Dayton Valley Community Association

c/o Incline Property Management
848 Tanager Street, Suite M
Incline Village, Nevada 89451
Phone 775-832-0284 * Fax 775-832-4036

May 17, 2007

Dear Homeowners:

Attached for your information please find a copy of the April 24, 2007 Board and Annual Meeting Minutes.

Also, please see the enclosed NOTICE regarding the maintenance of your property.

If you have any questions, please feel free to contact me.

Sincerely,
Incline Property Management, Agent for
Dayton Valley Community Association

Julianne Ferrari
Community Association Manager

Dayton Valley Community Association

Homeowners Annual Meeting
Tuesday, April 24, 2007
6:00 P.M.

I CALL TO ORDER

The Dayton Valley Community Association Annual Meeting was called to order by President Richard Klippert at 6:13 p.m. The meeting was held at the Dayton Valley Golf Clubhouse, 101 Palmer Drive, Dayton, Nevada. Mr. Klippert led the Homeowners in the Pledge of Allegiance.

II ROLL CALL

Board Members present were: Mr. Klippert, Mr. Eugenio Antonelli, Mr. Eugene Anderly, Mr. Paul Bess and Ms. Lori McLean. The Declarant was represented by Ms. Carol Dotson

A quorum was established to conduct business with Homeowners in attendance and submitted proxies of 119.

Incline Property Management was represented by Ms. Julianne Ferrari, Mr. Don Glenn, Mr. Bill McAllister, Mrs. Neyra Dubon, Mrs. Anne Ott, Ms. Freida Lang and Mrs. Heather Kurashewich.

III. MEMBERS FORUM

Mr. Klippert opened the floor to the membership and asked that comments be limited to 3 minutes per person

Mrs. Jan Parsons, Chairperson of Rules and Regulations Committee extended her resignation from the Committee. Mr. Mike Timmerman and Mrs. Sandy Teeter will be the new contacts for the Committee. Mrs. Parsons stated she would like the Board to continue enforcing the CC&Rs and provide support to the Committee. Mr. Klippert stated Mrs. Parsons has done a great job and the community has improved because of her committee's efforts. The Board thanked Mrs. Parson for all her hard work and commitment.

Mr. Archie Gayer stated a month ago he filed a complaint with the Board concerning The Gallery Homeowners voting in the DVCA election. Mr. Gayer stated that DVCA CC&Rs do not give the Gallery Homeowners the right to vote. Mr. Klippert stated that two years ago the same question was raised and an attorney addressed the issue. After reviewing NRS 116 and the Association documents, the attorney determined The Gallery as part of DVCA through annexation which gives them the right to vote for the Board of Directors for DVCA. A new opinion has been obtained from the Association's current counsel and the findings concur. Mr. Klippert stated The Gallery Homeowners pay dues to DVCA. Mr. Klippert stated that their votes will be counted. Mr. Gayer requested a copy of the Attorney's opinion and asked if the attorney is employed by Management. Mr. Klippert stated the information provided by the attorney is privileged. The Attorney is not employed by Management. Mr. Anderly asked who approved obtaining an opinion from the Attorney. Mr. Klippert stated he made the request as the President of the Board. Mr. Gayer stated he

will file a complaint against the attorney, if the attorney stated that the Board cannot provide him with a copy of the opinion letter. Mr. Gayer stated the CC&Rs do not give the Gallery Homeowners the right to vote.

Mrs. Barbara Manna asked if DVCA Homeowners can vote in The Gallery's election. Mr. Klippert responded no. DVCA Homeowners do not pay dues to the Gallery. Another Homeowner stated that when the Gallery property was developed, it was agreed upon by the developers, Lakemont and DBBR, that The Gallery was part of DVCA. The Gallery Homeowners pay more in dues because they have their own reserve account and their Association maintains their front yards.

Ms. Cathy Jackson stated she recently visited the legislator's office and heard them discussing the new legislative bills. She stated they have two separate rules, one that applies to a gated community and the other for a non-gated community. Mr. Klippert stated DVCA is run in accordance with the CC&Rs and NRS 116. Management stated the Association is a gated community with the streets private.

IV. MINUTES OF LAST MEETING

The April 18, 2006 Annual Meeting minutes were reviewed by all in attendance.

A motion was made to waive the reading of and approve the Minutes of April 18, 2006 as presented.

Motion: Steve Markoe
Second: Shirley Gayer
In Favor: All
Motion carried unanimously as Resolution 2007-019.

V. REPORT OF BOARD AND OFFICERS

Mr. Klippert stated when he was elected to the Board he had several goals. One of his goals was to improve the clubhouse and their services, which has improved in the last five months. He also planned on improving the content of the Newsletter, which has also improved according to the good feedback the Board has received.

