested a formal beautification committee to plant flowers and spread mulch.

Barbara Johnson asked about the patio repairs. Richard said this would be discussed later in the meeting.

Cathy Brosius said grease was dripping from a grill on a balcony above her and it might be a good policy to put mats under all gas grills. The Board will contact the owner of the unit above her. She asked if there were any plans to enlarge the parking lots. Richard Garcia said there were on a case by case basis, but not for her building due to the topography. She asked for a list of employees and contact numbers. Richard said the recently enacted Senate Bill 100 requires all Associations to divulge this information.

Carla Rigger described a problem in communication between the office staff regarding the lack of hot water in G Building.

IV. RESIDENT MANAGER'S REPORT

Julian Brody reviewed his report:

1. Painted Clubhouse Meeting Room and stained walls in game room.
2. Replaced hot water storage tank in AA Building.
3. Replaced hot water pump in U Building.
4. Turned all boilers down to minimum level and will keep them turned down until mid-October.
5. Striping of parking lots is 90% completed.

6. Installed new light in front of Clubhouse and replaced 500 watt bulbs with 65 watt bulbs.
7. Changed oil in the big truck.
8. Repaired sprinkler systems throughout complex.
9. Painted hallways in J, AA, BB, A, C, and B Buildings.
10. Replaced main valves for water coming into all buildings.
11. He is now a state certified pool operator.
12. Issued 65 warnings and towed 9 vehicles.
13. The carpet cleaning machine was purchased at a cost of \$3,899. The expense was paid out of Operating.

Dan Ulmer pointed out that the majority of items were done with in-house labor, resulting in significant savings to the Association.

Delinquency Report

Dan Ulmer reported that the first eleven items on the list were the main issues. A couple of them are in bankruptcy proceeding. The structural engineer issue has been resolved and the owner paid all fees. The delinquencies after the first eleven are mostly one month of dues or fines.

V. TREASURER'S REPORT

Sylvia Dowty reviewed the financial reports. As of June 30, 2005 the Association was over budget by about \$6,457. Donald Jones said he would like detail on some of the line item purchases. He explained his philosophy on Repair and Maintenance versus Reserve item charges. Ed Lee suggested including a column on the report to explain variances exceeding some established threshold. Dan Ulmer agreed to fine tune the report with Lanelle Barnett and Sylvia Dowty. Ed suggested clarifying which items should be charged to Reserves during the next budgeting process.

Tom Nickerson made a motion to approve Treasurer's Report as presented. Mike Immordino seconded and the motion carried.

VI. FINES AND HEARINGS

No owners were present to contest any fines.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Julie Bollinger said Jim Powers and BPM staff cleaned up more of the islands between the parking lots. They will start to work uphill from the Clubhouse.

Richard Garcia said he personally performed the violation inspections. He acknowledged there were a few mistakes. He thanked Barbara and Glenn Johnson for her help on the Buildings and Grounds Committee. He has been advertising for owner help in the newsletter and minutes but has not received any response.

Sylvia Dowty reminded the owners that Accent Windows will make repairs to their product at no charge. She warned owners to be careful when buying replacement windows; some do not include screens and do not have a track to add a screen.

True Value Hardware Stores will fix screens as long as the frame is provided. Summit Window Screens in Silverthorne (262-7901) will come out and measure. Sylvia will try to get a bulk rate for owners.

Carla Rigger thought there should be specifications so that the repaired screens are consistent and match.

VIII. OLD BUSINESS

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

Julie Bollinger said the books were reviewed and all were in order. She asked someone to cover for her in August, September and October, as she will be out of town.

B. Settlement for X202 Water Damage

Richard Garcia and Basic Property Management decided to settle with the owner for \$1,000 due to the amount of time involved. Tom Nickerson made a motion to accept the settlement of \$1,000. Ed Lee seconded and the motion carried. The owner will continue to accrue interest on the entire amount until he pays the \$1,000. Dan Ulmer will notify him.

C. Unit A205 Engineer Inspection Report

Dan Ulmer said the report was received and all was in order.

D. Proposal for Landscaping Consulting Services

Ed Lee said the Board originally received a proposal that included the Dillon Valley East entry sign, xeriscape design, building end enhancement and patio deck fencing for \$17,000. The Board decided it was too expensive and the items had different priorities. They felt two items - the patio fencing, followed by the building end enhancement – were the top priorities. The Board felt they could get good ideas for xeriscaping without paying for it, and get ideas for the entry sign from other properties. Ed took pictures of all building ends and downhill sides and gave the disk to Dan Vaughn, a landscape architect. They agreed on a scope and a price not to exceed \$3,000. He will have the report from Dan before the next Board Meeting. Ed will create some briefing charts with pros and cons for all ideas for screening patios. The Board will be looking for owner input on the final direction. Carla Rigger and Cathy Brosius volunteered to help with the projects.

E. Purchase Commercial Grade Carpet Cleaning

Based on Board conversation in May where the Board agreed that if Basic can provide carpet cleaning at 50% or less of a contract cleaner, Richard Garcia approved the purchase of a commercial grade carpet cleaner in June. Mike Immordino made a motion to approve the authorization of the purchase of the carpet cleaning machine for \$3,899. Tom Nickerson seconded and the motion carried with one opposed.

Donald Jones reiterated that he was concerned about four accounts being over budget after only six months of the year. He felt the carpet cleaner should be paid for out of the Reserve Fund, not out of the Operating Budget.

F. Staff List

All Board members received an updated staffing list.

G. Nominating Committee

Mike Immordino said there was one possible candidate for the Board. Per the Bylaws, today is the last day for self-nomination. After today nominations must come from the Nominating Committee (Mike Immordino and Sylvia Dowty). Nominations can not be accepted after August 17, 2005 or during the Annual Meeting. There are three seats (Tom Nickerson, Ed Lee and Richard Garcia) up for election and Gregg Pooley may resign shortly. Ed Lee and Richard Garcia agreed to run again, but Tom Nickerson will retire from the Board at the end of this term.

H. Insurance Agent Presentation

Richard Garcia said he was disappointed with the attendance at the State Farm Insurance presentation, with only three owners present.

IX. NEW BUSINESS

A. Reserve Projects

The only Reserve project this summer will be asphalt. The Board will review the bids once they are received.

B. Committees

Julie Bollinger said the Rules Committee and Rental Committee needed to be reactivated. Richard Garcia is reviewing the Rules and will present the information to the Board. Richard is also the chairman for the Rental Committee.

C. Senate Bill 100

Per the recently enacted Bill, there are two sites where all Association-related information must be available. All documents will be available on the web site and in the management office.

