

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
APRIL 6, 2007**

I. CALL TO ORDER

The meeting was called to order at 5:50 p.m. Board members present were Rob Bullard, Joe Woodrow, Tony Peterson and Kevin McClain.

Representing Summit Resort Group were Kevin Lovett and Peter Schutz. Erika Krainz of Summit Management Resources was recording secretary.

II. OWNER FORUM

There were no owners other than Board members present at the meeting.

III. APPROVE PREVIOUS MEETING MINUTES

Rob Bullard reviewed his proposed amendments to the minutes and will send a marked copy to Kevin Lovett for finalizing.

Tony Peterson made a motion to approve the minutes of the March 9, 2007 Board Meeting as amended. Joe Woodrow seconded and the motion carried.

IV. FINANCIAL REVIEW

A. Year-to-Date Financials

Kevin Lovett reviewed the financial status as of February 28, 2007. There was \$62,431 in Operating, \$98,166 in the Reserve account and \$4,404 in the Vanguard account.

The Drainage Remediation Fund (DRF) balance was moved from the Operating Fund to the reopened DRF. The Vanguard account was closed and the balance was moved to the Reserve Fund Money Market account.

As of the end of February, the P&L indicated the Association was ahead of budget by \$17,395. Snow Removal was almost \$6,000 under budget.

Kevin Lovett said the purchase of a one year CD for \$50,000 was not done as previously discussed because the interest rate was lower than the current money market yield.

Kevin Lovett projected Landscaping and Snow Removal would be about \$5,000 and \$6,000 ahead of budget respectively at year-end. Legal Fees will probably be over budget. He anticipates the Association will end the year about \$10,000 ahead of budget.

B. 2007/2008 Operating Budget Review

Kevin Lovett provided a proposed Operating Budget for 2007/2008 incorporating the changes discussed at the last Board Meeting.

Overall, expenses increased \$13,908 (5.9%). The Board agreed this amount of increase was reasonable and it was noted that most accounts that are increasing are represent non-discretionary expenditures.

Included in the Drainage Remediation Fund schedule for 2007 are two more flat roofs at \$8,000 each. Once completed, there will be three south and two north flat roofs that have yet to be replaced. These five have never leaked. The Board agreed they probably did not need to be replaced as long as they do not leak, but felt they should be kept on the plan.

Water in the garages is still a minor issue but the trench recently dug by Rob Carter of Summit Resort Group seems to be alleviating the problem.

In 2003, the Board identified twelve major projects to be done in the coming years. Eleven of them were completed and the twelfth was cancelled because the Board decided to monitor the situation instead; it does not appear to have been an issue since.

Kevin McClain proposed changing the drainage off the roofs of the 12-unit building over the entryways to the atriums by eliminating driveway by eliminating the existing downspouts in the middle and tilting the gutter to move the water to one side or the other of the atrium entryway, so that the water falls into the concrete drainpan in front of the garages and can follow that egress, rather than splashing down on the asphalt where it puddles and then forms an ice mound. Rob Bullard proposed allocating some funds to try this solution on one building. The Board agreed this approach should be tested. Kevin McClain and Kevin Lovett will tour the property and develop a plan. Kevin McClain estimated this modification could be done on one unit for about \$50. This expense should be paid out of the Operating Fund.

Tony Peterson made a motion to assess \$16,000 for the DRF Budget for this fiscal year 2007-2008. Kevin McClain seconded and the motion carried.

The Board returned to discussion of the 2007/2008 Budget. If a portion of the projected year-end surplus was carried forward to next year, there could potentially be a reduction in dues which Rob Bullard calculated would be approximately \$2.00/unit/month. The Board agreed it would not make sense to change the dues for such a small amount. The Reserve contribution could be increased to \$56,000 but Kevin McClain proposed collecting any overage as a surplus.

Kevin McClain made a motion to adopt the proposed 2007/2008 Operating Budget, including total Operating collections of \$253,000, a \$53,000 Reserve contribution (including \$10,000 from the Operating surplus) and a Drainage Remediation Fund of \$16,000. Joe Woodrow seconded and the motion carried.