Ms. McLean stated the Rules and Regulations Committee has done a great job of enforcing the no parking on the street rules. The Committee is doing daily inspections and holding regular violation hearings. She thanked Mrs. Parsons and the rest of the committee members for their good work.

Mr. Antonelli stated that rental properties continue to be a major problem in the community. He stated that most of the rental properties in the community are not being maintained by the Owners or Tenants. He has tried to take care of the problem, but more needs to be done. His first goal as a Board Member was to unite the community, but he has failed. Mr. Antonelli stated that many of the residents think that the Board has not done anything to better the community He suggests that other DVCA Owners join the Board for at least one year and more Owners need to be involved in the community.

Mr. Bess stated he was voted into the Board on August 30th. He put together the committee charters and believes it works well. He made it so the newsletter is delivered to everyone's

door way. He is in charge of proof reading the newsletter and correcting any mistakes. He approved the release of the money necessary to have this years Christmas party.

Mr. Anderly stated he is amazed and proud that so many people are running for the Board. He stated that in other Associations he has been involved with, you have to force people to run for the Board. He has one more year on the Board. He will attempt to represent the Association as a whole.

Mr. Klippert asked Mr. Ed Messineo to report on the status of the gates. Mr. Messineo stated the light pole with three camera boxes were installed at the Palmer gate today. The light is sensored and will only come on when someone pulls up to the gate. Signs will also be installed warning people that they are under surveillance. This is being done to prevent more vandalism. The gate will be operational soon.
Mr. Klippert stated there was vandalism at the wrought iron fence at the end of Grayhawk Drive. Mr. Messineo stated someone broke the latch to the lock to open the gate. He has installed a thick chain with a new lock. He also talked to Mr. Mike Evans of Lakemont about reinforcing the gate. Lakemont will go out to reinforce the gate and will also install a better lock. Mr. Gayer stated that Lakemont should pay for this cost and for the original gate that was installed on Ballybunion. A Ballybunion Homeowner asked why the gate was installed in such a way to prevent people from walking through. Mr. Gayer stated the adjoining property is private property. Mr. Klippert asked everyone to call the police if they see anything suspicious. If they do not want to call the police, they can take a photo, get a license plate and report it to a Board member or Management to handle. A Homeowner stated the Bayhill gate has been opened at night. Management will follow up.

VII. ELECTION OF DIRECTORS

Inspectors of the Election were appointed. They are Mr. George Kinghorn, Mrs. Janet Messineo, Mr. Ron Krug, Mr. Don Harn, Ms. Carol Bauer and Mr. Sam Merchant.

The votes were counted and Ms. Bauer announced the new Board Members. Elected for a two year term were: Mr. Steven Markoe, Mrs. Barbara Manna, Mr. Gordon Huntley and Mr. Charlie Duke. Ms. Lori McLean was elected to serve for a one year term. Ms. Bauer thanked everyone for voting.

VIII. FINANCIAL REVIEW

The membership reviewed the December 31, 2006 year end Financials. Mr. Bess stated that the total year end balance in the Reserve Account was $375,774.41, which means the Association is funding at the 100% reserve requirement. The total income for the year was greater than expected by $4,000. Maintenance expenses were under budget by $10,000. Office and Administration was over budget by $1,757. Utilities expenses were under budget by $3,078. Revenue to reserves exceeded by $11,000.

A motion was made to accept the year-end Financials of December 31, 2006 as presented.

Motion: Shirley Gayer
Second: Louis Mendoca
In Favor: All
Motion carried unanimously as Resolution 2007-020.

IX. IRS RESOLUTION

Mr. Klippert explained the IRS Revenue Ruling 70-604 to carry over excess income to subsequent year's assessments to maintain the Association's non-profit status. Mr. Bess stated that the $16,000 of revenue over expenses could be taxed unless it is rolled over.

A motion was made to adopt the IRS Ruling 70-604 for the year ending December 31, 2007.

Motion: Steve Markoe
Second: Shirley Gayer
In Favor: All
Motion carried unanimously as Resolution 2007-021.

Mr. Eddie Hult asked if the money that will roll over will reduce the Association's dues. Mr. Bess stated it will be used for budgetary items.

X. OLD BUSINESS

A Homeowner asked if Management acquired an 800 number, as requested by other Homeowners in a previous meeting. Mr. Klippert stated there is no need since the call to Incline is local. He also stated that the Association now has the messaging system. Homeowners can leave a message for Management on Extension 8. The messaging system phone number is published in the monthly newsletter and is also posted on the website.

