

**DILLON VALLEY WEST CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
January 23, 2020**

I. CALL TO ORDER

The meeting was called to order by Dan Schwarz at 6:38 p.m. in the Basic Property Management office.

II. ROLL CALL

Board members participating (*via teleconference) were:

Dan Schwarz, President*	Chuck Montoya, Vice President*
Chris Heer, Treasurer	Bryan Brunvand, Director*
Jeff Kirk, Director*	

Representing Basic Property Management were Gary Nicholds and Eric Nicholds. Representing Focus Property Management was Alan Alvarado. Erika Krainz of Summit Management Resources was recording secretary.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Motion: Jeff Kirk moved to approve the December 12, 2019 Board meeting minutes as presented. Bryan Brunvand seconded and the motion carried.

IV. OPEN FORUM

The owner of F305 sent an email with complaints about entry into his unit without notice, the pest control schedule not being posted on the website and the deadbolt not being locked when his unit is accessed. The owner is planning electrical work in his unit and asked if he needed Board approval. Chuck Montoya said Board approval is not required but the electrician must be licensed and he may need a building permit. The outside door to F5 and F6 does not close properly and there is a large gap in the weather strip.

Action Item: Focus will follow up on these issues.

The outdoor hot tub seems to be out of order frequently. Alan Alvarado said there have been problems with the old circulation pumps. New pumps were ordered and installed and it is working well now. He recommended replacing two more circulation pumps for the inside hot tub and pool due to their age.

Action Item: This topic will be included on next month's agenda for discussion with Nancy Peters and Heber Rojas.

Chuck Montoya commented that the notice about the change of bank for the Association was posted on the website but not mailed to the owners. Any financial changes should be sent by USPS mail and the notice should have been provided earlier in the month. Eric Nicholds explained that Union Bank dropped all the Basic Property Management accounts without advance notice. It was very unfortunate timing so close to the holidays.

V. FINANCIALS

Chris Heer reviewed the Balance Sheet as of December 31, 2019:

1. Operating - \$161,128

2. Reserves - \$423,411
3. Total Checking/Savings - \$584,539
4. Prepaid Insurance – \$17,911
5. Total Current Assets - \$601,435
6. A/P - \$65287
7. Loan - \$11,358 Loan
9. Total Liabilities - \$91,634
10. Total Liabilities & Equity - \$604,415

Chris Heer reviewed the Profit & Loss as of December 31, 2019:

1. Total Income - \$504,919, which was \$10,452 favorable to budget. Washer/Dryer Income and In Unit Washer Fees were favorable to budget and Club & Rec Income was unfavorable to budget.
2. Total Expenses – \$15,748 favorable to budget overall. There were favorable variances in Water and Sewer (\$4,692), Electric (\$1,263), Gas (\$7,454), Plumbing & Heating (\$7,657), Pest Control (\$2,950), Snow Removal (\$3,679) and Clubhouse Maintenance (\$2,680). There were unfavorable variances in General Building Maintenance (\$8,886), General Building (\$2,340), Grounds & Parking (\$2,548), Pool & Hot Tub Maintenance (\$2,410), Clubhouse Plumbing & Heating (\$1,030) and Laundry Room Repair (\$905).
3. Net Operating Income – \$29,843, which was \$26,200 favorable to budget.
4. Reserve Income – \$126,431, which was \$3,607 favorable to budget due to a \$3,594 favorable variance in Resale Reserve Contributions.
5. Reserve Expenses – \$188,547, which was \$29,547 unfavorable to budget.
6. Net Reserve Income – (\$62,116), which was \$25,940 unfavorable to budget.
7. Combined Operating and Reserve Income – on budget.

Motion: Chris Heer moved to pay off the \$11,358 loan balance with Alpine Bank. Jeff Kirk seconded and the motion carried.

Chris Heer discussed investing \$50,000 in a CD with a yield of 1.8% for 26 months with purchase of a second \$50,000 CD a few months later to stagger the maturity dates. Chuck Montoya said he would prefer a longer term investment and recommended further research. There was support for a laddered approach. Dan Schwarz said he would like a written proposal that outlines the highest return and safest options with no prepayment penalty.