X. SET NEXT MEETING DATE

The Annual Meeting was previously set for Saturday, September 17, 2005 at 10:00 a.m. in the Clubhouse, followed by lunch.

The next Board Meeting will be on Wednesday, August 17, 2005 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

Donald Jones made a motion to adjourn. Tom Nickerson seconded and the meeting was adjourned at 8:36 p.m.

Approved By: _____
Board Member Signature

Date: _____

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

**August 17, 2005
Dillon, Colorado**

Special Notice

<p>Annual Meeting - You are invited to attend the Homeowners' Annual Meeting on September 17th in the Clubhouse at 10:00 AM. Lunch by Bubba's Bones BBQ will follow.</p>
--

<p>Dogs – Only owners may have one pet and it must be registered with the Clubhouse. In no event will any dog be permitted on any portion of the common elements except on a leash.</p>
--

Board members present were Richard Garcia, Ed Lee, Sylvia Dowty and Mike Immordino.

Homeowners present were Julie Bollinger (T206), Lee Vroble (X302), Horst Meissner (Y304), Carla Rigger (G205), Wayne Ryon (G306), Pat Getz (BB301), Jim Powers (I205), Nicole Garvin (W201) and Tanya and C. Beyer (P103).

Representing Basic Property Management were Dan Ulmer and Julian Brody. Erika Krainz was recording secretary.

* * * * *

I. CALL TO ORDER

The meeting was called to order at 7:10 p.m. by Richard Garcia.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Sylvia Dowty made a motion to approve the minutes of the July 20, 2005 Board Meeting as presented. Mike Immordino seconded and the motion carried.

III. COMMENTS FROM THE FLOOR

Pat Getz stated that he had been charged late fees several times for checks that were not deposited for up to three weeks from the time he mailed them. Several other owners said they also experienced a long delay in the deposit of their checks. Dan Ulmer asked owners who choose to hand deliver their checks to bring them to the Basic Property Management office instead of to the Clubhouse. Dan was asked to hand stamp the checks with the date when they are received by the office. Pat Getz also had an issue with the painting of the BB Building and the fact that he was notified that he had to clean off his deck without prior notice. Dan explained that the painter started work one week early without notifying management. Pat said there were paint chips along the stairs that were not cleaned up by the painters and he had to scrape paint off his sliding door. He felt it was a poor job overall. Dan noted his deck was painted by hand but agreed to inspect the paint job.

Jim Powers said he noticed that the parking situation had improved since notices and towing had been implemented.

Horst Meissner said he was still having problems with the parking situation. He felt the parking regulations should be voted on by the entire membership, not decided unilaterally by the Board.

Nicole Garvin said one unit (W301) in her building had five cars parked in the lot. Management will determine if all the cars are registered. Any cars that are not registered will receive stickers. Dan Ulmer will discuss the situation with the rental agent. Julie Bollinger said there was a similar issue with Unit T101.

IV. RESIDENT MANAGER'S REPORT

Julian Brody reviewed his report:

1. The dumpster project has been started but there have been delays due to rain.
2. Hallway painting in the Y, Z and Q Buildings has been completed. Part of X Building has been done; this will be the last building for this year.
3. There was a problem with the heat exchanger in the A Building. He made the repair but it took one week to get the required parts.
4. There were three leaks in the T Building. He is waiting for a few weeks to address the issue and plans to replace the entire section of pipe.
5. Installed a new phone line in the pool area to comply with the insurance company's requirement for an emergency phone. The line connects directly to the Clubhouse office.

Delinquency Report

The first nine delinquency issues are regulars on the list. Two of the units are in foreclosure, one has paid in full and one has paid about 90% of the amount due. The remaining delinquencies are making payments and owe either one month of dues or late fees. The total delinquent balance was \$24,139.

Patrick Boyd's unit is in bankruptcy and the court has ordered the Association to absorb the outstanding dues of about \$9,000. Sylvia Dowty made a motion to comply with the court order to absorb the dues. Ed Lee seconded and the motion carried.

V. TREASURER'S REPORT

Sylvia Dowty reviewed the financial reports. She noted the staff has done an excellent job maintaining the budget. For the month of July, accounts under budget included painting (\$1,600), boiler maintenance (\$1,000), building maintenance (\$1,200) and gas (\$4,000). Dan Ulmer noted the gas savings was due to reduction of the boiler temperature. Water and Sewer was \$1,500 under budget because the rate increase has not been applied yet.

Year-to-date as of July 31, 2005 the Association was about \$5,000 ahead of budget. Sylvia projects the Association will end the year close to budget.

There was general discussion about the vending machine. The items are purchased in Denver; the packaging expands when they are brought up to altitude so they do not fit in the machine. There has also been loss due to lower than anticipated consumption. The Board agreed to remove the food vending machine but to keep the soda vending machine.

Richard Garcia said Julian Brody would have the opportunity to attend training for Heating, Ventilation, and And Air Conditioner Repair. The investment would be \$749 for a two-day seminar. The training would enable him to maintain and repair the heating/cooling fans in the Clubhouse. The cost to hire a contractor for that work would be a minimum of \$200 per trip, excluding parts and labor. Mike Immordino made a motion to approve the \$749 expenditure for Heating, Ventilation, and And Air Conditioner Repair. Sylvia Dowty seconded and the motion carried.

Ed Lee made a motion to approve Treasurer's Report as presented. Mike Immordino seconded and the motion carried.

VI. FINES AND HEARINGS

1. Nicole Garvin (W201) – She registered her two dogs in April at the office and has recently received a violation notice for having two pets. She said the regulation was not clearly written; the last sentence implies an owner can have two registered pets. It appears Gustavo approved the pet registration for two pets. Dan Ulmer was asked to research the issue with Gustavo.
2. Tanya Beyer P102 – She also registered two dogs with Gustavo. In addition, she received a warning for pets off leash. She was told by Gustavo that leash or voice command was acceptable. Julian Brody will clarify the House Rules with Gustavo. Ed Lee made a motion to dismiss the warning, contingent upon corroboration with Gustavo. Sylvia Dowty seconded and the motion carried.
3. Kenzie (G105 tenant) – She received a violation for having two cats. She explained that she did not receive a copy of the Rules and Regulations from the unit owner and she did not know it was a violation for tenants to have pets. She did not receive a warning before the violation notice. She agreed to pay the fine but asked for an extension until September 5, when the owner of the pets will be returning. She also was concerned that personal information including her name, phone number and unit number was given out by the Clubhouse staff. Basic Property will investigate the release of personal information with the clubhouse office and prevent further information from being given out. Ed Lee made a motion to suspend the fine and to grant a grace period until September 10, 2005 to remove the cats, subject to abiding by all Rules and Regulations. If there is another infraction during that time period the fine will be reinstated. Sylvia Dowty seconded and the motion carried.

