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

April 24, 2008

Dear Homeowners:

Enclosed for your information please find a copy of the April 8, 2008 Homeowners Annual Meeting Minutes.

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

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

Julianne Ferrari

Julianne Ferrari
Community Manager

JF/nd

Dayton Valley Community Association

Homeowners Annual Meeting
Tuesday, April 8, 2008
6:00 P.M.
"draft"

I CALL TO ORDER

The Dayton Valley Community Association Annual Meeting was called to order by President Charlie Duke at 6:00 p.m. The meeting was held at the Dayton Valley Golf Clubhouse, 101 Palmer Drive, Dayton, Nevada. Mr. Duke led the Homeowners in the Pledge of Allegiance.

II ROLL CALL

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

A quorum was established to conduct business with Homeowners in attendance and submitted proxies of 195.

The Declarant was represented by Mrs. Carol Dotson.

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

III. MEMBERS FORUM

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

A Homeowner stated there is a problem with the rentals in the community, mainly because they do not receive the Rules & Regulations when they move into the property. A Homeowner stated that safety at some intersections needs to be increased. Mr. Duke asked him to contact either the Safety or the Roads Committee regarding his recommendations. A Homeowner of the Cruden Bay Drive area stated there are no street lights in Cruden Bay. He would like this item place on the agenda for discussion at the next Board Meeting. A Homeowner stated that a street light on Palmer Drive needs to be considered. The Board stated that Palmer Drive has not been officially turned over to the Association at this time.

Mr. Duke stated that if there were any new Homeowners in the audience, to please stand up and introduce themselves. The new Homeowners that introduced themselves were Mrs. June Hayward of 448 La Costa; Mrs. Rosemarie Diriviera of 202 Portrush Court; Mrs. Sue Anderson of 225 Cypress Point Drive.

IV. MINUTES OF LAST MEETING

The April 24, 2007 Annual Meeting minutes were reviewed by all in attendance.

A motion was made to waive the reading of and approve the Minutes of April 24, 2007 as presented.

Motion: McLean, L.
Second: Manna, B.
In Favor: All
Motion carried unanimously as Resolution 2008-009.

V. ELECTION OF DIRECTORS

Mr. Duke asked the audience if there were any objections to moving the Election of Directors to be handled at this time, since it requires ample time for the ballots to be opened and counted. There was one objection.

Inspectors of the Election were appointed. They are Mrs. Zoe Avery, Ms. Carol Bauer, Mrs. Floye Baxter, Ms. Paula Darragh, Ms. Alana Dittmar, Mr. Don Harn, Mr. George Kinghorn, Mr. Ron Krug, Mr. William McAllister, Mrs. Dionny McDonnel, Mr. Sam Merchant, Mrs. Harriet Pfrenzinger, Mrs. Mary Wilson and Mrs. Lorraine Winter.

The election results will be announced under New Business.

VI. REPORT OF BOARD AND OFFICERS & COMMITTEES

Architectural Review Committee Report: Mr. Joe Wilson stated this winter season has been very light and they have only received a few requests for approval.

Governing Documents Committee & Road and Gates Committee Reports: Mr. Ron Krug will give his reports after the election results are announced. He is one of the Inspectors of Election.

Management Review Committee Report: Mrs. McLean stated the list of Management Companies that she obtained from the Nevada Real Estate Division is wrong and they are sending her a new list.

Rules & Regulations Committee Report: Mrs. McLean reminded everyone not to park in the street overnight. Also, everyone should start cleaning up their yards. She asked that if anyone witnesses people speeding in the community, please see where they live and then report them to Management. Violations will be issued. There is still a problem with people driving on front yards and sidewalks to avoid the speed bumps, which can cause damage to the properties or injure someone. Mrs. McLean asked everyone to clean up any oil spills from their driveways. All dogs need to be on leashes when out in the community. Owners are responsible for their pet's waste. A Homeowner stated that the newspaper delivery persons are driving up on sidewalks to deliver the papers. The Committee will contact the newspaper companies.

Security and Safety Committee Report: Mr. Rich Martinez stated the neighborhood watch signs have been installed. He stated the committee had asked the Board for a sum of $1300.00 for the purchase of signs, literature, etc. for the neighborhood watch program. However, they only spent approximately $500.00. Mr. Martinez thanked Mr. Carl Kurashewich for the installation of the signs at no cost to the Association. Mr. Martinez stated he will now look into setting up a meeting with the Sheriff. He asked anyone who would like to participate in the program to please sign up. He passed around a sign-up sheet. Mr. Martinez also stated there have been several burglaries in the community. A Homeowner's window was broken with a large rock and other residents are getting calls from people at the gate stating they have special deliveries. There was also a vehicle break-in in the Clubhouse parking lot. He stated it is very important to report any suspicious activity to the Sheriff immediately. A Homeowner stated people drove up on a truck and tried to steal flower pots from her yard. Mr. Martinez asked them to call the Sheriff.

Social and Recreation Committee Report: Mrs. Dorothy Wingard stated the committee is trying to set up a summer gathering. They are meeting at the end of this month. Mr. Tim Nielson stated he will be working on the Welcoming Committee once the revision of the CC&Rs is completed and the guidelines are established.