Discussion on filing complaints against Lakemont on fencing issue per Resolution #2007-009: Mr. Klippert stated that subsequent to the February's meeting, the Board received a request from the Ombudsman due to a Homeowner complaint. Mr. Klippert has asked the Ombudsman for his help in determining Lakemont's responsibilities. He would like to table this matter until the Board receives a response from the Ombudsman.
Mr. Gayer stated Lakemont promised many things (biking and hiking trails) and nothing has been done. Mr. Gayer read out loud an article published by Lakemont stating that the Legado is filled with trails. Management stated that Legado and DVCA are two different Associations, Lakemont being the Developer of both. Mr. Gayer stated the Association should move forward with filing complaints against Lakemont. This issue was tabled for the new Board to address.

Discussion of RFP for Property Management: Mr. Klippert stated this issue should be tabled until a new Board is established. He stated a committee might need to be set up.

Street Light Project Update: Mr. Messineo stated that Minden Electric should start digging in about a week. Sierra Pacific Power will install the lights once all the digging is done. Lights will be installed on Bayhill, Pebble Beach, Doral Court, and St. Andrews.

Signage Project Update: Management stated that the Board previously approved the installation of more stops signs, golf cart signs, speed bump signs etc. Stop signs have been installed at Riviera Court, Cypress Court, Spyglass and Bayhill. Speed bumps and speed limit signs will be installed shortly.

A Homeowner asked if there are plans to install additional speed bumps. Mr. Bess stated the Roads & Gate Committee is working with Cruz Construction to install additional speed bumps. This project will be done when the weather is warmer.

XI. NEW BUSINESS

Miscellaneous: A Homeowner asked if there is a CC&R update. Mr. Klippert stated the Governing Documents Committee is still working on updating the CC&Rs. The Committee will present their recommendations to the Board which time the Board will present to the members.

Mr. Messineo stated there will be an article in newsletter stating that three speed bumps will be installed from St. Andrews to Bayhill. These speed bumps will be installed by Lakemont. A speed bump will also be installed on St. Andrews and Grayhawk and Royal Troon and Torrey Pines where the school bus stops. Cruz Construction has not been able to install these bumps because the weather has been too cold. Cruz will also do the striping in the street and post the signage for awareness of the speed bumps. A Homeowner asked what type of speed bumps will be installed. Mr. Messineo stated the speed bumps are made of asphalt. A Homeowner stated the existing bump on La Costa needs attention.

The present Board stepped down and asked that the new Board close the meeting. Mr. Charlie Duke thanked the Board Members for their service to the Association.

XII. NEXT MEETING DATE

The next Annual Meeting was scheduled for April 8, 2008 at 6:00 p.m.

XIII. ADJOURNMENT

There being no further business, a motion was made, seconded and carried to adjourn at 7:39 p.m.

Respectfully Submitted: Julianne Ferrari 5/17/07
Management Date

Approved by: [signature] 5/16/07
Association Date

Dayton Valley Community Association

Board Meeting

May 24, 2007

I CALL TO ORDER

The Dayton Valley Community Association Board Meeting was called to order by Mr. Charlie Duke at 7:48 p.m. The meeting was held at the DV Golf & Country Clubhouse, 101 Palmer Drive, Dayton, Nevada.

II ROLL CALL

Board Members present were: Mr. Duke, Mr. Eugenio Antonelli, Mr. Eugene Anderly, Ms. Lori McLean, Mrs. Barbara Manna and Mr. Steve Markoe. Mr. Gordon Huntley was unable to attend.

Incline Property Management was represented by Ms. Julianne Ferrari, Mr. Don Glenn, Mrs. Neyra Dubon and Mr. Bill McAllister.

III. MEMBERS FORUM

There being no comments, Members Forum was closed.

IV. ELECTION OF OFFICERS

The following Officers were elected to serve the Association for the 2007/2008 fiscal year:

Charlie Duke	President
Eugenio Antonelli	Vice President
Steve Markoe	Treasurer
Lori McLean	Secretary
Barbara Manna	Director
Gordon Huntley	Director
Eugene Anderly	Director

The Board discussed establishing a tracking system for issues that are pending and need resolution. The community has grown and all Homeowner concerns must be addressed in a professional manner. The Board also discussed appointing a Sergeant of Arms to keep meetings under control. Also, Members Forum will be extended to allow more Homeowner comments. These issues will be put on the agenda for discussion at the next Board Meeting.

Mr. Duke will invite Mr. Chuck Davies to attend the next Board Meeting and explain about the history of the development.

V. NEXT MEETING DATE

The next Board Meeting is scheduled for June 19, 2007 at 6:00 p.m.

VI. ADJOURNMENT

With no further business to discuss, a motion was made, seconded and carried to adjourn the meeting at 8:22 PM.

Respectfully Submitted: Julianne Ferrari 5/17/07
Management Date

Approved by: [signature] 5/16/07
Association Date