

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

**April 8, 2011  
Dillon, Colorado**

**I. CALL TO ORDER**

The meeting was called to order at 6:05 p.m. by Rob Bullard.

Board members present were:

Rob Bullard, President  
Sean Cavins, Secretary

Kevin McClain, Vice President  
Scott McLean, Treasurer (via teleconf.)

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

**II. OWNER FORUM**

There were no owners present.

**III. APPROVE PREVIOUS MEETING MINUTES**

Kevin McClain made a motion to approve the minutes of the January 14, 2011 Board Meeting as presented. Sean Cavins seconded and the motion carried.

**IV. FINANCIAL REPORT**

*A. Year-to-Date Financial Status as of March 31, 2011*

Kevin Lovett reported that as of March 31, 2011 the Association was \$12,482 over budget. Accounts under budget included Legal (\$1,482), Insurance Claim Deductible (\$2,224) and Electric (\$2,294).

Accounts over budget included Insurance Contingency (\$6,062), Snow Removal/Ice Roof (\$8,760), Snow Removal/Ice Labor (\$1,873), Cable TV (\$2,208 for tax, surcharges and fees) and Landscaping (\$2,075). Kevin was directed to reclassify the drainage repair expense to Reserves.

*B. CD Resolutions*

A Resolution was provided in the meeting packet to open a 48 month CD with Alpine Bank earning 1.31% to be funded with approximately \$103,966.33.

*C. 2011/2012 Budget*

The Board reviewed the list of the significant changes as compared to last year's budget that was included in the meeting packet.

1. Insurance Contingency – increased from \$2,000 to \$4,000. The historical average is over \$3,000.

2. Water and Sewer – increased from \$42,620 to \$45,000 based on six additional watering zones.
3. Snow Removal/Roof – increased from \$2,000 to \$4,000 based on the six year average.
4. Snow Removal/Ground Ice – increased from \$1,000 to \$1,500 for snow removal by the stairwells.
5. Accounting/Audit – decreased from \$2,150 to \$350 as no audit is scheduled for the coming year.
6. Asphalt Crack Seal – increased from \$0 to \$1,900 based on a complete crack seal. Last year it was included in the major asphalt Reserve project.
7. Landscaping – increased from \$3,700 to \$7,400 for clean out of the flower beds.

The budget as written includes a total increase of 6.4% over the prior year but an increase of only 1.9% over the budget of two years ago.

Kevin McClain made a motion to approve the 2011/2012 Operating Budget as presented. Sean Cavins seconded and the motion carried.

*D. Reserve Funding*

There was general discussion about increasing the Reserve contribution by 6%. The 2010/2011 contribution was \$63,000. It consisted of \$13,000 from the Operating surplus and \$50,000 that was assessed to owners via dues. A 6% increase would bring the contribution to \$66,780, which would equate to an actual average dues increase of \$15/unit/month. A 6% increase on the base amount of \$50,000 would equate to an actual contribution decrease. Keeping the contribution at \$63,000 would equate to a 26% increase. The contribution in 2009/2010 was \$56,000. Keeping the contribution at that level would result in an overall dues increase of \$24 or 8.4%. Increasing 6% on \$56,000 would be a 9.7% increase. Increasing 6% on \$50,000 would be a 7.4% increase. A \$55,000 contribution would result in a total overall dues increase of 8%, an average of \$23/unit/month.

Kevin McClain made a motion to approve a 6.5% combined dues increase, which would keep the Reserve contribution at \$50,500. Sean Cavins seconded and the motion carried with Scott McLean opposed.

**V. MANAGING AGENT'S REPORT**

*A. Report Items*

1. Eric Eckberg is serving as Interim President of the Master Association.
2. Hot Tub – Kevin Lovett determined that one tub can not be shut down during the slow season because the plumbing for the two tubs is connected. The peroxide system has been disconnected from the hot tub system.

3. Spring Maintenance Projects – asphalt crack seal, replace dented/missing corner pieces of siding, wash light globes, tighten 1515 south end soffit and wash garage doors.
4. Insurance – the 2010/2011 premium increased from \$14,980 to \$15,338 (2.3% increase).

## VI. OLD BUSINESS

### A. *Stairwells*

A proposal was received from Steve Gauss for \$400 per stairwell (\$800 total) to engineer a new foundation design for the atrium stairways. He will write the specs to support the structure while the support posts are being removed, excavated and new footers poured. Kevin McClain made a motion to approve the proposal. Sean Cavins seconded and the motion carried.

### B. *VGBA Compliant Hot Tub Pumps*

Scott McLean made a motion to approve installation of the VGBA compliant hot tub pumps at a cost of \$1,750. Sean Cavins seconded and the motion carried.

### C. *2010/2011 Roof Leaks*

Kevin Lovett provided a summary of the roof leaks and associated expenses. He obtained four proposals from engineers. Kevin McClain agreed to review the proposals.

### D. *2011 Major Projects*

1. Irrigation – \$8,532. Greenscapes provided a proposal to install an irrigation system in the wild area behind 1519 and 1509, spray weeds, revegetate the area behind the shed, rototill and spread topsoil. The contractor was told to start the work as soon as possible in the spring. The Board approved the proposal and it was signed.
2. Concrete – there are five areas of concrete that could be addressed this year. The highest priority is Building 1517 based on the condition. The other areas are Buildings 1510, 1519 and 1515. Proposals were received from Ten Mile Concrete (\$4,014) and Colorado Cutting and Coring (\$3,300). Rob Bullard made a motion to approve the Colorado Cutting and Coring bid for \$3,300. Sean Cavins seconded and the motion carried.
3. Stairwells – bids will be obtained.
4. Painting – Kevin proposed allocating \$4,000 for SRG to touch up the trim/eaves, tops of common handrails, lower areas at front garages, garage lower trim and under the windows on the back sides of the units. Kevin was asked to get bids from contractors.
5. Roofs – Kevin McClain will review the proposals and the Board will meet to discuss the proposals prior to the Annual Meeting.

**VII. NEW BUSINESS**

A. *2011 Annual Owner Meeting*

The 2011 Annual Meeting will be on Saturday, May 28, 2011 at 10:00 a.m. The Master will meet at 9:00 a.m. The official notice will be sent April 28, 2011.

**VIII. ADJOURNMENT**

Kevin McClain made a motion to adjourn at 7:42 p.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature