

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
FEBRUARY 1, 2008**

I. CALL TO ORDER

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

Board members present were:

Kevin McClain, 2nd Vice President (via teleconference until 6:11 p.m.)

Joe Woodrow, Treasurer

Scott McLean, Secretary

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

II. OWNER FORUM

No owners were present.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Scott McLean made a motion to approve the October 19, 2007 Board Meeting minutes as presented. Joe Woodrow seconded and the motion carried.

IV. FINANCIAL REVIEW

A. 2007/2008 Year-to-Date

As of December 31, 2007 the Operating balance was \$46,502, the Reserve balance was \$152,304 and the DRF balance was \$16,779.

B. Profit & Loss as of December 2007

As of December 31, 2007 the Association was operating \$1,723 under budget. Significant variances to budget included:

1. Interest/Operating – \$988 over budget.
2. Interest/Reserve - \$3,898 over budget.
3. Repairs and Maintenance – \$1,618 over budget due to gutter repair on Building 1501, roof repair on Building 1510/201 and completion of 1509 crawl space water remediation.
4. Landscaping – \$2,559 over budget as discussed at the last Board Meeting.
5. Snow Removal – \$1,456 under budget. The January 2008 ice removal expense will be \$1,200.
6. Insurance – \$2,468 under budget
7. Accounting Audit – \$1,456 under budget.
8. Hot Tub Supplies – \$1,079 under budget
9. Hot Tub Repairs – \$437 over budget due to replacement of a pump.

C. Follow-Up Items from October

1. The Electricity account was \$1,154 over budget as of the end of September. Kevin Lovett thought it was a budgeting/timing issue. As of December the account was \$284 under budget so the overage has been recouped. Xcel did an audit and checked meters and found all are working properly.
2. The asphalt striping expense was reclassified.
3. The credit for snowplow damage was moved from the Snow Removal account to Landscaping.
4. The flat roof repair expense from summer 2007 has not been moved from the Reserve account to the DRF. The clearing of the due to/due from for the DRF fund in the summer of 2007 resulted in a significant decrease in the balance of the DRF. Kevin Lovett will consult with Rob Bullard about how the expenses should be paid.

D. Snow Removal Expenses

Kevin reviewed his spreadsheet with Snow Removal expenses for November through April.

1. Supplies – \$627 actual/projected vs. \$550 budget.
2. Plow – \$5,440 actual/projected vs. \$7,600 budget.
3. Skidster – \$1,626 actual/projected vs. \$2,000 budget.
4. Ice Roof – \$2,755 actual/projected vs. \$2,000 budget.
5. Ice Labor – \$1,650 actual/projected vs. \$1,600 budget.

Tony Peterson told Kevin Lovett the plow contractor was doing a good job. Joe Woodrow commented that the contractor was not clearing the parking areas at the same time as the road. Kevin said he clears the roads first so residents can get out and sometimes returns later to do the parking areas. Scott McLean requested that the contractor plow a little earlier in the morning to prevent the snow from getting packed down.

Joe Woodrow said there was a dangerous snow bank by the stop sign near Building 1517. He said it should be knocked down to improve visibility. Kevin Lovett will follow up with the contractor.

E. 2008/2009 Preliminary Budget

Kevin Lovett will have Rob Bullard review the draft. The draft as written includes an overall increase of \$11,845. Significant changes included:

1. Insurance - \$524 increase per the increased building value. Kevin said he did not yet have a new bid.
2. Management Fee – \$2,932 increase per the contract.
3. Repairs and Maintenance – \$550 increase.
4. Water and Sewer – \$2,468 increase per new rates.
5. Snow Removal Skidster – \$2,000 increase.
6. Snow Removal Ice Roof – \$1,000 increase.

7. Snow Removal Ice Labor – \$800 increase.

The overall expense increase is 4.7%, equating to about \$11/unit/month on average.

The Board should review the draft and Kevin will talk to Rob. The budget starts May 1 and has to be formally approved by the membership at the Annual Meeting. The draft must be sent with the Annual Meeting mailer in April so it will need to be finalized at the April Board Meeting.

V. MANAGING AGENT'S REPORT

A. Completed Items

1. Property Management agreement completed and in place.
2. Installed new hot tub cover.
3. Repaired 1501 north side gutter.
4. Repaired hot tub gate hinges.

