

budget. The Board agreed to get an engineer to review the rock damage on the patios. If the report were bad, then they would have to be funded. The HOA does not go into negative reserve funding until year 30 so there is room to do things. Historically, Dillon Bay is a well-funded HOA. It was expressed that the HOA wants to raise dues rather than incur a special assessment. The Board agreed that the carpet replacement could be tabled for another year; the Board felt they could clean the carpets for another few years. Judy commented about the plumbing issue and mentioned the lines will require snaking out particularly the lower unit lines twice per year, especially in Buildings D & C. They completed the snake last fall and need to do it now after ski season. The sewer clean out is an annual expense, but will save the HOA money in the long run. Rick commented that this was MRP's first budget for the HOA, but the HOA is still doing well with the funding. Rick advised that the Board would need to make some changes to include the annual plumbing issues and then have the board approve the budget and take it to the members to ratify.

Management Report

Bob reported that the broken boards on the garages were replaced. He advised that MRP would start clean up and irrigation this week. We thatched and raked the lawn this week and have almost finished the initial spring-clean up. Bob suggested he check the irrigation prior to laying the new sod. Currently, the security checks are no longer included and only two units have signed up for security checks with MRP. Bob was asked to check if Unit C303 is on the list and get back to Judy. Bob said he would get another form to Judy, as we have to have security checks in writing. Bob reported that there are new locks on sheds.

Old Business

The 2009 Budget is a work in progress.

Comcast Internet – Bob Montgomery did some research on Comcast with a reasonable offer of \$20 per unit, but had to do as a group. This is an issue that will need to be posed to members at the annual meeting. There are several people who have asked about Internet access, as it is a great incentive for those who rent their units. A question was posed as to whether it would be reasonable to negotiate with Comcast on the Cable/Internet. The Board asked Mount Royal Properties to negotiate Internet, cable and maybe a few more movie channels and then share their efforts with the Board.

Tennis Court

The tennis court was discussed with Corinthian Hills and that Dillon Bay wants the responsibility of the court on their own. They have done the repairs on an annual basis to keep it going by filling in the cracks and painting, however it does not last a whole season. Dillon Bay has received quotes to fix the court in the range of approximately \$40,000 - \$60,000, however, since the court has not been touched in 10 years, the repairs are expensive. The Board decided that unless the members want to put forth money for the tennis court, it is closed. The topic will be open for discussion at the annual meeting. The Board asked to get a quote to tear down the tennis court and the need to figure out the complex design of the area. It was noted that a line item was to be included in the reserve schedule for tennis court disposal

and what we are doing with the area. Mark suggested that the area was a nice footprint to address several issues – parking, aesthetics, snow storage, picnic area, landscaping – how to roll into one area. There are a number of opportunities and will need to propose a couple ideas from the Board to the members. The HOA hired a consultant to update the property when painting occurred. A consultant may be able to assist with how to utilize the space most effectively. Judy suggested contacting Alpine Gardens and requesting John's right hand man, as he is excellent at this and would be a less expensive route.

AGM Agenda Items

There is a Board meeting on July 16th at the Clubhouse at 9am. MRP is to advise Corinthian Hills of the meeting and arrange for them to unlock the doors; Joe at Americana is the contact for Corinthian Hills. The AGM meeting will be changed to September 4th (Friday) at 6:30pm. MRP will contact Dillon Town Hall, or other options, to reserve a meeting room for the AGM. MRP will send out Save the Dates in the next statements and make sure they go in the statements the next few months.

New – smoke detectors, mailboxes, and paddleball court area committee, Comment sheet on the table

Old – Comcast, tennis court (bids to take to fix, replace, remove what are some ideas to use this land) Proposals from the owners, reserve account,

Mount Royal Properties is starting to collect from the ACH's and they were drawn on Friday, May 15th.

Management Contract

The management contract was signed.

Rules & Regulations

Rick suggested that a declaration review was good to have done once in awhile. Rick noticed that a couple of areas may need to be updated specifically the insurance portion. He suggested giving the documents to a consultant to review at a rate of \$95 per hour. The report would cost between \$300 - \$400. Judy strongly agrees that the documents need to be reviewed and the HOA needs to make a change to the rules to protect the HOA. She feels the HOA may be at risk with what is currently documented. Rick will speak with the consultant to get a written agreement in place for this review.

