

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
ANNUAL MEETING
September 16, 2006
Dillon, Colorado**

I. CALL TO ORDER AND CERTIFICATION OF PROXIES

The meeting was called to order at 10:11 a.m. by Richard Garcia. A quorum was reached with forty-eight units represented in person and sixty-one proxies received.

Board members present were:

Richard Garcia, President, T106	Mike Immordino, Vice President, E203
Paul Hage, Treasurer, N305/Q205/BB203/Z104	Cathy Brosius, Secretary, E106
Donald Jones, Member, B301	Ed Lee, Member, T105
Sylvia Dowty, Member, Y101	

Homeowners present were:

Fred & Rosie Tronnier, A106	John & Mary Regan, A204
Joe & Nancy Bain, B103	Margaret Sugar, B106
Steve & Mary Adams, B201	Doyle Reid, B202
Priscilla Callahan, B204	Michelle Hulscher, C204
Wanda Hitchcock, C301	John Yutzler, D203
Kevin & Colleen Kaiser, D301	Rachelle Naishtut, F302
James Rode, G101	Kelly McKimmy, G202
Robert & Lisa Price, G305	Wayne Ryon, G306
Carla Carter, I302	Cesar Munoz, J102
Paul Jones, N101	Joan Collins, N103/Z303
Janet Chambers, Q103	Jason Rowe, Q303
Joyce Oleson, R101	Margaret Garver, R106
Robert Klea, S201	Glenn & Barbara Johnson, S103/104
Anthony Dobrski, T302	Carl Henry, U202
Nicholas & Donna Reuterman, U303	Geoff & Marilyn Rice, V301
Gary Hedman, V203	
Bill Jewell, Stephany Allardice & Jen Heiman, W202	
Thomas Lorenz, X103	Martha Pirnat, X301
Leo Vroble, X302	Paul Vernon, Y306
Barbara Ferguson, BB102	Michael Callahan, BB201

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

II. PROOF OF NOTICE

Notice was sent in accordance with the Bylaws and Senate Bill 100.

III. APPROVE PREVIOUS MEETING MINUTES

Tom Lorenz made a motion to approve the minutes of the September 17, 2005 Annual Meeting as presented. James Rode seconded and the motion carried.

IV. REPORTS OF OFFICERS

A. *Real Estate Report*

Sylvia Dowty reported the last two years had been great for the Dillon Valley East real estate market. There has been 18 – 20% property appreciation. One bedroom prices have increased from the \$80,000's to the high \$90,000's. Two bedrooms were \$112,000 last year and are now selling for \$148,000 – 150,000, usually within one week. Three bedrooms were selling for \$135,000 – 145,000 last year and are now in the \$170,000's, occasionally pushing the \$180,000 mark.

B. *Vice President's Report*

Mike Immordino said his function was to back up the President. He was involved in the planning for the paving and widening of the parking lots.

C. *Secretary's Report*

Cathy Brosius said she has been working on the patio enclosure project.

D. *Treasurer's Report*

Paul Hage said the Association ended 2005 with surplus of just over \$2,000. The biggest challenges in the past year were the utility and snow removal costs. An increase in utility costs was budgeted but the actual prices were even higher than the projections. A backhoe was rented this past winter to enable the in-house staff to push back the snow.

At this point the Association is operating within budget. Year-to-date income is on target and expenses are 3.2% under budget. Net income for the year is \$8,536 against a budget of -\$22,607. The Board chose not to paint any buildings this year in order to stay within budget. He anticipates the Association will end the year close to budget. Utilities are predicted to be less than last year. Any year-end surplus can be refunded to owners or carried forward in the next year's Operating Budget.

Paul Hage made a motion to authorize the transfer of any Operating surplus at year-end to the 2007 Operating Budget. Tom Lorenz seconded and the motion carried. Dan Ulmer mentioned the Association purchases natural gas on the commodities market on a nightly basis.

Reserve Fund income year-to-date is \$104,561 and expenses are \$110,395, resulting in a net loss of \$5,000. Paul noted that many of the expenses were for summer projects. The Reserve Fund balance at the end of August was \$236,574. A Reserve Study has been done and the Board will plan future projects based on the report.

Bob Price made a motion to approve the Treasurer's Report. Tom Lorenz seconded and the motion carried.

