

**VILLAS AT PROSPECT POINT ASSOCIATION
ANNUAL MEETING
August 23, 2003
Frisco, Colorado**

Homeowners in attendance were:

Wes & Patty Hartman (1501/202)	Jim & Arlene Dinkel (1501/203)
Gary & Marcia Valbert (1503/102)	Nancy Lee (1503/204)
Stan & Sheila Schneider (1505/101)	Jordan Dobrin (1505/103)
Rob Bullard (1505/104)	Julie Comstock (1507/201)
Lynn Meyer (1509/102)	Eric & Ingrid Vanni (1509/203)
Peter & Carolyn Hewett (1509/206)	Gene Wakefield (1511/104)
Larry Heckley (1511/204)	David Smith (1513/203)
Daryl Goepfert (1513/204)	Tony Petersen (1515/203)
Sally Willis (1517/101)	Joe Woodrow (1517/201)
Marshall & Sharon Constantino (1519/101)	Brenda Lloyd (1519/102)
Paul Joliat (1519/202)	Guy York (1519/204)
Angela Hanssen (1519/206)	Bob Brantley (1521/102)
Jeffrey Balak&Elizabeth Bridges(1519/208)	Thomas & Gisela Hillyer (1521/202)
Scott Morlan (1521/204)	

Representing ResortQuest were Janet Scervino and Greg Moses. Erika Krainz was recording secretary.

I. CALL TO ORDER

The meeting was called to order by Board President Rob Bullard at 10:10 a.m.

II. REVIEW MINUTES OF PREVIOUS ANNUAL MEETING

A motion was made to waive the reading of the minutes. The motion was seconded and carried.

Scott Morlan made a motion to approve the minutes of the August 24, 2002 Annual Meeting as presented. Guy York 1519/204 seconded and the motion carried.

III. PRESIDENT'S REPORT

Rob Bullard thanked Bob Brantley for his service on the Board.

Rob summarized the some of the items addressed by the Board over the past year:

1. Signed long term contracts for management.
2. Negotiated snowplow contract with GM Services.
3. Focused on appraisal and assessment of key issues. Inventoried drainage "verticals" and prioritized projects.
4. Updated Operating Budget.

Some upcoming proposed projects include:

1. Continue remediation work on drainage.
2. Develop a comprehensive landscaping plan.
3. Update Reserve Plan.

Rob was asked to review the drainage remediation projects in priority order:

1. Building 1505 – west end - heat tape system.
2. Building 1501 – east end – flat roof drainage. Poor drainage is causing concrete to heave and damaging stairs and decks.
3. Building 1521 – north end – same problem as #2.
4. Building 1503 – south end – ice pillar and same problem as #2 and #3.
5. Building 1513 – south end – flat roof is leaking and causing drywall damage.
6. Building 1505 – atrium – ice collects and causes a variety of damages. Two different heat tape designs will be used on two buildings each for comparison.
7. Building 1519 – atrium – same as #6.
8. Building 1505 – north end – heat tape system is not working. May be due to mismatched heat tape with voltage supply.
9. Building 1507 – north end – flat roof. Drainage issues like #2 and #3. Rehabilitating the grade to move water away from building.
10. Building 1501 – west end – flat roof. Leaking and drywall damage. Roof upgrade.
11. Building 1509 – north end – large ice dam at bottom of flat roof. Since there is no leak at the present time, Board subsequently decided to wait on a heat tape solution.
12. Building 1509 – atrium – reworked heat tape this winter, but there is now water draining into the courtyard. Need to fix the culvert egress and drainage out of courtyard.

Nancy Lee asked about the schedule for the work. Rob said most projects were scheduled and he hoped they would be done before winter.

Rob asked the owners to contact him with any issues at 303/984-9251.

IV. TREASURER'S/FINANCIAL REPORT

A. *Balance Sheet as of July 31, 2003*

As of July 31, 2003 the Operating balance was \$14,523 and the Reserve balance was \$55,009. There is an approximate \$3,500 pending transfer between the Operating and Reserve Funds.

B. *Year-to-Date Income Statement*

There are two separate Income Statements, one for the Operating Fund and one for the Reserve Fund.

