

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

**April 5, 2013
Dillon, Colorado**

- I. CALL TO ORDER
 - a. Tony Peterson called the meeting to order at 6:30 pm.
 - b. Board members present were:
Tony Peterson, President
Scott McLean, Treasurer
Sean Cavins, Vice President
Otis Halverson, Secretary
 - c. Representing Summit Resort Group were Kevin Lovett, Peter Schutz, Deb Borel and site manager Chris Trettel. A quorum was present. Kevin McClain called in at 7:10 pm.
- II. OWNER FORUM
 - a. Notice of the meeting was posted on the website. No owners, other than board members, were present.
- III. APPROVE PREVIOUS MEETING MINUTES
 - a. Scott made a motion to approve the minutes of the March 17, 2012 board meeting as presented. Otis seconded and the motion carried.
- IV. FINANCIAL REPORT
 - a. SRG reported on the February 28, 2013 financials as follows:
 - \$43,579.60 in Operating
 - \$198,916.29 in Reserves
 - \$100 in Petty Cash
 - \$106,679.96 in Alpine Bank CD (3/15/14)
 - \$105,230.16 in US Bank CD (8/22/15)
 - February expenses close \$16,500 under budget. The Board discussed major areas of variance. The only over budget account is landscaping; this is due to irrigation work, corrected drainage, flowerbed cleanup, re-mulch and tree planting. Sean commented that the overage is due to items that have been neglected over the years and it is now being taken cared of. Tony said the money was well spent, since the complex looks great.
 - b. Projected current Fiscal year 2012-2013 close
 - March and April projections call for a projected year-end operating surplus of approximately \$14,525. At the 2013 annual meeting, a motion will be made to move the operating surplus to reserves
 - c. Operating Budget 2013-2014 - the draft 2013-14 operating budget was reviewed.
 - Expense line item changes from 2012-2013 budget to 2013-2014 budget were reviewed to include:

1. 5041 – Insurance - \$589 increase, allowance for \$961 for \$5M umbrella
 2. 513 – Cable TV - \$2,364 increase, per actuals, plus allowance for 4% increase
 3. 514 – Trash Removal - \$864 decrease, per actuals
 4. 515 – Common Electricity - \$400 decrease, per actuals
 5. 517 – Faxes - \$36 decrease
 6. 527 – Board Expenses - \$999 decrease
 7. 528 – Hot Tub Supplies - \$120 decrease
 8. 530 – Hot Tub Gas Electric - \$120 decrease
- Overall expense increase of \$414
- d. Dues
- Operating Dues - No change to dues proposed on the operating budget side.
 - Reserve Dues – 10% increase to the reserve contribution proposed. This equates to a \$4 - \$7 increase per unit per month. The Board reviewed the dues schedule and agreed that it was a manageable increase. Sean made a motion to present the proposed budget to owners at the 2013 annual owner meeting for adoption to include the 10% increase to reserve dues. Otis seconded and the motion carried.
- e. Capital Reserve Plan
- Board discussed the Capital Reserve plan and expenses. The Capital Reserve plan is a working tool used to determine funding necessities based on anticipated future costs. SRG will work with the Board to draft a Reserve Policy.
 - Kevin L. stated that there are professional reserve study companies available to complete a reserve study for Prospect Point.

V. MANAGING AGENTS REPORT

a. Report Items

- Roof leaks – Board reviewed the list of roof leaks that have happened this winter, 2012-13, as well as the roof leak by building spreadsheet. There have been two minor roof leaks this winter. Turner Morris has responded to both roof leaks and completed roof ice/ snow removal; interior repairs to the units will be completed this Spring.
- Insurance Renewal – Board reviewed the insurance renewal. SRG shopped the market and Farmers Insurance provided the most cost effective premium. The 2013-14 policy premium increased \$627 over the 2012-13 premium and coverage was enhanced with the addition of a \$5M umbrella.
- HB1237
SRG presented details of House Bill 1237 as follows:
Deemed the "records bill", House Bill 1237 is new legislature which speaks to association record keeping. HB 1237 went into effect Jan 1,