Richard Garcia said Dan Ulmer would get legal advice from the attorney regarding the registration of the multiple pets and confer with the Board. The issue will be re-

addressed at the next Board Meeting. The fines will be rescinded if the attorney recommends allowing the owners to keep both pets.

Carla Rigger felt the Rules and Regulations Committee should reconvene to revise the Rules.

C. Beyer said his truck was too long to fit in some of the regular spots, so he occasionally has to park in the back of his building; the Board agreed this was not a problem. He said he often comes home for lunch with his truck and a trailer and has been told he cannot park in the lot. The Board directed him to put a note on his windshield indicating when he would be leaving.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Julie Bollinger said she and Jim Powers had worked on several areas of the property. The Board recognized Jim Powers for his work.

Richard Garcia walked A-G Buildings and found four damaged screens, four missing screens, eight damaged or missing patio doors, and numerous oil spots. The damaged porch lights need to be replaced at Association expense because they are in the common area. It will probably be necessary to replace all exterior back side lights next year. Carla Rigger thought this project should be referred to the Design Committee. Richard said the entryway carpets needed to be moved closer to the wall.

Nicole Garvin complained about guests of the unit above hers ringing her doorbell late at night and having loud conversations in the hallway. She was asked to report any incidents to management or to the police if necessary. Her doorbell is cracked and needs to be replaced.

Lee Vroble requested adding a bench outside the laundry door. The Board agreed to follow up. The bench should be anchored to the concrete.

VIII. OLD BUSINESS

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

Julie Bollinger said the books were reviewed and all were in order.

B. Proposal for Landscape Consulting Services (DVE Entry Feature, Xeriscape Design and Patio Screen Design)

Ed Lee said the Board wanted to address the longstanding problem of clutter outside the ground level unit decks. The first step will be to add plantings around the ends of the buildings to improve the appearance. The second step will be to look at the feasibility and cost of building some sort of screen or fence around the patios. The Board asked the architect to provide several options. He distributed a draft of the contract with the architect, including three preliminary drawings. The

Board will be looking for owner input before making a decision. He encouraged owners to email him their feedback at eleeinco@aol.com by the end of business on Friday. The old fences would be removed. It needs to be decided who should pay for the improvement and how big the enclosures should be. Owners will receive more detailed information once the plan has been refined.

C. *Nominating Committee*

Richard Garcia, Ed Lee, Paul Hage, Julie Bollinger, Carla Rigger and Cathy Brosius have all been nominated to run for the Board. Richard Garcia noted nominations were closed as of this evening and no further nominations would be accepted.

IX. NEW BUSINESS

A. *Reserve Budget*

Richard Garcia proposed a change to the Reserve Budget to cover the asphalt expense, which has increased from the original bid of \$13,500 to \$23,750, resulting in a shortfall of \$10,250. The Board reviewed the projected Reserve expenditures to determine if funds could be moved from another project. They agreed to postpone the security door replacement project (doors will be repaired and charged to Operating as needed in the meantime), and to transfer the entire balance of \$34,500 from that project to the asphalt project. Another \$6,000 can be allocated from the landscaping project, to provide a total budget of \$54,000 for the asphalt (\$13,500 from the original asphalt budget, \$34,500 from door replacement and \$6,000 from landscaping). This should be adequate to pay for repair of the potholes, crack sealing and resurfacing the rear of the Clubhouse parking lot. There is also a patch that needs to be done next to the Clubhouse. Sylvia Dowty made a motion to approve the amendment to the Reserve Budget as outlined above. Ed Lee seconded and the motion carried.

B. *Maintenance Staff Response*

Lee Vroble suggested having the staff provide an estimated completion date for projects to avoid the need for multiple calls by concerned owners.

C. *Unit Sales*

Dan Ulmer said he would like to implement a system wherein Julian Brody or Gustavo inspect units just prior to closing to identify oil spots in the parking lot, illegal washer/dryers, and hallway or carpet damage, so that the seller can be held responsible and fined for violations. If the owner pays, the fine can be reversed. He acknowledged there will always be some closings he does not know about, but he should be able to catch about 99%. The Board will write up a procedure and give formal approval.

D. *Building A101 and A102 Hallway Cleaning*

There is dog waste inside the building on the rug. Richard Garcia asked management to try to determine who has a pet in that building and bill them for the cleanup.

E. Window Screens

Sylvia Dowty reminded owners that information about screen replacement is available in the Clubhouse office.

F. In-House Maintenance Rate

The current rate for in-house maintenance is \$35/hour, which is way below market rate. The volume of requests for work has increased and some owners are now demanding immediate service. Richard Garcia proposed raising the rate to \$50/hour, which is still less than the standard rate of over \$60/hour. Carla Rigger felt the owners should be encouraged to make repairs and the higher price might be a deterrent. Lee Vroble thought the lower rate should be applicable for items being replaced as a result of wear and tear.

Ed Lee said the staff is very talented and much equipment has been purchased for them in order to save money for the Association. He was concerned the staff was being asked to take on an excessive amount of work in addition to their normal responsibilities. He thought some in-unit maintenance was being done at the expense of the common elements. Ed Lee made a motion to increase the in-house maintenance rate to \$45/hour. Mike Immordino seconded and the motion carried.

X. SET NEXT MEETING DATE

The Annual Meeting will be Saturday, September 17, 2005 at 10:00 a.m. in the Clubhouse, followed by lunch.

The next Board Meeting will be Saturday, September 17, 2005 at 1:30 p.m. in the Clubhouse.

XI. ADJOURNMENT

A motion was made to adjourn at 9:15 p.m. The motion carried.

Approved By: _____

Board Member Signature

Date: _____

Addendum

**Dillon Valley East
Financial Summary
As Of July 31, 2005**

	Summary Balance Sheet		
	Operating	Reserve	Total
Cash Accounts	6,327.39	205,612.12	211,939.51
Other Current Assets	6,300.14	23,784.50	30,084.64
Fixed Assets (net of depreciation)	179,009.13		179,009.13
Total Assets	191,636.66	229,396.62	421,033.28
Short Term Liabilities	46,049.80	0.00	46,049.80
Long Term Liabilities	125,030.00	0.00	125,030.00
Donated Capital	2.00	0.00	2.00
Retained Earnings	23,590.45	147,641.76	171,232.21
YTD Net Income	(3,035.59)	81,754.86	78,719.27
Total Liabilities & Equity	191,636.66	229,396.62	421,033.28

	Operating Fund		
	Actual	Budget	Diff
July Total Income	107,117.38	108,222.75	(1,105.37)
July Total Expenses	120,183.70	132,452.67	(12,268.97)
July Net Income	(13,066.32)	(24,229.92)	11,163.60
YTD Total Income	756,187.61	757,551.25	(1,363.64)
YTD Total Expenses	759,223.00	765,358.69	(6,135.69)
YTD Net Income	(3,035.39)	(7,807.44)	4,772.05

July Variances:

Hallway painting is under budget by approximately \$1,600 - labor has not yet been billed.