Smoke detectors

The prices that came in for the smoke detectors are from local stores. Bob commented that the panel in the hallway does nothing and the Lake Dillon Fire Dept would want a full upgrade. Rick commented that there is a new law that any real estate must have carbon monoxide and Smoke detectors in every home that is listed for sale or being rented. Cost is approximately \$66 for the dual detectors and they are specifically designed for high altitude. Superior Alarms sells the high altitude alarms with carbon dioxide and smoke detectors. A question was posed as to whether the Board felt this is a safety issue and would

require the members to pay for the detectors? As this is not a common element, the HOA does not have to pay for this expense, however, the Board feels the need to advise the members. A notice will go in next month's statements with prices and what it would cost for Mount Royal Properties to install the detectors. Bob was asked to check to see if steam was an issue with the detectors as the shower and dryer are in a location that one might wish to place a detector.

Landscaping

A motion was made to approve MRP replanting shrubs in front of electrical boxes, and the rocks by stop sign, miscellaneous upgrades – not to exceed \$1500. The motion was approved by all in attendance.

Garage doors – The Board confirmed that the HOA pays for the inspection and the individual members pay for the repairs. The owners are notified at the time of the inspections if there are repairs that need to be made. Those owners with issues will have 30 days to make the proper repairs.

Corinthian Hills

Copies of Bob Montgomery's emails were forwarded to the Board. Bob was an original owner and the first President at Dillon Bay. Having read the minutes of the last spring meeting that \$5,600 dollars was loaned to Metro District to replace the boilers. Corinthian Hill (CH) loaned Metro District \$5,600 because they had a surplus at the time, which is funded by the \$150 dues to CH. The Clubhouse is a nice facility; however, not many owners use the clubhouse. It was felt that CH should not continue to collect the \$150 per month in dues and let the Metro District raise the taxes on all communities.

CH also asked if Dillon Bay was interested in 13 mailboxes. The mailboxes are sold in 13 box increments, but would need commitment from people prior to paying the \$1,000. If the HOA decides to install the mailboxes, where would they go? First, the Board should ask the membership if there is any interest, if there are ten people, they would collect \$100 from each on the boxes. The Board decided to sit on this issue and MRP can do some checking on the prices for installation. Judy said they were quoted at a price of \$1,000 to install from the Dillon Post Office.

Also, they will be replacing the electrical panel on the pool boiler and will be asking for money for planting flowers at the entrances. CH will be putting this in their letter.

Tax appeal

Rick explained that the tax appeal does not have to have 100% participation from the membership to file as a group. In the cover sheet, we would have a collective reason as a Management Company and site the individual HOA in the appeal. The Board discussed appealing as an HOA or just forwarding possible reasons for appeal to the members. The question was posed as to whether the Board was setting a bad precedent by the appeal? The Board decided to place a letter in the statements to the membership that no group appeal will be done.

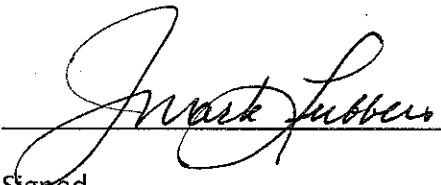
The Board approved to get Independent Builders, with their quote of \$390.00, out to repair the broken stonework by the pillars. They also wanted to get someone out to take measurements to see if there was still some settling. Bob said the repairs would be a good measure to see if the buildings are still settling. Bob will talk to a couple engineers and get a quote. Mark suggested we contact Americana to get copies of C building from the engineering firm.

There were emails circulating regarding the need for a crime policy on the insurance. Under the governing policies the Board needs to be responsibility in the handling of funds, however, the Directors & Officer policy does not cover this. Dillon Bay had an owner attempting to refinance and without the crime policy it was ready to fold. The funding and lending companies are changing and are becoming even stricter as the environment in the lending and real estate industry has changed. Rick explained that we had another community where hazard insurance needed to be increased prior to approving the refinance. A comment was made that the HOA will need have a little flexibility to change with the times. There was a brief discussion regarding the lack of rule enforcement and it was agreed that the Board would point out problem areas to the Management Company and they would act as the new sheriff in town by enforcing the rules.

Adjournment

As there was no new business to discuss, Scott made a motion to adjourn the meeting and Judy seconded. As all were in favor and none opposed, the meeting was adjourned at approximately 8:20 pm.

I hereby attest that these minutes are a true and accurate account of the meeting thus held on April 25, 2009.



Signed

as PRESIDENT

Board Position

8/4/2009

Date