Rob clarified that none of the eleven projects will be paid out of the Reserve Fund. A separate Drainage Remediation Fund would be established, and an inter-fund loan would be made from the Reserve Fund to the new fund. The drainage remediation special assessment in this year's budget would fund the repayment of the loan from the Reserve Fund. This allowed use of the cash reserves in the Reserve Fund, but prevented the exhaustion of that fund, reallocating its assets from Cash to a Note Receivable from the Drainage Remediation Fund.

Rob said the current dues statement only includes one line item. He would like to make three line items to reflect operating dues, reserve dues, and drainage remediation fund. The total cost for all projects is estimated at \$50,000.

Rob informed the owners they could request copies of the financials at any time from ResortQuest, but owners will be responsible for postage.

There was general discussion about the drainage issue. An owner thought it might be due to the heavy winter, or absentee owners. Rob said the problems had existed for more than one year, and the occupancy of the units was not relevant.

An owner asked what would happen to the dues as the complex aged. Rob explained planning for future expenses was the reason for having the Reserve Plan updated.

C. *Proposed 2003/2004 Operating Budget*

Guy York asked how long the owners had been contributing to the Reserve Fund. Rob Bullard said contributions started when the Association started.

Julie Comstock asked for an explanation of dues allocation. Rob explained the dues were apportioned in the Declarations and Bylaws per the Colorado Common Interest Ownership Act.

Eric Vanni asked why all expenses were based on square footage, i.e. cable television. Rob said most expenses were prescribed by the Declarations as either limited common elements or common elements.

Patty Harmon asked if one on-site staff person was adequate. Rob said he had heard some comments from owners, and when the management company's performance is reviewed, the Board will take those comments into consideration. He noted there was not an hourly commitment specified in the contract.

Bob Brantley recommended owners call Janet Scervino first if they notice something is not being done. If there is no action, a Board member should be contacted.

Tony Peterson presented a report on drainage issues to be addressed:

1. Building 1501 – minor foundation drainage; move sprinkler; surface contour to make water flow away.
2. Building 1521 – sits below grade so it will be more difficult; surface contour to make water flow away.
3. Building 1503 – extend roof.

Gisela Hillyer asked if the ditch behind Building 1521 would be removed. Rob explained the work would be on the other side of the building.

Guy York made a motion to ratify the 2003/2004 Budget as presented. The motion was seconded and carried unanimously.

V. ELECTION OF DIRECTORS

Rob Bullard explained the Board members served two-year, staggered terms. Vacancies mid-term are filled by appointment by the Board. There were four seats up for election – Rob Bullard, Lynn Meyer, Joe Woodrow and Jordan Dobrin. All indicated their willingness to serve additional terms, although Jordan offered his position to any other interested homeowner. All current Board members were nominated to serve again. There were nominations from the floor for Ingrid Vanni and Gene Wakefield.

Ballots were tallied and Rob Bullard, Joe Woodrow, Ingrid Vanni and Gene Wakefield were elected to serve on the Board.

VI. NEW BUSINESS

Gene Wakefield noted there was erosion under some of the stair pads and patios and suggested addressing the issue before the patios collapse.

Deleted: OLD

Deleted: pads

Jim Dinkel said an owner had procured a bid for another management company, but Rob Bullard did not receive the email before the meeting.

Eric Vanni requested the cable charge be explored and research done on assigning the costs equitably instead of prorating. Rob said it would be brought up at the next Board meeting.

Arlene Dinkel said there was a problem recently with the water pressure. She had trouble contacting someone from management. Rob said this would be discussed at the next Board meeting and he would respond to her.

Arlene Dinkel said several times a year guests come to her door when they lock themselves out. She asked if it would possible to have a master key. Rob said he could not answer the question right now, but thought the problem should be addressed instead of developing an immediate quick fix. It appears the issues are notification and response time.

Nancy Lee asked about exterior window washing. Rob said exterior washing was not an Association expense. He recommended any owners interested in that service write a letter to the Board.

VII. SET NEXT MEETING DATE

The next Annual meeting was set for the same time next year.

VIII. ADJOURNMENT

With no further business, the meeting was adjourned at 12:15 p.m.

Approved By: _____ Date: _____
Board Member Signature