Boiler maintenance is under budget by approximately \$1,000.

Normal building maintenance is under budget by approximately \$1,200.

Gas is under budget by approximately \$4,000.

Water and sewer is under budget by approximately \$1,500 - rate increase has not happened yet.

YTD we are ahead of budget by approximately \$5,000.

We expect to finish the year close to budget.

Respectfully submitted,

Sylvia Dowty
Treasurer, Dillon Valley East Condo Association

Dillon Valley East Condominium Association

Notes from the Pres

You are invited to attend the Annual Homeowners Association Meeting on September 17th in the Clubhouse. We would like to start at 10:00 AM. Come early for beverage and calorie rich doughnuts. If you need to make payment for dues or fines, you may do so at registration. Registration is a manual process, so plan to wait for others to go through the line before you. We will be treated to BBQ lunch following the meeting.

For the first time, we sent out absentee ballots with proxy forms. We also included short biographies of those who are contenders for a position on the Board of Managers. If you will not be present at the Annual Meeting, please fill out a proxy and a ballot and send them in with the provided envelope. If you cannot decide who to vote for, then at least please send in your proxy.

In an effort to retain our property values, members of the Buildings and Grounds committee, Basic Property Management and I performed several walk-through's of the property. We saw an unbelievable number of damaged or missing window and patio door screens and had warnings issued to owners of the units. Thank you to those who took action to correct the problem. For those who choose to ignore our warning, fines will follow. If you are a non-resident owner who prefers their management company take care of problems, we are sending warnings and fines to you so you may bring the problem to the attention of your property manager who may not be performing a quality service for you.

Below is a list of four companies that may be able to either repair or replace window and door screens. Dillon Valley East Condominium Association, its agents, and Board of Managers are not responsible for loss, injury, guarantees of workmanship or material provided by any of the companies listed below.

Company	Contact	Phone
Summit Window Screens Dillon, CO	Tibor Horvath	970-262-7901
Advantage Windows & Siding Englewood, CO		800-550-7001
Accent Windows Arvada, CO	Mike Osborne (New windows only)	303-785-1223
True Value Hardware Silverthorne, CO		970-262-1338

A big thank you to Julie Bollinger, Jim Powers, Cathy Brosius, and Will Brosius who volunteered to cleanup weeds, trim trees and bushes, and planted flowers. And thanks to members of Basic Property Management pitched in to haul debris on their own time. The property looks fantastic.

Our planned completion of the walkway along Straight Creek Drive from the clubhouse going east will not be completed this year. The increase in oil price forced the Board of Managers to move budgeted money to other locations that require asphalt repair.

Owners of pets not in their physical control while outdoors run the risk of having their pet injured by a passing vehicle, attacked by another loose pet, or even becoming a snack for a wild predator. While on common areas, please keep your pet under physical control at all times.

Our property management and Board are developing a procedure to inspect common areas of units that are for sale. Common elements and limited common elements (halls, stairs, banisters, fences, patios, parking areas, etc.) used primarily by the occupants of the unit being sold and damaged by the occupants of the unit being sold will be charged for repairs before close of the sale. We will, of course, expect normal wear and tear and will overlook that kind of use.

Hope to see you at the Annual Meeting.

Richard Garcia
President
Dillon Valley Condominium Association

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
September 17, 2005
Dillon, Colorado**

Board members present were Richard Garcia, Sylvia Dowty, Mike Immordino, Donald Jones and Cathy Brosius.

Homeowners present were Tom and Monika Nickerson, Jim Powers, Barb and Glenn Johnson, and Lee Vroble.

Representing Basic Property Management were Dan Ulmer and Julian Brody. Erika Krainz was recording secretary.

* * * * *

I. CALL TO ORDER

The meeting was called to order at 1:46 p.m. by Richard Garcia.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Donald Jones made a motion to approve the minutes of the August 17, 2005 Board Meeting as presented. Mike Immordino seconded and the motion carried.

III. COMMENTS FROM THE FLOOR

There were no comments from the floor.

IV. RESIDENT MANAGER'S REPORT

The Board agreed to accept the Basic Property Management Report as presented at the Annual Meeting just prior to this meeting, as follows:

Dan Ulmer reviewed his report on items completed by in-house staff over the past year that were normally undertaken by subcontractors:

1. The Association used to pay Tolin Mechanical \$70,000 per year to maintain the boilers. Julian and Tomas do all this work now and the Association only pays for parts.
2. Received a bid of \$12,000 to replace all shutoff valves into the buildings. Julian and Tomas replaced all valves with ball valves at a substantial savings to the Association.
3. The copper piping is deteriorating due to age. There have been a number of pinhole leaks so Julian has been replacing sections. Thin wall pipe was used in many of the buildings when they were constructed, including in the G Building.
4. Painted hallways in Buildings A, BB, Y, Z, X, Q and C.
5. Replacing plexiglass on sides of doors on four buildings.
6. Installed 404 vents covers to keep birds out.
7. Replaced concrete steps on four buildings.
8. Installed hardware to prevent birds from building nests.
9. Trimmed around all new entry doors.

10. The Board authorized purchase of a commercial steam cleaning unit so carpet cleaning can be done in-house. BB, AA, Y and X Buildings and the Clubhouse have been done.
11. Installed four new dumpster enclosures
12. All common areas have been summer and winter fertilized.
13. Repaired many sprinkler heads.
14. Striped the parking lots.
15. Lights were replaced and rewired in front of the Clubhouse with lower wattage fixtures to reduce energy consumption.
16. Painted Clubhouse interior and installed wallpaper.
17. Cleaned all furniture and carpets in Clubhouse.
18. Air handlers on Clubhouse roof were serviced.
19. Chain link fence installed behind Clubhouse.
20. Installed new lights and fixtures in Clubhouse.
21. Installed new security system in Clubhouse, including wiring and cameras.
22. Completed electrical work for outside lighting on garage.
23. Replaced interior lighting with better fixtures in garage.

Delinquency Report

Dan Ulmer reported that the top nine delinquencies remained the same. The first unit is in bankruptcy. Most of the others are making payments to get caught up, but the second and third on the list are in foreclosure. The total delinquent balance was \$22,469.

