

**Dillon Pines Apartment Association
Board of Director Meeting
1-27-07**

I. Call to Order / Quorum

II. Owners Forum

III. Review and approve minutes from 11-4-06 Board meeting

IV. Presidents Report

V. Financials

- A. Year to date Financial review
- B. Capital Projects budget review – first draft
- C. Misc. financial questions follow up from previous meeting
- D. Cable TV survey
- E. Check signing authority

VI. Managers Report

A. Completed Projects

Install of new railings, back decks of N-1, N-2

Electrical issues

N- Bldg. Heat tape

S- Bldg. Heat tape

S – Bldg. lights

N-1 window replacement

House Rules

SB-89 / 100 policies

B. Pending Projects

Painting of new railings N-1, N-2

C. Report Items

Roof leaks, roof vent additions

Boiler inspection

Screen door uniformity; other item uniformity

Water meter install fees

Dues billings schedules

VII. Old Business

A. Unit Remodels

B. Landscaping plan, unit rental donations”

C. House Rules

D. Governing Document revisions

VIII. New Business

A. Website, security, pictures of owners

B. David Thompson Board member resignation

IX. Next meeting date

X. Adjournment

Minutes

I. Call to order – President George Harrison called the meeting to order at 9:08 am. George Harrison and James Allen were present in person at the meeting and Mary Kay Stewart and Doug Ostergaard were present via telephone. Kevin Lovett and Peter Schutz were present for Summit Resort Group.

II. Owners Forum – The meeting was advertised on the website and notification was sent to all owners via email. No owners outside of the Board of Directors were present.

III. Review and Approve Minutes from the 11-4-06 Board meeting. The minutes from the 11-4-06 Board meeting were reviewed; George Harrison moved to approve, James Allen seconds and the motion passes. SRG was instructed to send out the house rules as an attachment to the 11-4-06 board meeting minutes.

IV. Presidents report – President George Harrison instructed SRG to send an email to all Dillon Pines owners reminding them to please contact SRG with any problems or issues they may be having at the complex.

V. Financials

December 2006 Close

December 31, 2006 close financials report that we have \$14,962.44 in Operating and \$25,855.86 in reserves.

December 31, 2006 Profit and Loss statement reports that we have received \$71,398.98 in total income and have spent \$61,045.11 on operating expense items and we have spent \$11,813.22 on reserve expense items. This results in total expenses of \$72,601.33 leaving us with a total reported loss of \$1202.35 for the year.

SRG was instructed to research what expense items make up the \$11,813 of reserve spendings.

SRG was also instructed to investigate and report on the interest rates and liquidity of the Reserve and Operating accounts. The board will also investigate any restrictions on transferring money between accounts and then decide on a possible transfer of \$5k - \$7k from operating to reserves. The limit to Board spendings without formal owner approval will also be investigated.

Miscellaneous Financial items

Financial follow up questions from 11-4-06 board meeting-

Maintenance expense line item - the maintenance expense line item for 07' was presented at \$35 per mo. at the last Board meeting. A question was raised at the Board meeting, is this enough? Based on discussions with the Town of Dillon Water and Sewer Dept., I have been able to decrease the budget allocation for Water and Sewer and placed these dollars into the Maintenance expense line item increasing it to \$83 per month. Expenses that would be allocated to this account are physical maintenance supplies (light bulbs, nails, screws, boards, etc.); routine maintenance labor is included in the management fee. We have realized expenses that have hit 2006 financials to "catch up" on maintenance items such as burnt out light bulbs, new breakers for heat tape and a new photo cell. We should be in good shape coupling the "catch up" work for 06' in addition to the \$83 per month allocation for Maintenance (barring the unforeseen of course).

Predicted water and sewer fees for 2007 – The predicted water and sewer fees for 2007, based on conversations with the Town of Dillon Water and Sewer dept.) and in line with our usage are a total of \$13,398. A proposed increase of \$1 per eqr (we use 10.15 eqr's at the S. bldg and 8.65 egr's at the North bldg each month) is scheduled to hit January 1, 2007 and an additional \$4 per eqr increase is scheduled to hit July 1, 2007. I have adjusted the operating budget to reflect these amounts, taking into account irrigation and have also adjusted the budget to reflect the monthly billing.

Fees to install meters on irrigation lines – The Town of Dillon Water Dept. has provided the following cost estimates for installing meters on the irrigation:

¾ inch meter \$500 plus approx. \$340 in labor to install = \$840 per meter

1 inch meter \$625 plus approx. \$340 in labor to install = \$965 per meter
(this is most likely the size we will need)

1 ½ inch meter \$980 plus approx \$400 in labor to install = \$1380 per meter installed

Money for this project is not included in the operating budget; we would need to pay for this out of reserves.

SRG was instructed to research whether we would need 1,2 or 3 irrigation meters and adjust the Capital Projects Budget accordingly.