2013. HB 1237 requirements are currently being fulfilled as we post to on the website and make available for all owners:

- Association Governing Documents (Dec's, Bylaws, Amendments, policies, house rules, etc)
- Meeting Minutes
- Financials
- Owner / board list

A new item that must be tracked and made part of Association record is "board/ association actions taken outside of Board meetings". A spreadsheet has been set up for Villas; each time a board action is discussed via email, the action will be added to the spreadsheet along with record of Board member votes. Email discussions leading up to the vote will be placed in a file specific to the action. These will now be part of association record and each action will be ratified at the next board meeting (this will get them into the minutes).

Additionally, the bill states that individual owner info to include phone numbers and email addresses may not be published or given out.

Published Owner lists must state name, mailing address and number of votes each unit has. Board member lists must include mailing address and email addresses.

Finally, the bill revokes the requirement of SB-89 that requesting owners must present "proper purpose" when requesting association information. SRG presented a revised Records Inspection Policy for Villas removing the requirement to state proper purpose. Sean made a motion to approve the revised Records Inspection Policy. Otis seconded and the motion carried.

b. Discussion Items

- Window Coverings/Blinds
According to House Rule 9B, window coverings must be white or off white in color. SRG noted that there were a few units that had wooden blinds. SRG will let owners know that they are out of compliance. Owners do have the option of installing an additional white window covering to shield the wooden blinds from outside view. Owners are asked that next time they change their blinds, to make sure they are in compliance.

VI. RATIFY BOARD ACTIONS VIA EMAIL

- a. The following items were approved via email: Otis Moved to ratify the following; Sean seconded and the motion carried:
- 11/2/12 – Deck Drain license agreement form approval
 - 11/2/12 – Deck Drain install at 1517-102 approved
 - 11/2/12 – Window Replacement at 1515-102 approved
 - 12/20/12 – Kitchen remodel request at 1515-102 approved

- 12/20/12 – Motion to only require board review if a unit remodel requires structural modification approve
- 12/29/12 – Owens Corning letter approval, requesting 600 squares delivered as needed approved
- 1/24/13 – Unit 1517-102 approval letter response to send to Realtor regarding smoking letter approved
- 3/25/13 – Insurance renewal approval, including \$5M umbrella liability coverage approved

VII. OLD BUSINESS

a. Roofs

- Owens Corning Shingle warranty – Owens Corning has stated provided letter stating that they will honor shingle warranty. Owens Corning warranty options include with taking a settlement award of \$37,420 in the form of a material credit to the building material supplier of our choice to purchase Owens Corning Shingles or, accept a direct shipment of 600 squares of the Oakridge Shingles from the Owens Corning plant, at \$57,000 of shingle value. The VPP HOA sent letter requesting the 600 squares be shipped as we would need them, sometime within the next 3 - 8 years. Owens Corning has responded, verbally via telephone, stating that if the board choses to take the shingles, they must be shipped to VPP this summer. It will come in 3 truckloads, each load holding 13 pallets (pallets are 4' x 4'), approximately 39 pallets total. The three truck deliveries may be spread out over the summer, but all must be accepted by the end of the summer. Options for shingle warranty were reviewed as follows:
 1. Accept 600 squares of shingles this summer and install
 2. Accept 600 squares of shingles this summer and store (it was noted that the shingles would take up too much space to be stored on site at VPP; Turner Morris will store them for VPP, as long as they got the replacement job once the replacement is necessary). It was also noted that storing shingles, even if covered, would decrease the full life expectancy.
 3. Sell the shingles; we have already received an offer for \$40 per square totaling \$24,000.
 4. Accept the settlement award value of \$37,420 credit to the building materials supplier of their choice to purchase Owens Corning Shingles. Scott asked if there was a time requirement from material suppliers in which the credit would need to be redeemed; SRG will follow up.
 5. SRG will call suppliers to ask how long they would carry a credit for shingles.
 6. SRG will contact Turner Morris and ask if their contact would pay \$37,420 for the shingles as this is the vaule of our material credit; it was noted that cash would be preferred over a future credit.