V. TREASURER'S REPORT

Sylvia Dowty reported that the Association was operating ahead of budget as of 8/31/05 but she anticipated this would change with increasing gas prices. She anticipated the Association would be close to budget at year end.

Mike Immordino made a motion to approve the Treasurer's Report as presented. Cathy Brosius seconded and the motion carried.

VI. FINES AND HEARINGS

No owners were present to appeal fines levied.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

The Board agreed to accept the Buildings and Grounds and Landscaping Committee Report as presented at the Annual Meeting just prior to this meeting, as follows:

The following projects were completed around the property over the past year:

1. Buildings N, O, R, S, BB and the south end of T were painted.
2. Hallways AA, BB, Y, Z, X, Q, A and C were painted.
3. Trimmed trees and bushes in planted areas.
4. "No Parking" was painted on the pavement in front of the dumpsters.
5. Four dumpsters were enclosed.
6. Lawn was mowed weekly and looks very nice.
7. Repaired sprinkler systems.

8. Patched parking lot potholes.

The following projects were completed around the Clubhouse over the past year:

1. Repaved and restriped front and back lots.
2. Short term parking has been cleaned up.
3. Resurfaced tennis court.
4. Cleaned up around garage and shed.
5. Placed new picnic table outside laundry room.
6. Enclosed spa pumphouse with chain link fence.
7. Mulched flowerbed in front of Clubhouse.
8. Installed new light fixtures inside Clubhouse.
9. Cleaned carpet and furniture in Clubhouse.

VIII. OLD BUSINESS

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

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

- B. *Proposal for Landscape Consulting Services (DVE Entry Feature, Xeriscape Design and Patio Screen Design)*

Drawings of the proposed designs for different fencing options were posted on the wall in the Clubhouse. One drawing has two walls, 6' attaching to the upper balcony. The wall would be on the Straight Creek side of the patios and would screen it from the road. One concept has open cedar balusters, which could possibly be constructed with Trex. The other design is completely encased with a fence and a gate similar to what was there before. There was trouble with the gates in the past and this design might not provide adequate screening. The drawing for concrete walls included substantial landscaping.

Questions remaining include if this project would be an Association or individual expense, and what the parameters would be for each balcony because some are bigger than others. The Board will need to address these issues, perhaps through the formation of a committee. Richard Garcia will contact Ed Lee and set a date for a special meeting of the Board to address the patio project. It was noted that the concrete pads do not necessarily match up and doors flip flop depending on the floor, so there might not be any storage space against the wall for some units. The "two wall" concept would be similar to what exists at Dillon Valley West.

- C. *Investigation of Multiple Pets in Units P103 and W201*

Richard Garcia said two owners claimed the Board was unfair because they were allowed to register two dogs when they first purchased and they were never informed that it was in violation of the Rules until several months later. The Association's attorney was contacted. He said the Association could take it to court and win, but it would be expensive. The attorney suggested creating a variance to the Rules for

these two owners to allow for two pets until one or both pets are removed from the units.

Dan Ulmer said the attorney indicated the variance should specify that when the unit sells it will revert to only one pet allowed, or if there is any problem with either of the pets it will revert to one pet and the owner will be fined.

Sylvia Dowty recommended checking the Association insurance policy to make sure it is covered for those types of dogs considered "fierce". The owner should also be required to have the appropriate type of insurance for fierce dogs.

Regarding the second dog in one of the units, Sylvia believes it belongs to the tenant, not the owner so the Board should investigate further. Cathy Brosius suggested adding a statement to the registration form to make it clear the owner understands they can only have one pet in the unit. She also proposed an annual fee for pet owners.

Tom Nickerson asked if granting a variance would establish a legal precedence wherein an owner could try to force the Board to grant a variance. Richard Garcia will discuss this with the attorney.

Donald Jones made a motion to give the owner of Unit P102 two months to be in compliance with the pet rule. Mike Immordino seconded. Donald amended his motion to include the owner of Unit W201 as well. The amended motion carried. Both sets of owners will be invited to attend the next Board Meeting. In the meantime, the county records will be checked to determine the name on the registrations for the dogs.

D. Multiple Pets in Rental Unit G105 (removal deadline 9/12/05)

Julian Brody was instructed to determine if the cats had been removed as directed.

E. Placement of Bench Outside Laundry Room

A picnic table was added outside the laundry room door.

F. Ratification of Expenditure to Overlay Parking Lot West of Clubhouse

At the last Board meeting money was reallocated from different items to the asphalt replacement project. The Board agreed to spend \$54,000 on asphalt. Since that time the final bid came in and since it was below \$54,000, Richard Garcia approved it. The bid was \$23,750 for the back parking lot and \$1,500 extra for the front area. As a result, there will be adequate funds for crack sealing. Mike Immordino made a motion to ratify the expense of \$23,750 for the overlay of the back lot and \$1,500 for the paving by the boiler. Sylvia Dowty seconded and the motion carried.

A bid of \$5,275 was received for crack sealing the parking lots. Donald Jones made a motion to approve the parking lot crack sealing for \$5,275. Sylvia Dowty seconded and the motion carried.

A bid of \$17,250 was received to finish the sidewalks. Cathy Brosius made a motion to approve the expenditure of \$17,250 for a sidewalk from the Clubhouse to Building A. Sylvia Dowty seconded and the motion carried.

G. *Cracked Doorbell Button W301*
The doorbell has been repaired.

H. *Procedure for Inspection Common Area of Units Being Sold*
Dan Ulmer will inspect units once notified of a closing by the title company.

IX. NEW BUSINESS

A. *Amendment to Rules and Regulations for Pets*
The Board briefly discussed amending the Rules and Regulations for pets but tabled a decision until the next Board meeting.

B. *Election of Officers*
Officers were elected as follows:
Richard Garcia – President Mike Immordino – Vice President
Cathy Brosius – Secretary Paul Hage – Treasurer

The Board recognized Greg Pooley and Tom Nickerson for their service on the Board

C. *Senate Bill 100*
Discussion on the Bill was tabled until the next Board meeting. There will be a meeting of the Community Association Institute on October 12, 2005 from 8:00 a.m. – 4:00 p.m. at Copper Mountain. Richard Garcia made a motion to authorize payment of the \$50 registration fee for any Board members interested in attending. Sylvia Dowty seconded and the motion carried.

D. *Summit Stage Stop*
Cathy Brosius suggested asking the Summit Stage to establish a stop by the Clubhouse. Dan Ulmer was asked to check on any potential liability issues associated with having the bus stop on private property.