E. President's Report

Richard Garcia provided a PowerPoint presentation illustrating "the good, the bad, and the ugly" around the property. He highlighted Board activities over the past year:

1. The Board has been investigating the installation of patio fences. The upper level balconies will also need to be replaced at some point in the future.
2. Parking lot expansion was done for several buildings. There is not adequate space to provide three spaces per unit.
3. The zone valve replacement project was done to isolate the zone valve for maintenance. Almost all valves are original and are beyond repair due to corrosion.
4. Violation warnings have been issued to encourage compliance with the House Rules.
5. The building siding is showing its age and is being held together in some areas by the paint.
6. Julian Brody has saved the Association a great deal of money by doing a considerable amount of work with in-house labor and buying parts at the flea market.

V. BUILDING AND GROUNDS COMMITTEE REPORT

The membership recognized Barb and Glenn Johnson and Julie Bollinger for their work around the property.

Glenn Johnson provided the Building and Grounds Committee Report.

Buildings:

1. Painted the hallways in S, D and W Buildings.
2. Recarpeted J Building and first stack of O Building and replaced mats.
3. 70% of the hallway carpets were cleaned.
4. Removed broken trim and painted fifteen entry doors.
5. Made numerous repairs in Clubhouse.
6. Many repairs and maintenance were done with in-house labor resulting in significant savings to Association.

Grounds:

1. The staff did an outstanding job with snow removal last winter.
2. Repaired, overlaid, striped and extended parking lots for D, E, V and W Buildings.
3. Extended and striped parking lots for H, T, U and I Buildings.
4. Restriped Clubhouse parking lot.
5. Removed dangerous playground equipment.
6. Cleaned up some of the tree areas around the Clubhouse and drive entrances.

Glenn recognized the staff for doing a fine job of maintaining and improving the grounds at Dillon Valley East.

VI. MANAGEMENT COMPANY REPORT

Julian Brody provided a written report of projects accomplished over the past year.

The zone valves have been replaced in 116 units so far. Buildings A, B, C, D, F, G, H, I and J are complete. Five of those buildings have two boilers. The remaining buildings only have one boiler so the entire building will have to be drained of all liquid prior to the work. The two upper floors in each building will be done first because they are easier to drain. The lower floors will be done starting in the spring.

It has not been an easy project and Dan Ulmer and his staff have endured a considerable amount of abuse from some occupants. There have been some problems getting access to some units. Dan apologized for the late start of the project and mentioned owners in the lower buildings who have already paid can request a refund and pay in the spring when the work is done.

VII. ELECTION OF MANAGERS

The terms of Donald Jones and Mike Immordino expired this year. Donald Jones will not be running again.

Tony Biancarosa had submitted a letter indicating his interest in running. He was not present but Dan Ulmer spoke on his behalf. Other candidates Mike Immordino and Bob Price introduced themselves and provided biographical information. Carla Zinn Rigger was not present but Dan Ulmer spoke on her behalf.

The meeting was recessed at 11:40 a.m. while the election results were tabulated by four owner volunteers. The meeting reconvened at 12:45 p.m.

All ballots were tallied and Tony Biancarosa and Mike Immordino were elected.

Donald Jones was recognized for his service on the Board.

VIII. NEW BUSINESS

A. Sidewalk

Patricia Callahan asked if a sidewalk would be added between her unit and the Clubhouse. Richard Garcia said there would be a sidewalk as far as Building B, but not further because the grade is too steep. It has not yet been done because there were other higher priority projects. The Board will try to get it on the list for next spring.

B. Parking

Michele Hulscher thanked Mike Immordino and Julian Brody for helping her get moved in and settled. She said the office staff really went out of their way to provide assistance. She spoke in favor of two parking spaces for one bedroom units. Wayne

Ryon clarified that he was not trying to take away a space from the one bedroom units, but rather to add a third spot for the fifty-four three bedroom units. He said the parking lots should be expanded as possible and the extra spaces should be first allocated to the three bedrooms.

C. *Weather Stripping*

James Rode said many of the buildings have little or no weather stripping around the doors, which creates a draft into the building and wastes energy. He made a motion to replace all weather stripping. Bob Price said last year he encouraged energy conservation and was not sure if anything had been done about that. Dan Ulmer said 50 watt fluorescent bulbs were now being used in the common areas and energy saving bulbs were installed in the exterior fixtures as well. The cold air input into the pool heating system was minimized.

IX SET NEXT MEETING DATE

The next Annual Meeting was set for Saturday, September 22, 2007 (time to be announced) in the Clubhouse.

X. ADJOURNMENT

Tom Lorenz made a motion to adjourn at 1:03 p.m. Carl Henry seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____