

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING**

October 21, 2005

Dillon, Colorado

Board members Rob Bullard, Tony Peterson, Scott McLean and Joe Woodrow were present.

Representing Summit Resort Group was Kevin Lovett. Peter Schutz joined the meeting in progress. Erika Krainz was recording secretary.

I. CALL TO ORDER

The meeting was called to order by Rob Bullard at 5:35 p.m.

II. APPROVAL OF PREVIOUS MEETING MINUTES

In Section VI.B.2, 1516 should be changed to 1517.

Joe Woodrow made a motion to approve the minutes from the September 16, 2005 Board Meeting as amended. Scott McLean seconded and the motion carried.

III. REVIEW BOARD CALENDAR AND STRATEGIC PLAN DISCUSSION

Items to be included in the calendar, prioritized A-B-C and scheduled by month were as follows:

<u>Project</u>	<u>Priority</u>	<u>Month</u>
Long range capital budget	A	January and February
Move the fiscal year	B	October
Management contract	A	November
Roof review	B	May
Hot tub maintenance outsourcing	B	November
Landscape maintenance outsourcing	B	November
Add trees and complete the wild areas	C	
Snow removal contract	C	
Master Association representative	B	November
Senate Bill 100 compliance	A	January
Insurance policies	A	November
On site duties enumeration (contract addendum)	A	November
Update the drainage inventory	C	
Update heat tape inventory/120 to 220V conversion	B	May
Junction box project	C	
Paint project completion and siding maintenance	A	April
President's letter	C	
Rules update	C	

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IV. FINANCIAL REVIEW

A. *Fiscal Year-End Closure*

Rob Bullard noted that at the end of each month prior to generating the statements, the accounts under "Other Current Assets" should be cleared.

As of September 30, 2005, the total cash assets were \$136,070, but this did not reflect any of the paint expenses. The Association ended the fiscal year with a surplus of \$68,310 (total from all three Funds). This was mainly due to extreme cost savings at the beginning of the year.

There was an Operating surplus of \$21,476.93 at the end of the year. Tony Peterson made a motion to transfer the surplus to the Reserve Fund. Joe Woodrow seconded and the motion carried. Kevin Lovett was asked to communicate this transfer to John in Accounting.

Scott McLean made a motion to close the Drainage Remediation Fund and to transfer the remaining balance of \$1,501.43 to the Reserve Fund. Joe Woodrow seconded and the motion carried. The DRF should be terminated effective 10/1/05, but John will be asked how this should be handled.

B. *Tax Preparation Proposal*

A proposal was provided by Chuck Wegscheider to prepare the tax returns at a cost not to exceed \$350, including a minimal review.

Tony Peterson made a motion to accept the proposal from Chuck Wegscheider for tax preparation. Scott McLean seconded and the motion carried. Kevin Lovett will make the arrangements.

V. MANAGING AGENT'S REPORT

A. *Completed Projects*

1. Senate Bill 100 – There are a few things this association must do to be in compliance. Lauren Holmes of Cavanagh Richmond and Holmes, a Golden CO. based legal firm, will draft the seven required policies for \$750. There are also a number of recommended, but not required, policies. A notebook will be created with all current documents for the Association. Summit Resort Group is also in the process of creating a website, where all required documents will be posted. Rob Bullard asked Kevin Lovett to get a letter of engagement reflecting the \$750 price. Scott McLean made a motion to engage . Lauren Holmes of Cavanagh Richmond and Holmes to handle the compliance paperwork at a cost not to exceed \$1,000. Joe Woodrow seconded and the motion carried.
2. Roof Extensions – Completed. Turner Morris has been asked to extend the gutters on the two roof extensions. The roof extensions still need to be

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- painted and Craftsman will do this work. Joe Woodrow mentioned he did not like the look of the roof extensions, in particular the metal ends.
3. Painting – Project has been started on Buildings 1517, 1515, 1513, 1511, 1519 and 1509. The garage doors are not part of this painting project. The common area stairs will be completed in the spring. A total of \$44,000 has been paid on the total bid of \$82,000. Kevin Lovett said that Craftsman painting have been less than responsive. Kevin Lovett wants the contractor to finish the buildings they have started rather than starting more new buildings. The painters should be directed to finish the trim painting on 1519 and finish caulking on all buildings and wait until next spring to complete the remaining work. Kevin McClain will be asked to call the owner of the company to get the work expedited. Unit front doors will be left for the spring. Kevin Lovett was directed to develop a payment schedule linked to specific progress to avoid any future confusion. There will be a 10% completion withholding, which will not be paid until everything is done. Rob Bullard acknowledged that Kevin Lovett might incur additional administrative costs while creating the schedule. The payment schedule should be emailed to Kevin McClain when completed. Scott McLean felt there should be some financial incentive to get the workers back on site.
 4. Landscaping – Sunrise Landscaping completed the prep work, added topsoil, seeded and spread straw. They will be back in the spring to set up irrigation. They will invoice \$6,500 now, with \$2,000 payable in one year after they have done all the watering. The guarantee includes germination, but it is not in writing. Kevin Lovett will ask them to put the guarantee in writing.
 5. Siding Repairs – A list of areas needing repair was created after a property tour. The Board should consider replacing the siding identified as “priority 1”. All the siding issues identified as “minor” can probably just be repaired with putty. The painters will be asked to do a slightly better job. There are forty-seven items on the list. Rob Bullard wondered if this should be put out to bid since the work would equate to about 100 hours. Peter Schutz suggested letting Greg Moses put in a bid for the project, but also soliciting two additional bids from other contractors. Kevin Lovett was asked to mark the damaged boards for the contractors. The project will be scheduled in the spring before the painters start up again.

VI. OLD BUSINESS

- A. *Capital Project Budget Review*
Discussion was tabled until the January meeting.

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VII. NEW BUSINESS

A. *Mold Mitigation*

Rob Bullard will draft a letter for the realtors and provide it to Peter Schutz by close of business next Friday.

B. *Fiscal Year Realignment*

The Board approved a resolution to realign the fiscal year to run from May 1st through April 30th. The Annual Meeting will be rescheduled for May 27th, 2005. The other two Prospect Point Associations would also need to make the change. Peter Schutz was not sure that the Townhomes would want to change their Annual Meeting date. Peter will suggest the idea to the Townhome Board and Rob Bullard will make contact as well. Moving the Annual Meeting date would greatly facilitate planning of summer projects. The Articles will have to be amended by the attorney, which can be done at the same time as the Senate Bill 100 review.

C. *Appoint Master Board Representatives*

Rob Bullard will contact Scott Morlan to inform him his term has probably expired and to ask him if he would like to continue. Joe Woodrow is willing to replace him. This will be done formally during the November Board meeting. Kevin Lovett was asked to research the length of the terms of the Master Board members.

D. *Electricity for Property Sign*

Rob Bullard said a resolution was passed to have the Master Association reimburse the Villas on an annual basis for the electricity for the sign; this transfer needs to be made. Joe Woodrow also questioned two other items related to finances - a credit that should be for the Townhomes and a water bill that was four times higher than the other buildings. Kevin Lovett will research this issue.

VIII. SET NEXT MEETING DATE

The next Board Meeting was scheduled for Friday, November 11, 2005 at 5:30 p.m.

IX. ADJOURNMENT

With no further business, a motion was made, seconded and carried to adjourn the meeting at 8:25 p.m.

Approved By: 
Board Member Signature

Date: 11-18-05

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