Motion: Chuck Montoya moved to accept the financial report. Jeff Kirk seconded and the motion carried.

VI. LAUNDRY UPDATE

Dan Schwarz said the income was \$10,500 for the year. The collection this month to date has been \$1,500. Chuck Montoya suggested that Focus keep a log with dates when machines are out of order and when they are repaired. Signs should be put on the machines when they are not operational.

VII. DELINQUENCIES

As of December 31, 2019, there was one owner with a past due balance of \$2,300 and another with a past due balance of \$1,300.

VIII. WATER REPORT

Bryan Brunvand provided a written report. He added a new section on the fourth quarter report that indicates the amount of water per building per quarter. J Building had the highest use with 273,000 gallons. Most usage seems to be on par for this time of year. All units in J Building are occupied by full time residents. There were water leaks identified in C and D Buildings. The water expense accounts for approximately 26% of the overall budget (\$196,000). The irrigation schedule is 30 minutes per zone three times weekly. Dan Schwartz suggested changing the timers to irrigate 10 minutes per zone in two cycles. The current annual fee for in-unit washers and dryers is \$20/month and there was discussion about increasing it but no action was taken.

IX. PROPERTY REPORT

Alan Alvarado reviewed the following:

1. Replaced the main drain in J106 due to age.
2. Installed a new water storage tank in I Building.
3. Installed a new circulation pump in the outdoor hot tub.
4. Nine violations were issued this month for several units.
5. The schedule for pest control has been posted.
6. The indoor hot tub needs to be resurfaced. There was a leak in the main drain and it was out of service for two days while the caulk dried.
7. Installed heat tape on the east and west sides of the Clubhouse.
8. Disposed of four hot water storage tanks from C, H and I buildings.
9. B104 had several leaks and a flooded toilet last month that caused damage to the hallway. All repairs have been completed.
10. The security doors are being repaired as problems are reported.
11. B204 had a clogged toilet that caused damage in B104. Unattended young children were discovered in the unit and the police were called.
12. Ice melt buckets have been placed at each building. Ice melt is being spread once or twice daily.
13. A faulty dishwasher caused damage in G204. The ceiling was repaired and fixtures replaced in G202.
14. There were pinhole leaks in J Building. The warranty coverage is being researched since it was installed by Wildernest 2013.
15. There were 23 hours of plowing in the past month.

X. OLD BUSINESS

A. *Discuss Electronic Locksets & Need for Keys/Access*

The Board agreed that new locksets must have a key and Focus must be provided with a copy.

- B. *Discuss Adding Rule Regarding Guns in the Clubhouse & Updating Emergency Response Plan*
Gary Nicholds said some public spaces display signage prohibiting firearms. He noted DVW could post signage but it would be difficult to enforce. The Board agreed not to take further action and to close this matter.

XI. NEW BUSINESS

- A. *Special Assessment*
Chris Heer believes the last Special Assessments were in 2008, 2009 and 2010. The funds were used for new roofs and painting.
- B. *2020/2021 Budget*
Chris Heer developed scenarios for 1% and 2% dues increases. She made changes per Chuck Montoya’s request and reduced expenses by \$400. A 1% increase would result in a \$570 net loss with \$5,325 net income including Reserves. A 2% increase would result in net income of \$6,630 and \$14,184 of combined Operating and Reserve net income. Owners will have to be given at least 30-day’s notice before the increase, which would be effective May 1st. The Board members indicated their preference for the level of increase.

Motion: Chuck Montoya moved to increase dues 1% for 2020/2021 and to notify owners that if water costs continue to escalate, it may be necessary to increase dues 2% next year. Bryan Brunvand seconded and the motion carried.
- C. *Inactive Board Member*
Justin Timblin sent Dan Schwarz an email with his resignation from the Board.
- D. *Solar Panels*
A discussion of adding solar panels should be added to the next meeting agenda.

XII. SET NEXT MEETING DATE

The next regular Board Meeting will be Thursday, February 27, 2020 at 6:30 p.m.

XIII. ADJOURNMENT

Motion: Dan Schwarz moved to adjourn at 7:55 p.m.

Approved By: _____ Date: _____
Board Member Signature