B. Pending/Report Items

1. Hot Tub - The hot tub jet pump broke down over the holiday. It has been replaced.
2. 1503/203 Wall – There was no electrical or plumbing work involved in building this wall so the Town of Frisco indicated there was no violation.
3. Roof Leaks:
 - 1505/201 leaked above the bathroom windows. Turner Morris removed the ice dam and inspected. No repairs were necessary.
 - 1521/203 leaked through a 2005 flat roof due to an ice dam and a split seam. Turner Morris removed the ice dam and replaced the seam; the roof was no longer under warranty.
 - 1501 valley has leaked in the past into the Dinkel's unit. The Board may want to consider installing a metal valley.
 - 1505/207 has never leaked before. The ice dam was removed and the unit may need some touch up painting.
 - 1521/204 leaked through a window but the leak did not reoccur. This area will be checked this summer.
 - 1507/102 flat roof from 2005 leaked where the roof extension meets the roof. The leak came through the soffit but did not enter any unit. Turner Morris handled the repair.
4. The snowplow hit the bottom of the 1505 deck. The contractor will pay for the damage.
5. The loader hit the building between the garages of 1515 and 1513. The contractor will pay for the damage.
6. The Board previously discussed turning off the atrium heat tapes but ultimately decided against this course of action.

7. Comcast has a new internet option of \$16.95/unit/month, with a modem in each unit with 786 Kbps speed. All units would have to participate. This option should be presented to the owners in a mailer to gauge feedback or it can be presented at the Annual Homeowner. Installation would be \$39.95/unit.

C. 2008 Capital Projects

1. Railing Painting - \$5,000. The Board will inspect the property in May and determine what needs to be done.
2. New Hot Tub Shells – \$18,000. The Board agreed not to replace the shells until they crack or start to leak. This project was moved out one year on the schedule.
3. Hot Tub Covers – \$1,200. The covers will be replaced as needed.

D. Drainage Remediation Plan Items

1. Two new flat roofs – \$14,000 budgeted.
2. The original flat roofs remaining are on Buildings 1503 and 1511 (north) and 1517, 1519 and 1521 (south). The Board needs to select which to replace or to postpone the project for one year. None are currently leaking. A new valley could be installed over 1501 where ice dams are forming and leaking into a unit; the approximate cost would be \$4,000. The Board agreed not to replace any more roofs unless leaks develop. Total roof replacement is scheduled for 2015. Two valleys were done in 2006 (1515E and 1509) and have been working well.

E. Operating Expense Items

1. Landscaping – The cost to clean out all the beds will be approximately \$3,500. Sally Willis provided a bid of \$870 for the first section.
2. Utility Box Bush Holders - The Board discussed building shrub boxes to hide the utility boxes. The boxes would be bottomless and would be moveable. Kevin Lovett was not able to find a fake rock large enough to cover the utility boxes. Scott McLean suggested he contact the manufacturer of the fake rock to ask if they can manufacture custom sizes.
3. Slash Removal – An owner requested removal of slash by 1503 for fire prevention at an estimated cost of \$500.
4. The total planned expense for landscaping in 2008 is \$8,400. Kevin Lovett will run this by Tony Peterson. Irrigation repairs in 2008 should be significantly less than in 2007.

VI. OLD BUSINESS

A. Dryer Vents

Joe Woodrow said the Board had agreed at a previous meeting to clean the dryer vents.

B. *Smoke Detectors*

Kevin Lovett said an owner was concerned about the potential failure of the original in-unit smoke detectors. This is an owner expense; owners are encouraged to test their smoke detectors and to replace them as needed.

VII. NEW BUSINESS

A. *Annual Meeting*

The Annual Meeting will be May 24, 2008. The Master will meet at 9:00 a.m. and the Villas will meet at 10:00 a.m. Tony Peterson, Kevin McClain and Scott McLean will all be up for re-election.

VIII. SET NEXT MEETING DATE

The next Board Meeting was tentatively set for Friday, March 21 or 28, 2008 at 5:30 p.m. Kevin Lovett will check with Rob Bullard and Tony Peterson about the preferred date.

IX. ADJOURNMENT

Scott McLean made a motion to adjourn at 7:01 p.m.

Approved By: _____ Date: _____
Board Member Signature