Dues Billing

Dues billing – after discussion with President George and SRG Accounting, we will be billing monthly association fees as follows:

South Building – Monthly dues invoices (statements) will be sent on the 20th of the month prior to the month the dues are “due” – example, February dues billing will be sent on January 20th.

North Building – Monthly dues invoices (statements) will be sent on the 20th of the month prior to the month the dues are “due” – example, February dues billing will be sent on January 20th.

North Building gas billing – The gas billings for the North building will be sent with the regular dues billings. Due to the “timing” of the meter readings and the receipt of the billings, we will bill the December closed gas bill with the January 20th billing (the February statement).

Recourse for owners not paying dues and / or gas bills - In accordance with Section 11 of the Association Declarations, we have the power to lien any unit that has not paid their share of the associations common expenses - the gas divided up amongst the North building owners is “described” as a common expense amongst the North building owners.

Cable Survey

The recent Cable TV survey which posed questions to owners in efforts to acquire owner feedback as to how owners would prefer to proceed with either continuing the discounted association provided cable along with a dues increase or would owners prefer to avoid a dues increase and be responsible for providing their own cable service resulted in very few responses.

The Board instructed SRG to adjust the Cable TV survey to include dollar figures and to resend to those owners that had not voted.

Check Signing Authority

Currently, Peter Schutz, George Harrison and Doug Ostergaard have check signing authority. SRG instructed to make sure that all checks are sent to Treasurer Doug Ostergaard for second signature.

Capital Projects Budget SRG presented a “first draft” capital projects budget to the Board for review. The Board felt that this was the beginnings of a valuable document and wished to move forward into prioritizing projects. The repair of back deck railings will be added to the plan. George Harrison, James Allen and Kevin Lovett will complete a walk around inspection of the property one Friday afternoon (to be scheduled) in efforts to itemize and prioritize projects; Bruce Harrison will be asked to join the walk through.

VI. Managing Agents Report

Completed Projects

- Heat tape repairs to N and S bldgs.
- Exterior light repairs
- Roof vent installs (to combat leaking S-5, S-2, N-10)
- N-1 broken window replacement
- N-1, N-2 back stair railing replacements
- SB -89 / 100 policy completion and postings
- House Rules finalized and sent

Pending projects / Report items

- Website Security-We can increase the number of characters in the website pass code to increase website security. The Board agreed to increase the number of characters to more than “8” and resend the website security pass code to all owners.
- Painting of N-1, N-2 back stair rails-pending
- Unit boiler inspections - \$450 to inspect all units (\$20.45 per unit). If approved, HILCO will inspect each boiler / hot water heater and submit the repair report. The Association can then notify each owner of required/ recommended repairs and insist that each owner fix by a certain date or the Association will fix and bill you. The Board agreed to only inspect those boilers and hot water heaters that are more than 2 years old.
- Screen door uniformity, overall uniformity – All units have the same exterior screen /storm door with the exception of unit N-1 which has no screen / storm door at all. Main difference in appearance of exterior of individual units is mismatched light fixtures above unit entry doors. The Board agreed to have SRG contact unit N-1 and ask them if they still have the screen / storm door and if so, please reinstall. If they do not have it, ask them if they will please purchase one similar to the others and install it. The Board agreed to not pursue the issue of mismatched light fixtures above unit entries.

VII. Old Business

- A. Unit Remodels - N-2, N-3 remodels- follow up items complete; letters of satisfaction issued.
- B. Landscape plan, unit rental donations – the landscaping plan as prepared by John Remenar was presented and reviewed. Many ideas were discussed including overall site planning such as the creation of additional parking spaces and is the overall desire

passive or active landscaping. Each Board member was asked to review the plan and develop a list of questions, ideas and suggestions and to turn in the lists to Kevin Lovett. Kevin will then pass the listed items along to John Remenar. Discussion of the unit rental donations was tabled.

C. House Rules – As planned in the 11-4-06 Board meeting, adjustments to house rules were made and approved via email. The final approved copy of the house rules was mailed to all owners and sent via email.

D. Governing Document Revisions- This item was tabled for future discussion

VIII. New Business

A. Pictures of Owners on the Website- The Board agreed to not pursue this at this time.

B. Board member resignation- Board member David Thompson has resigned. The Bylaws state that the number of Board members shall be five. Mary Kay Stewart will assume the position of Secretary. George Harrison will contact Tony Kelly to determine his interest in continuing to serve on the Board.

C. Units violating House Rules – Owners, tenants and guests are reminded to follow house rules; procedures for enforcement and penalties are set for those in violation of the house rules. Owners are asked to contact Summit Resort Group at 970-468-9137 to report violations.

IX. Next Meeting Date

SRG was instructed to poll the board members for a meeting date in April of 2007.

X. Adjournment

The meeting was adjourned at 12:45 PM.