X. SET NEXT MEETING DATE

The next Board Meeting will be on Wednesday, October 19, 2005 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

A motion was made to adjourn at 4:30 p.m. The motion carried.

Approved By: _____ Date: _____

Board Member Signature

Addendum
Treasurer's Financial Report

**DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF AUGUST 31, 2005**

Summary Balance Sheet:

	Operating	Reserve	Total
Cash Accounts	8,750.53	211,734.42	220,484.95
Other Current Assets	22,445.12	19,482.81	41,927.93
Fixed Assets (net of depreciation)	179,009.13		179,009.13
Total Assets	<u>210,204.78</u>	<u>231,217.23</u>	<u>441,422.01</u>
Short Term Liabilities	57,566.72		57,566.72
Long Term Liabilities	127,396.00		127,396.00
Donated Capital	2.00		2.00
Retained Earnings	23,590.45	147,641.76	171,232.21
YTD Net Income	1,649.61	83,575.47	85,225.08
Total Liabilities & Equity	<u>210,204.78</u>	<u>231,217.23</u>	<u>441,422.01</u>

Operating Fund P&L:

	Actual	Budget	Diff
August Total Income	106,822.94	108,222.75	(1,399.81)
August Total Expenses	105,560.86	106,657.68	(1,096.82)
August Net Income	<u>1,262.08</u>	<u>1,565.07</u>	<u>(302.99)</u>
YTD Total Income	866,345.92	865,774.00	571.92
YTD Total Expenses	864,696.31	872,016.37	(7,320.06)
YTD Net Income	<u>1,649.61</u>	<u>(6,242.37)</u>	<u>7,891.98</u>

Year to Date

We are ahead of budget by \$7,891.98. Building Maintenance is ahead of budget by \$6,821.25. Painting was over budget by \$3,478. Hallways were not re-carpeted saving \$13,000. Basic Building Maintenance is over budget by \$7,435.64. Damage Claims are under budget by \$4,255.12. Club & Recreation is over budget by \$5,637.10. Replaced the pool heater motor. Replace security system. Office Expense is over budget by \$3,455.79 (Had to replace some office equipment). Gas is under budget by \$4,949.20. Water & Sewer is under budget by \$4,636.50 (We were told there would be a rate increase which has not happened).

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

October 19, 2005

Dillon, Colorado

Board members present were Richard Garcia, Ed Lee, Mike Immordino, Donald Jones, Paul Hage and Cathy Brosius.

Homeowners present were Julie Bollinger (T206), Lee Vroble (X302), Amanda Acker (G105) and Nicole Garvin (W201).

Representing Basic Property Management were Dan Ulmer, Julian Brody and Ryan Cain. Erika Krainz was recording secretary.

* * * * *

I. CALL TO ORDER

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

II. APPROVAL OF PREVIOUS MEETING MINUTES

A correction was noted to Old Business, Section C. The unit number "P102" should be "P103" and "W301" should be "W201".

Mike Immordino made a motion to approve the minutes of the September 17, 2005 Board Meeting as amended. Donald Jones seconded and the motion carried.

III. COMMENTS FROM THE FLOOR

Rich Garcia summarized letters from owners

1. Laura Fletcher, regarding leaks – This issue has been addressed by management.
2. Jay Evans, regarding compost pile at X Building - Julian Brody and Dan Ulmer toured the area and could not find it.
3. Tom Lorenz, regarding illegally parked cars and oil - As a result of his letter a car was towed from his space on Monday 10/17/05.
4. Jodi Kropaugh, regarding several violation notices - She has come into compliance on all violations.
5. Jim Powers, regarding rules for Clubhouse, i.e. drinks or food in the lounge area, especially for large groups - He would like the rule to be changed to allow for food in the lounge, perhaps in conjunction with a use fee (\$100). This issue will be referred to the Rules Committee.

IV. RESIDENT MANAGER'S REPORT

Julian Brody reviewed his report:

1. Heat exchanger problem in A Building. A replacement heat exchanger has been ordered. Ed Lee made a motion to order another Raypack boiler heat exchanger as a backup. Mike Immordino seconded and the motion carried. The expense will be paid out of the Operating Budget.

2. Rebuild snowplow apparatus (or replace).
3. Replace heat pump motor in BB Building.
4. Installed and refurbished fire extinguishers in preparation for Fire Department inspection.
5. Cleaned out boiler tubes.
6. Purchase new large water pumps. The small pumps are not circulating the hot water fast enough. Larger hot water pumps will circulate the water correctly so the boiler temperature will not have to be raised. Dan Ulmer suggested buying them in December so they would be paid out of the new budget in January. Donald Jones thought it should be paid out of the Reserve Fund. Half of the buildings have already been done and the pumps are working well in those buildings. Donald Jones made a motion to purchase ten hot water recirculating pumps at a cost not to exceed \$5,000, to be paid out of the Reserve Fund. Ed Lee seconded and the motion carried.

V. TREASURER'S REPORT

Year-to-date as of 9/30/05 the Association was operating ahead of budget. The Association should end the year with a small surplus, but this could be impacted by energy costs.

Ed Lee said there was discontent two months ago about the slow cashing of checks by management. Dan Ulmer said procedures had been revised to improve this situation. All checks are being stamped when received and deposited immediately.

On the September P&L Ed Lee noticed eleven entries that should be explained in a variance statement. He requested that future reports include a one line explanation if the variance is greater than \$500 and at least 10% of the budget. Ryan Cain agreed to include this information. He will also identify the month of the bill for all large expenses (energy, cable, trash and insurance).

Paul Hage made a motion to approve the Treasurer's Report as presented. Donald Jones seconded and the motion carried.

Delinquency Report

Dan Ulmer said the second owner on the list should be paying \$1,000 tomorrow. After the first eight on the list, the amount outstanding is basically one month of dues and some have paid since the report was printed, so the delinquent balance is actually a bit lower.

The total delinquent balance was approximately \$19,053. Dues totaling \$9,740 have been paid in advance.

VI. FINES AND HEARINGS

Amanda Acker (G105) received a warning about the two chairs on her patio. Dan Ulmer explained only lawn furniture was permitted decks and patios and indoor furniture was not permitted, in order to maintain a good appearance.

Nicole Garvin (W201) was previously cited for having two pets. The Association's attorney has reviewed the situation. At the last meeting, a motion was made to give her two months to come into compliance. The next step will be to fine her for having two pets. Nicole said she also consulted with an attorney, who advised her that she was in compliance according to the printed Rules. She said she would continue to fight the Board's decision. She was told that she now has one month to come into compliance. She declined to have the fine policy read aloud. Ed Lee said she should be sent a letter summarizing the decision made at last month's meeting and defining what her obligations and consequences will be.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Julie Bollinger said Julian Brody and his team have set up for winter earlier than ever before.