Risks with a future material credit from a building supplier include the supplier going out of business.

- Roof plans 2013- The Board and Management discussed possible roof work plans for summer 2013 to include:
 1. Building 1503 south end, flat roof. According to leak history, this is the "next" flat roof to be replaced when replacement is deemed necessary. Cost is \$5,500. This unit received a new membrane in 2004. Additional steps to be taken to reduce likelihood of future roof leaks in this area is to trim trees to allow sun to help mitigate snow accumulation on the roof (trees block sun now) and to repair/replace a section of heat tape. Board preferred to trim trees around the roof and replace/increase/repair heat tape and see if that takes care of the problem. Turner Morris will inspect roof this summer.
 2. Normal roof maintenance
 3. Money allocation is in capital plan for roof repairs 2013.
- Roof Replacement Policy- The Board and Management reviewed the roof replacement policy. The roof replacement policy was again stated as follows: "Similar to any roof, the roofs at Prospect Point will need to be replaced at some future date. The VPP Board of Directors has conducted research on materials, expense estimates, funding and time frames. At this time, a decision has not been made on material choice. The exact time frame for replacement has not yet been set, but some form of roof replacement is estimated to occur at some point in the future. Expense estimates and funding requirements will be determined based on roof replacement product and schedule. At this time, the existing roofs will remain in place until replacement is deemed necessary. "

VIII. NEW BUSINESS

- a. Painting – 2013 Painting plans; touch up program – budget allocation is \$5,000. Will continue to do major touch up painting in 2013 as needed. Common area stairs and landings will receive clear stain application to protect wood. There is no need to paint the entire complex this summer.
- b. Landscaping – Plans for 2013 were reviewed as follows:
 - Spring clean up, irrigation start up, fertilize and aerate
 - Mulch beds – maintenance (weed and trim two times this summer)
 - 1511 backside and atrium – clean beds and refresh mulch
 - Addition of three trees \$1,800 (three 6' spruce, approximately \$600 each installed)
 - Tree stakes – remove unnecessary tree stakes
 - Tree trim – trim branches near buildings
 - Tree spraying (Mountain Pine Beetle, Needle Scale)
 - Vole remediation – SRG will work with contractor early to start baiting voles this season.
- c. Spring Plans - the following are projects planned for this Spring:

- Clean light globes
 - Power wash stairwells, atriums and garage doors (gently). SRG will be careful when garage power washing that it does not enter the garage.
 - Paint metal hot tub gate
 - Stain hot tub deck
 - Replace broken hardiplank siding (1519 and 1509 – both minor)
 - Replace broken/dented siding corner guards
 - Repair stairwell railing – minor at 1519 north end
- d. Annual Meeting
- The 2013 annual owner meeting is scheduled for May 25, 2013 at 10:00 am
 - Notice to be sent April 25, 2013
 - Election of directors- Sean Cavins and Otis Halverson are both up for re-election in 2013; both are willing to serve another term.
- e. New Lawnmower – SRG will shop to for a new lawn mower; estimated cost is approximately \$3,000 to use for the Townhomes, Master and Villas. Board approved to pay a portion of this cost.
- f. Recycle toters needed – two additional ones will be added this summer to the upper dumpster enclosure.
- g. SRG will get bids to add doors to the dumpster enclosures.

IX. NEXT MEETING DATE

- a. The next board meeting will be held after the annual meeting to elect officers.

X. ADJOURNMENT

- a. At 8:17 pm, Sean made a motion to adjourn. Kevin M. seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature