

**PROSPECT POINT MASTER ASSOCIATION
BOARD MEETING
MARCH 12, 2008**

I. Call to Order/ Attendance

The meeting was called to order at 2:05 pm. Scott Morlan and Bart Bartoletti were present and Eric Eckberg joined the meeting via telephone. Kevin Lovett was present on behalf of SRG.

II. Review of Minutes of the 2007 Annual Owner Meeting

The minutes from the 2007 annual owner meeting were reviewed.

III. Financial Report

Kevin Lovett reported on financials as follows:

January 31, 2008 Balance Sheet reports \$3747 in operating and \$28,270 in reserves.

It was noted that the reserve account has grown from \$21,535 since the 2007 Annual meeting.

January 31, 2008 Profit and Loss statement reports the Association is \$1262 over budget in spending year to date. The overage is directly related to snow plowing expenses.

Snow plow expense summary. Budgeted expenses for 2007-08 snow removal total \$9,090 for the season; actual and predicted expenses are projected to total \$10,215 for the season- an overage of \$1125. It was noted that a portion of the overage is due to last years reallocation of the snow plow expenses with Master paying 44%, Townhomes 28% and the Villas paying 28% of the total bill (this differed from the previous plan where each association paid 33%).

Proposed Budgets 2008-09

The Long Range Capital Projects plan was reviewed. The major future project the Master Association faces is the 2 inch overlay of the asphalt. A-peak Asphalt has inspected the asphalt and report that, barring the unforeseen, the Master Association should plan for the 2 inch overlay in approximately 20 years at an expense of approximately \$100,000. It was noted that the life expectancy of asphalt can be increased by proper maintenance (such as regular crack sealing completed annually and seal coating completed approximately every 7 years). Scott Morlan made a motion to approve a concept of the Master Association to use a combined approach of paying into the funding of the major asphalt overlay annually with the expectation to fund a portion of the major project in approximately 20 years with a special assessment; the motion was seconded and passed. A quick discussion determined that earmarking \$200 per month (\$2400 annually) for the major asphalt overlay would raise \$48,000 towards the project in the next twenty years.

The Long Range Capital Projects Plan calls for the routine maintenance of items such as landscaping, North and South retention pond maintenance, sign repair and lighting and on going maintenance of the asphalt. The scheduled seal coating of the asphalt is the “major” expense leading up to the major 2 inch overlay asphalt project discussed above. The proper funding of the routine seal coating was discussed as the Long Term plan calls for a concerning low fund balance of approximately \$6000 in 2017-18; it was noted that contributing an additional \$200 per month to the reserve fund will place an additional \$24,000 into the reserve fund by year 2017-18 which would increase the reserve fund to a more comfortable balance of approximately \$40,000.

The Proposed Operating Budget for 2008-09 was discussed. The following were changes in the budget from 07-08:

- 0504 Insurance – proposed increase of 5%
- 0505 Landscaping – proposed increase of \$400 annually
- 0535 Tax Returns – proposed decrease of \$100 annually
- 0540 Board expenses – proposed decrease of \$160 annually
- 0545 Annual meeting expense – proposed increase of \$160 annually
- NEW line item – reserve interest – I propose we expense this and add it to the reserve fund balance
- 0580 Snow plow – proposed increase of \$3950

The total planned expense increase from the 2007-08 budget to 2008-09 is \$5152 annually.

In consideration of the above, Eric Eckberg moved to increase dues to include an earmarked \$200 monthly contribution to the long term major asphalt overlay project, increase the contribution to reserves by \$200 monthly and to increase the contribution to the operating account to cover the increase to operating expenses- the total monthly increase per Association (Villas and Townhomes) is \$379; Scott Morlan seconded the motion and the motion passed.

It was noted that this would be the first proposed increase to dues for the Master Association since its inception.

IV. Managing Agent’s Report

- A. *Completed Projects*
 - Tree replacement at entry
 - Entry sign painted
 - Speed bump installed
 - Letter sent to Town of Frisco re the requested turning lanes at the entrance to the complex; the Town of Frisco replied stating this was on the long range plan.
- B. *Planned Projects for 2008 Summer*
 - Preventative Mountain Pine Beetle tree Spraying
 - Asphalt Crack Sealing

- Weed Spraying
- Flower planning and complex entry area cleanup

V. Old Business

Snow Plowing – the snow plowing performance for the 2007-08 season was discussed and reviewed. Summit Resort Group reports mixed feedback from Prospect Point Owners ranging from “horrible” to “very good”. Summit Resort Group pointed out the heavy snow year experienced thus far; authorities are stating that it is the 8th snowiest year on record. SRG pointed out that the drives have been scraped and snow piles pushed back twice this year so far. The major problems with snow removal this year have been the large piles that have formed as storage areas are full and the back corner area of the Townhomes. Improvement plans for next winter include better supervision of the heavy equipment operator by the site manager and designated snow storage spots in the back corner area of the Townhomes. Aggressive scraping and push backs in early January and February are also planned.

VI. Next Meeting Date

The 2008 Annual Meeting is scheduled for Saturday, May 24, 2008 in conjunction with the Villas Annual Meeting.

VII. Adjournment

The meeting adjourned at 3:40 pm.

Approved By: _____
Board Member Signature

Date: _____