Lee Vroble provided a copy of an article regarding new tax credits (dollar for dollar) for energy conservation measures, effective January 1, 2006. Owners considering such renovations should consider waiting until after that date.

VIII. OLD BUSINESS

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

Julie Bollinger said the books were reviewed and all were in order.

B. Proposal for Landscape Consulting Services (DVE Entry Feature, Xeriscape Design and Patio Screen Design)

Ed Lee said the landscape architect was delayed in providing costs. He should have several options for proceeding by the next meeting. There will need to be communication to the owners regarding the design and payment options. The options will be developed taking into the consideration the costs of the different designs and who will be paying for the initial cost and maintenance. Ed suggested building a few prototypes and having the Board vote.

Cathy Brosius noted the design should be compatible with any future balcony replacement. There are a number of balconies that need repair before the next painting cycle.

C. Multiple Pets in Rental Unit G105 (removal deadline 9/12/05)

Julian Brody reported that it appeared the cats had been removed as directed.

D. Amendment to Rules and Regulations for Pets

This is on hold until the pet situation in W201 is resolved. Revisions will be addressed by the Rules Committee when it meets early next year. The registration form was already amended to reflect the current rules in effect.

E. Summit Stage

Dan Ulmer was told by the insurance agent it would not be a good idea to have a bus turnaround on private property. There would be liability for slip and falls, and since the Summit Stage is a government entity, it has a maximum liability of \$150,000. The idea of a bus stop has been explored at least five times in the past thirty years, but it always comes down to liability and the turnaround space. It would also be a significant expense to build up the asphalt to support the weight of the big buses. Nevertheless, Cathy Brosius agreed to chair a committee to pursue this idea. She will draft a letter to John Jones, the Manager of the Summit Stage.

F. Bikepath

In order to build the bike path as proposed, several fire hydrants would have to be moved at a cost of \$25,000. The Metro District, however, plans to move them next year, so the project will be put on hold until next spring. Some of the steeply sloped sections will need to be flattened out, i.e. between the A and C Buildings. Richard Garcia said it should be identified as a bikepath, not a walkway, to avoid ADA issues.

IX. NEW BUSINESS

A. CAI Annual Member Meeting 11/12/05

Richard Garcia made a motion to approve \$30 for any Board member to attend the meeting, including mileage (\$0.408/mile), to be paid out of the Director's Expense account. Donald Jones seconded and the motion carried.

B. Mileage Reimbursement

Richard Garcia made a motion to allow mileage reimbursement for Board members to attend meetings and educational sessions held in Colorado. Mike Immordino seconded and the motion carried.

C. Mountain Conference Meeting 10/12/05

Richard Garcia, Cathy Brosius and Paul Hage attended. They all agreed it was very educational.

D. Move Funds from GMAC

Dan Ulmer said he was trying to find a better investment vehicle than GMAC. Options would include CD's or liquid T-bills. Alpine Bank is offering a T-bill with a 3.69% return (the rate changes weekly). The minimum investment would be \$100,000.

Donald Jones made a motion to move the money from the GMAC Demand Note-Reserves to Alpine Bank. Paul Hage seconded and the motion carried. Dan

Ulmer noted the Association was bonded to cover any amount on deposit over \$100,000.

E. Fitness Equipment

Amanda Acker asked about the possibility of getting some more exercise equipment. Richard Garcia said this had been considered but there is no obvious place to put it. Julie Bollinger added that there were liability issues and there would have to be a rider on the insurance policy. Dan Ulmer was directed to call the insurance agent to get an estimate for the cost of a rider for the policy and ask for a recommendation for specific types of equipment. Amanda should provide a proposal for a location. The room would need to be locked to prevent unauthorized access.

X. SET NEXT MEETING DATE

The next Board Meeting will be on Wednesday, November 16, 2005 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

A motion was made and seconded to adjourn. The motion carried and the meeting was adjourned at 8:40 p.m.

Approved By: _____
Board Member Signature

Date: _____

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
November 16, 2005
Dillon, Colorado**

Board members present were Richard Garcia, Mike Immordino, Donald Jones, Paul Hage and Cathy Brosius.

Homeowners present were Lee Vroble (X302), Julie Bollinger (T206) and Barbara and Glenn Johnson (S103/104).

Representing Basic Property Management were Dan Ulmer, Julian Brody and Ryan Cain. Erika Krainz was recording secretary.

Clubhouse Hours for Christmas Eve and Christmas Day

To allow our employees to enjoy the holiday with their families, the Clubhouse will have the following hours on December 24th and 25th:

December 24 th	9:00 AM – 5:00 PM
December 25 th	12:00 AM – 9:00 PM

I. CALL TO ORDER

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

II. APPROVAL OF PREVIOUS MEETING MINUTES

Donald Jones made a motion to approve the minutes of the October 19, 2005 Board Meeting as presented. Paul Hage seconded and the motion carried.

III. COMMENTS FROM OWNERS

Rich Garcia summarized letters from owners

1. Karl Lepping (O105) - The owner had questions about a water leak into his unit. It is in the process of being resolved.
2. Tom Lorenz (X103) – The owner made suggestions about how to handle the Association finances. Richard Garcia noted the finances are already being handled as he suggested.
3. Unit U204 – Communication regarding unpaid dues is ongoing. The dues should be paid up by December 1, 2005. If not, the Board will initiate the 12% penalty fee on the unpaid balance.
4. Richard Spangler (A203) – Dan Ulmer received a letter about paint being spilled from Unit A303 down onto the deck and slider of Unit A203. He left a message for the owner that management would clean up and repaint as needed in the spring.
5. Lee Vroble (X302) – Lee Vroble presented information at the last meeting about the “Energy Tax Incentive Act of 2005”. Richard Garcia did some research and recommended other Board members look it up on the internet to obtain information. He found it mainly pertains to single-family homes, not condominium associations.

IV. RESIDENT MANAGER’S REPORT

Julian Brody reviewed his report:

1. The annual fire inspection was done in all buildings. He had to issue some warnings and thought the Board might receive emails from the affected owners.
2. Completed all carpet cleaning in the complex.
3. Jetted Building Z drains twice.
4. Replaced heat exchanger on Boiler A. An extra heat exchanger has been ordered as a backup.
5. Increased the boiler temperatures.

6. A lot of time was spent plowing this past week.

Delinquency Report

Dan Ulmer distributed the list. The total delinquent balance has been reduced to \$19,790.

