

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION**  
**ANNUAL HOMEOWNER MEETING**  
**May 28, 2011**

**I. CALL TO ORDER**

The meeting was called to order by Kevin Lovett at 10:00 a.m.

Board Members present were:

Kevin McClain, Vice President, 1511-206    Sean Cavins, Secretary, 1517-102  
Scott McLean, Treasurer, 1517-204

Homeowners present were:

Rachel Crabb, 1509-203	Sharon Grimm, 1505-201
Peter & Carolyn Hewett, 1509-206	Vernon Phinney, 1507-102
Ami Doyle, 1511-104	Henry & Kathy Sparks, 1509-201
Marshall & Sharon Constantino, 1519-101	Brenda Lloyd, 1519-102
Nancy Lee, 1503-204	Daryl Goepfert, 1513-204
Otis Halverson, 1519-201	John & Elizabeth Blackmar, 1519-203
Joe Coughlin, 1519-207	Jim & Arlene Dinkel, 1501-203
Gisela Hillyer, 1521-202	Marcia Valbert, 1503-102
Jeff & Mary Jane Wakeford, 1511-202	

Representing Summit Resort Group were Peter Schutz, Kevin Lovett, Deb Borel and Chris Trettel. Kimberly Douglas of Summit Management Resources was recording secretary.

With 19 units represented in person and eight proxies received a quorum was reached.

**II. APPROVE PREVIOUS MEETING MINUTES**

A motion was made by Peter Hewett to approve the minutes from the May 29, 2010 Annual Meeting. The motion was seconded by John Blackmar and carried.

**III. PRESIDENT'S REPORT**

Kevin Lovett gave this report in Rob Bullard's absence. Kevin Lovett thanked Chris Trettel for his excellent site management and for staying on top of the snow removal throughout the winter.

**A. Completed Projects**

1. Windows and sliding glass doors - The 25 unit owners who participated were pleased. The contractor is interested in more work this summer. Any other owners interested in window replacement should notify Kevin Lovett. He may be able to get a good deal on the project.
2. Landscaping - Last year six Colorado spruce and three aspen trees were planted in the "wild" area behind Buildings 1509 and 1519.
3. Concrete Replacement - This project has been completed. Management is trying to keep up with routine replacement of any concrete areas that are spalling, or have sunk and are possible trip hazards.

4. Asphalt - Major asphalt work throughout the complex was completed including crack sealing, patching, seal coating and restriping. An owner was concerned that the asphalt sealing was done poorly and that it has not lasted as long as it should. Kevin Lovett responded that the contractor, A-Peak Asphalt, was consulted the week prior about problem areas, as well as to touch base about the sealcoat. It should last more than one year.
5. Comcast Cable Box Install - This was completed last summer.

*B. Pending Projects*

1. Crack sealing - This is done every year and will be done again this year, along with some patching to repair damage from the winter.
2. Landscaping - Work will start next week to irrigate, add topsoil and seed the "wild" area behind Buildings 1509 and 1519. This project should take two to three weeks to complete.
3. Painting - There are a number of areas that need touch-up painting around the complex, including some of the deck railings. Big painting projects are still a year or two out.
4. Roofing - Because of the consistent roof leaks anytime there is a heavy snowfall, the Association has looked at a number of roof design consultants and received proposals to prepare the design for replacement. The Board will choose one. An engineer will assess why the leaks are occurring, and how best to fix them. The Board will then look for a competitive bid and try to replace the roofs over the next few years.

John Blackmar recommended that owners who had windows replaced check the edges. Some of the painting was not finished. Another owner voiced the same concern. Kevin Lovett will call the contractor about the issue.

**IV. FINANCIAL REPORT**

*A. Balance Sheet as of April 30, 2011*

The Association closed the 2010/2011 fiscal year with \$12,186 in the Operating account, \$41,224 in a liquid account and approximately \$304,000 in CD's, for a total of \$345,382 in Reserves. The Association ended the year 6% over budget in Operating expenses primarily due to snow removal and related items such as roof snow removal, hand shoveling and moving snow away from buildings. Some overages were due to repairing roof leaks in units.

**V. RATIFICATION OF BUDGETS**

*A. Proposed Operating Budget 2011/2012*

At the last Annual Meeting dues were reduced by 4%. This year dues have been increased by about 6% to account for the corresponding increase in Operating expenses. If the dues had not been decreased last year, they would have only been increased by about 2% this year. Line items that increased included Cable, Water and Sewer and Snow Removal. Kevin Lovett pointed out the Dues Schedule that details the effect of

the 6% increase, which will equate to between \$16 - 26 per unit per month, depending on the size of the unit.

Kevin Lovett addressed a question concerning the Comcast contract and the increase in funds budgeted for it. The Association is in the middle of a seven-year contract with Comcast. The contract allows for CPI increases, which usually amount to 3 - 6%, depending on the year.

Jeff Wakeford made a motion to approve the 2011/2012 Operating Budget. The motion was seconded by Marshall Constantino and carried.

*B. Reserve Fund*

There was some discussion about the Reserve fund. An owner voiced the concern that although the Association finished the year with \$345,000 in Reserve, the beginning balance on the Reserve plan states \$273,000. Another owner was concerned that the projected low funds in the Reserve in 2015, 2020 and 2021 seemed inconsistent with the increase in dues every year. Kevin Lovett reminded members that the Reserve plan was not up for ratification at this meeting and is a plan to "set the basis for the contribution each year". The spreadsheet still has to be amended. The Board and Property Management will meet to prioritize projects on the Reserve plan, and will send the spreadsheet out with the next Annual Meeting notification so members can review it before the next meeting. It was noted that the Board has done an excellent job managing the Reserve.

Major projects for 2011 include:

1. Roofing - \$40,000 is allocated for roofs. The Board will hire engineers and try to re-roof one building instead of doing them all at once.
2. Painting - There is \$6,500 allocated for touch up painting. The major full complex painting project is scheduled to occur in the next year or two.
3. Concrete Replacement - This project has been completed.
4. Stairways - There has been some movement of the atrium stair cases of buildings 1519 and 1505. The roofs were shoveled to reduce the weight of the snow, and an engineer provided designs to re-do the stairways. The cost to repair is approximately \$8,000 each. Funds for this project will be taken out of the Reserve account.
5. Hot Tub Pump - \$1,750 was spent to install new hot tub pumps that are compliant with the Virginia Graeme Baker Act.
6. Landscaping - There is \$8,532 budgeted for the irrigation and seeding of the "wild" areas.

Credit was given to Kevin Lovett for doing a great job managing the Association finances.

## **VI. ELECTION OF DIRECTORS**

The Board seats of Sean Cavins and Rob Bullard were up for election. Sean Cavins indicated his willingness to run again. Rob Bullard was not running again. Scott McLean nominated

Sean Cavins. Mary Jane Wakeford seconded and the motion carried. Scott McLean nominated Otis Halverson. John Blackmar seconded and the motion carried. Sean Cavins and Otis Halverson were elected for two-year terms.

**VII. NEW BUSINESS/MEMBER COMMENTS**

Owners were concerned that the paint on the railings began chipping last year, only one year after the painting was completed. One owner thought the contractor's poor methods were partially at fault, and asked if another type of paint could be used. Kevin Lovett stated that scraping and painting would be done this year again. Other options, such as staining and priming were discussed. One owner tried staining the rails last year and reported that it was not a viable option. Other options for the railings will be researched.

Arlene Dinkel asked Kevin Lovett if he could check into window washing and send her and other interested owners names and numbers of contractors. Nancy Lee stated that the contractor she hired for that job would be willing to work throughout the complex, but would rather do multiple jobs on the same day. Kevin explained that window washing is an individual owner responsibility but interested owners could contact him after the meeting and he would send information to them.

**VIII. SET NEXT MEETING DATE**

The next Annual Meeting was scheduled for May 26, 2012.

**IX. ADJOURNMENT**

Marshall Constantino made a motion to adjourn at 10:29 a.m. The motion was seconded and carried.

Approved By: \_\_\_\_\_

Board Member Signature

Date: \_\_\_\_\_