

**PROSPECT POINT TOWNHOMES ASSOCIATION
ANNUAL HOMEOWNER MEETING
August 21, 2004
Frisco, Colorado**

Homeowners in attendance were:

Kent Forss, #1506C
Carolyn Stickell, #1510B
John Furutani, #1504B (Board)
Bob and Diane Roggow, #1508C (Board)
Carol Bartoletti, #1510A
Don and Bob Tracey, #1510C

Representing ResortQuest were Janet Scervino and Greg Moses.
Erika Krainz was recording secretary.

I. CALL TO ORDER

The meeting was called to order by Bob Roggow at 8:00 a.m. With seven units represented in person and proxies received, a quorum was reached.

II. REVIEW MINUTES OF PREVIOUS ANNUAL MEETING

John Furutani made a motion to approve the minutes of the August 23, 2003 Annual Meeting as presented. Diane Roggow seconded and the motion carried.

III. TREASURER'S/FINANCIAL REPORT

A. Balance Sheet as of July 31, 2004

Janet Scervino said the Operating account balance was \$20,182 (the checking account). Alpine Bank has two accounts with \$42,000 (the savings account) in Reserves. The cash flow is healthy, with only one owner delinquent with dues.

B. Year-to-Date Income Statement

On the Income Statement, the only account over budget was Insurance. The expense has been adjusted in next year's budget. Most other accounts are ahead of budget.

C. Reserve Income Statement

Don Tracey thought there should be a formal Reserve Study to project future expenses.

IV. LANDSCAPING REPORT

Diane Roggow said each owner was assessed \$100 two years ago to address the two retention ponds. A berm was added to the north pond. She worked with Tim Coen on the south pond, which needed some topsoil and irrigation.

The project was finished about two weeks ago. Diane thanked the owners for volunteering to help with the project and for donating plants. She has a proposal from Sally Willis for further landscaping. The bid of \$1,400 includes five-gallon shrubs to help retain topsoil. It is hoped the project can be started after the voles are taken care of. Funds are available and Sally plans to have the work done between now and October.

Janet Scervino said there should be enough surplus in the Operating budget to fund this project. There are also funds included in the new Budget (\$1,500) to continue beautification.

After paying for irrigation, topsoil, Sally's fees and any other expenses incurred to date, Bob Roggow asked if there would be money left in Landscaping. Janet did not think so, but felt there would be funds available in operating overall. Greg Moses said there would be a \$500 savings for mowing in August due to the rain.

Bob Tracey asked what the plans were for placing rocks around the south retention pond on the side away from the buildings. Janet said this should be taken up at the Master Board Meeting, since the Master Board handles erosion control for the ponds.

V. OWNER'S FORUM

Don Tracey asked about the plan to replace the steel stairways. Bob Roggow said this project would start in April or May 2005. There are fourteen stairways, and one has been completed. Three or four stairways will be replaced each year at \$1,500 each, so the project will take about four years. The stairs were originally wooden; they are being replaced with metal stairs like at Unit 1520B. Bob Roggow asked Greg Moses to research colored metal to better match the buildings.

A question was raised about the back stairways on the units. Janet Scervino said the Declarations would need to be reviewed to determine if they are considered a common element. Greg pointed out they did not get as much wear since they are in the back of the building. The Board agreed to review the Declarations.

Don Tracey asked about mosquito control in the standing water in the retention pond. Carol Bartoletti thought it was strange that the water was not draining. Janet Scervino explained that the pond was designed by the Army Corps of Engineering, and the Association was not permitted to make any changes to the design. John Furutani said the Association should start a written chain to go through the process. He recommended not making any changes before receiving official permission. Don did not feel the rock work was complete. Greg said he did the work per the instructions he received.

Bob Roggow asked Don to show him what he feels should be done, and then to work with Sally to add more plants. Don and Bob will meet on the property after the meeting.

John Furutani said the Board would start the process with the Army Corps of Engineering. Carol Bartoletti asked who was responsible for maintaining the pond to make sure it operates as designed. John said he would help with the exploratory letter to the Army Corps.

VI. NEW BUSINESS

A. 2004/2005 Budget Ratification

The Budget as written includes an increase of approximately \$10/unit/month. Some items were increased, some decreased. Increases were in Landscaping (\$1,500 additional over last year for pond work), Postage (based on actuals), Management Fee (3% assuming new contract next June, but negotiable), and Insurance (based on actuals). All other accounts either decreased or stayed the same.

The Budget was created before the discussion about voles. The contract to control them will be \$3,000/year, and it is not included in the budget. The stairway repair will be \$6,000, also not in the budget. Deck staining (rear - \$10,000) and front stairways will be done starting this fall, and it is not in the budget. The current Reserve contribution is \$29,000/year, so the Reserve contribution could be used to pay for these projects. Carol Bartoletti felt this was a reasonable plan, but agreed with Don Tracey that a Reserve Study should be in place for the future. The total extra expenses are about \$17,500. The Board had agreed to fund these projects out of Reserves. Bob Roggow proposed moving forward with the budget as written for now, then to do a five to seven year Reserve projection to determine if an additional dues increase is needed.

Carolyn Stickell made a motion to approve the Budget as presented. Diane Roggow seconded and the motion carried.

VII. ELECTION OF DIRECTORS

The terms of Bob Roggow, John Furutani and Mary Anne Hoffman expire this year. Diane Gordon and Malcolm Orton have one more year to serve. Bob, John and Mary Anne would all like to continue to serve on the Board. Carol Bartoletti was nominated to serve on the Board. Diane Roggow made a motion to accept the nominations. Carolyn Stickell seconded and the motion carried.

Bob Roggow appointed Carolyn Stickell to serve as the representative to the Master Board. Carol Bartoletti indicated she would be willing to participate if necessary.

VIII. SET NEXT MEETING DATE

The next Annual meeting was set for the third Saturday in August 2005.

IX. ADJOURNMENT

With no further business, the meeting was adjourned at 9:00 a.m.

Approved By: _____

Date:

Board Member Signature