1. Owner #2 has agreed to pay all back dues, totaling \$3,114.
2. Owner #10 stopped making payments and a lien was filed.
3. Owner #11 was one of the big offenders and paid in full in the past year, but there is still a balance remaining.
4. Owner #12 has paid all back dues but there is a balance remaining for fines and penalties.

There is a credit balance of \$8,325 for dues paid in advance.

Cathy Brosius suggested investigating dues payment by credit card. Ryan Cain was asked to research this option.

V. TREASURER'S REPORT

For the month of October, expenses were \$19,600 more than income, slightly more than the budgeted \$17,000. YTD income was \$5,500 against a budget of \$2,300.

Basic Management provided brief written explanations for the variances, which was very helpful.

Variances to budget included:

1. Income - about \$300 below budget.
2. Total Building Maintenance - \$2,100 over budget, mainly due to hiring an outside contractor to repair water damage in Building I, and for boiler work in Building A.
3. Club and Rec - over budget for the month and year-to-date. The budget figure was increased in the new budget.
4. Electric and Gas – Gas was \$200 over budget, and Electric was 10% under budget.
5. Grounds Maintenance – under budget.

Donald Jones questioned the cable expense for the Manager's unit; he thought the monthly charge was about \$20 too high.

Mike Immordino made a motion to approve the Treasurer's Report as presented. Donald Jones seconded and the motion carried.

VI. FINES AND HEARINGS

There were no owners present regarding fines or hearings.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Julie Bollinger said management was doing a great job. She recommended putting Jim Powers on the committee to replace her.

VIII. OLD BUSINESS

- A. *Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments*
Julie Bollinger said the books were reviewed and all were in order. The Board thanked her for her service to the Association.

B. Proposal for Landscape Consulting Services (DVE Entry Feature, Xeriscape Design and Patio Screen Design)

Ed Lee told Dan Ulmer he would give the Board cost estimates for the high and low scenarios. Ed was planning to give the presentation but had a tire blowout on the way to the meeting.

Julie Bollinger made a suggestion to allow the lower level owners some privacy. Richard Garcia said the Johnson's volunteered to have a prototype enclosure built around their deck.

Further discussion on this issue was tabled until January 2006.

C. Multiple Pets in Rental Unit G105 (removal deadline 9/12/05)

Julian Brody reported that the unit is now in compliance with the correct number of pets.

D. Summit Stage

Cathy Brosius did not do any further research.

E. Move Funds from GMAC

The Board agreed to move the money to another bank. The current yield is 3.5%.

F. Donation

The Association donated \$100 to the Red Cross for Hurricane Katrina relief and Basic matched the donation for a total of \$200.

IX. NEW BUSINESS

A. Budget Committee Meeting 11/4/05

The Budget Committee came up with a proposal for 2006. It includes a 6% dues increase, mainly to cover the natural gas price increase. The PUC is recommending another rate increase in February, in addition to the 30% already approved.

Lee Vroble asked if the owners had to approve the 2006 Budget. Dan Ulmer explained that since this Association was established prior to 1992, it was not subject to the CCIOA regulations. The Budget is approved by the Board, not by the entire membership.

Donald Jones made a motion to approve the 2006 Budget as presented. Paul Hage seconded and the motion carried. Owners will receive the 2006 Budget by mail along with their dues increase notice. Donald noted the Budget and coupons should be sent out before the end of the year.

B. Senate Bill 100

Dan Ulmer said he had prepared a first draft of the seven required policies. He has turned it over to the attorney to finalize. Once he receives it, the Board can circulate it by email and have it approved by January 1st. Richard Garcia noted that the required information did not actually have to be distributed, but had to be made available.

The next owner newsletter will list the information that must be disclosed annually per the Bill, including the Association name, management company, physical address and phone, date of recording of the Declarations and recording number.

C. Change of Attorney for HOA

Dan Ulmer is working with Dan Wolfe of Wolfe and Associates to review the existing documents and to address the Senate Bill 100 issues. This attorney specializes in

association management. Paul Hage made a motion to authorize Dan Wolfe and Associates to act as the associations' attorney. Don Jones seconded and the motion carried.

X. SET NEXT MEETING DATE

The next Board Meeting will be on Wednesday, January 18, 2006 at 7:00 p.m. in the Clubhouse.

There will be a Board "social" on December 10th. Richard will email all Board members the information.

XI. ADJOURNMENT

A motion was made by Mike Immordino to adjourn at 7:50 p.m. Donald Jones seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

**DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF OCTOBER 31, 2005**

Summary Balance Sheet

	Operating	Reserve	Total
Cash Accounts	33,604.76	212,892.32	246,497.08
Other Current Assets	23,216.60	11,234.81	34,451.41
Fixed Assets (net of depreciation)	179,009.13		179,009.13
Total Assets	235,830.49	224,127.13	459,957.62
Current Liabilities	75,129.55		75,129.55
Long Term Liabilities	131,364.00		131,364.00
Donated Capital	2.00		2.00
Retained Earnings	23,788.53	147,641.76	171,430.29
YTD Net Income	5,546.41	76,485.37	82,031.78
Total Liabilities & Equity	235,830.49	224,127.13	459,957.62

Operating Fund P&L

	Actual	Budget	Diff
October Total Income	107,915.38	108,222.75	(307.37)
October Total Expenses	127,552.47	125,361.68	2,190.79
October Net Income	(19,637.09)	(17,138.93)	(2,498.16)
YTD Total Income	1,082,420.76	1,082,219.50	201.26
YTD Total Expenses	1,076,874.35	1,079,874.73	(3,000.38)
YTD Net Income	5,546.41	2,344.77	3,201.64

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS SPECIAL MEETING
December 10, 2005
Dillon, Colorado**

Board members present were Richard Garcia, Mike Immordino, Ed Lee, Sylvia Dowty, and Cathy Brosius.

Representing Basic Property Management were Dan Ulmer, Julian Brody and Lanelle Barnett.

* * * * *

I. CALL TO ORDER

The meeting was called to order at 6:10 p.m. by Richard Garcia.

II. UPDATE TO BOARD ON BUSINESS TRANSACTIONS

President, Richard Garcia, updated the Board on business transactions and operations during the month of November.

The Clubhouse will have holiday hours for Thanksgiving, Christmas, and New Year's Day. Hours would be:

December 24th	9:00 AM – 6:00 PM
December 25 th	12:00 AM – 9:00 PM
December 31 st	9:00 AM – 6:00 PM
January 1 st	12:00 AM – 9:00 PM

X. ADJOURNMENT

A motion was made by Sylvia Dowty to adjourn at 6:20 p.m. Cathy Brosius seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____