Tony Peterson made a motion to approve \$16,000 for replacement of the two flat roofs on Buildings 1511 South and 1515 North. Joe Woodrow seconded and the motion carried.

V. MANAGING AGENTS REPORT

A. Completed Items

1. Railing inspection was completed and a report was included in the meeting packet. The inspection did not include the fascia boards under the decks. Most problems were found with the common area rails. Repairs to the railings were budgeted at \$5,000 but Kevin Lovett thought this could be reduced to \$2,500 and the work done on an hourly basis. Kevin McClain made a motion to approve this project and to reduce the budget for the work to \$2,500. Joe Woodrow seconded and the motion carried. SRG was directed to organize a property tour to create a list of punchlist warranty items for the painting contractor. This expense will be paid out of the Reserve Fund.
2. No Parking Fire Lane signs were installed. Joe Woodrow said there was no sign on Building 1501.
3. Completed Association insurance renewal. Rob Bullard noted the expense should be accrued and spread over twelve months.
4. Spring cleanup has been started. The stairwells were blown out.

B. Capital Projects 2007

1. Asphalt Striping - \$2,000. Kevin McClain said a contractor should be asked to provide a recommendation for the frequency of sealcoating. The striping should not be done if the asphalt is going to be sealcoated. SRG will get a recommendation and bids.
2. Railing Repairs - \$5,000 (reduced to \$2,500).
3. Hot Tub Covers - \$1,200. SRG was directed to shut down one hot tub during the shoulder season (April 15 – June 15 and September 15 – November 15).
4. Flat Roof Replacement - \$16,000.

C. Report Items

1. Deed Restricted Unit – The Amendment has been drafted and sent out to all owners. All responses received to date have been in favor of the Amendment. Owners have been asked to respond by May 1, 2007 and results will be tallied for the Board by May 5, 2007. Rob Bullard said there was a provision in the Amendment that he did not like. An owner can request permission from the Board to add a deed restriction and only

needs two affirmative votes for approval. He would like to strike this provision, which would probably have to be done at the Annual Meeting. It appears the unit in question will not be deed restricted after all.

VI. NEW BUSINESS

A. Annual Meeting Plans

The Annual Meeting is scheduled for Saturday, May 26 at 10:00 a.m. at the Best Western. A mailing will be sent to all owners regarding the meeting on April 16, 2007.

The Board seats of Joe Woodrow and Rob Bullard will be up for reelection. Rob indicated he did not plan to run again.

B. Landscaping Plans

Tony Peterson said the landscaping plan included more seed for this year. He did not think it would be necessary to set up the hoses again this summer. The areas damaged by the snow removal contractor will need to be repaired by the contractor. Tony will provide input on how many new trees should be planted and where. Three flowerbeds have been adopted by owners.

C. Parking Garage Discussion

The Board "brainstormed" issues pertaining to possible construction of garages:

1. Do the VPP Declarations allow it?
2. Does zoning/PUD allow it?
3. Where? How many? How big? How many parking spots will be lost?
4. Design/size/configuration? Note Scott's "tunnel" observation.
5. How would they be titled and/or legally defined?
6. How will they be financed?
7. What kind of owner approvals would be required/desired?
8. Maintenance? Are these common elements? General or limited?
9. Do we need Master Association approval?
10. Is this a Master, VPP or Townhome element?
11. How to address viewshed?
12. Partner with a neighboring property?
13. Does it alter or impact House Rules and Parking Rules?

SRG was directed to talk to the attorney about the first question and Tony Peterson will talk to the town about the second one.

VII. SET NEXT MEETING DATE

The next Meeting will be the Annual Meeting on May 26, 2007 at 10:00 a.m. at the Frisco Best Western. The Board will meet at 8:00 a.m. prior to the Master Meeting.

VIII. ADJOURNMENT

With no further business Tony Peterson made a motion to adjourn the meeting at 8:18 p.m. Joe Woodrow seconded and the motion carried.

Approved By: Robert C. Bullard
Board Member Signature

Date: 6/22/2007