VII. FINANCIAL REVIEW

The membership reviewed the December 31, 2007 year end Financials. Treasurer Steve Markoe introduced himself. He stated that the budget for 2007 was completed in 2006. Total income in 2007 was $206,452.44 against a budget of $187,800.00. Total expenses were $171,196.54; Net ordinary income was $32,255.90, which he proposes that this income be transferred to the Reserve Account. The two major expenses in 2007 were income taxes and office supplies. In 2006 income taxes were $3000.00 and in 2007 they were $10,800.00. He talked to McClintock Accountancy regarding the increase and they explained that there is too much interest income, which is taxed at 30%. Office supplies were $13,000.00 in 2006 and $15,500.00 in 2007. This is due to more meetings held. The total amount in the Reserve Account was $490,900.00; balance as of 3/31/08 was $529,000.00. Reserve Expenses in 2007 were $91,468.00. Nothing was done in 2006. Mr. Markoe stated he has reviewed all invoices and everything is in order. He is scheduled to meet with the Accountant again at the end of this month.

A motion was made to accept the year-end Financials of December 31, 2007 as presented.

Motion: Huntley, G.
Second: Manna, B.
In Favor: All
Motion carried unanimously as Resolution 2008-010.

IX. IRS RESOLUTION

Mr. Markoe 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.

A motion was made to adopt the IRS Ruling 70-604 for the year ending December 31, 2008.

Motion: Markoe, S.
Second: Huntley, G.
In Favor: All
Motion carried unanimously as Resolution 2008-011.

X. OLD BUSINESS

Ombudsman Complaint Update: Mr. Markoe stated the Ombudsman is part of the Real Estate Division of Nevada. It takes time for the Ombudsman Office to respond to the many complaints they receive. He went on to state that there has been no recent correspondence from the Ombudsman's office.

Painting of Emergency Zones Update: Mr. Duke stated he has talked to the Fire Department about putting blue reflectors on the fire hydrants.

XI. NEW BUSINESS

Election Results: The votes were counted and Ms. Bauer announced the new Board Members. Elected for a two year term were: Mrs. Cheryl Cummings, Mr. Eddie Hult and Mr. Richard Martinez. Mr. Charlie Duke, Mr. Gordon Huntley, Mrs. Barbara Manna and Mr. Steve Markoe will serve their 2nd year of their two-year term.

Governing Documents Committee Report: Mr. Krug stated the committee has reviewed and prepared a revision of the CC&Rs. They will provide a copy to the Board within the next couple of weeks. Subsequently, it will be sent to the Association's Attorney for final changes before it is forwarded to the Homeowners for approval. He thanked the members of the committee for their hard work; Ms. Paula Darragh, Mr. Bill Johnson, Mr. George Kinghorn, Mr. Fred Rudek, Mr. Joe Wilson and Mr. & Mrs. Ed Messineo. A 51% vote from the Homeowners is needed for the revisions to pass.

Road and Gates Committee Report: Mr. Krug stated that the Palmer guard shack repairs have begun. He stated there was a delay in obtaining the check from the insurance company, but it has been taken care of. The work is being completed by Jim Butler of Excal Construction. Mr. Butler was the original contractor that built the guard shack. Mr. Krug also stated that the lights at the gate are not working properly and Minden Electric will be lowering and adjusting the lights. A Homeowner asked why there is a guard shack, if there is no guard. Mr. Martinez stated he previously submitted a proposal to hire a guard, but the Homeowners voted against it because it would require a significant increase in the quarterly dues. Mr. Krug stated the Board has approved the installation of magnetic loops in the pavement to make the gates operational 24/7. A notice will be sent to the Homeowners advising them of the change. During the daytime hours, the gate will open automatically when a vehicle approaches. During the night hours, residents will need to use their gate transmitters or enter the gate code to get in. Also, the gate code will be changed. The existing gate transmitters will still work and guests can also call residents from the gate, if the resident's name is in the gate directory.

Mr. Krug stated the Road Committee was previously asked to look into who owns all the roads in the community. He stated the research is not completed yet and he will report to the Board once it is finalized. Mrs. Manna asked if the cracks that have been marked on the

roads will be fixed. Mr. Krug stated there are some roads that have been identified and will be fixed upon negotiation with the Developer.

A Homeowner stated that the lights at the Bayhill gate need repairs, some are bent and breaking. Management stated Mr. Messineo is looking into purchasing new lights. Another Homeowner asked if the Board would consider allowing a yearly garage sale. Mrs. Manna stated it was brought up last year, but many Homeowners did not want it because it was a security issue. She stated that perhaps if it is done on common area, more Homeowners would be ok with it since people do not have to visit the homes. Mr. Duke stated the Board will put it on the agenda for discussion at the next meeting.

XII. NEXT MEETING DATE

The next Annual Meeting was scheduled for April 8, 2009 at 6:00 p.m.

XIII. ADJOURNMENT

There being no further business, a motion was made, seconded and carried to adjourn at 7:05 p.m.

Respectfully Submitted: Julianne Ferrari 4/24/08
Management Date

Approved by: _____ 4-24-08
Association Date