

**PROSPECT POINT TOWNHOMES ASSOCIATION
ANNUAL HOMEOWNER MEETING
AUGUST 4, 2012**

I. CALL THE MEETING TO ORDER

The Prospect Point Townhomes Association Annual Homeowner Meeting was called to order at 9:10 a.m. in the Frisco Best Western Conference Room.

Board Members Present Were:

Malcolm Orton, President, 1508D/1518A	Bob Roggow, Vice-President, 1508C
Carol Bartoletti, Sec./Treasurer, 1510A	Diane Gordon, Director, 1504C
Bill Word, Director, 1520A	Dave Benson, Director, 1520A
Ann Johnson, Director, 1504A	

Homeowners Present Were:

Jim Johnson, 1504C	Ed & Joann Kilpela, 1504D
Rick & Martha Jacobsen, 1506C	Eric Eckberg, 1508A
Diane Roggow, 1508C	Alan & Julie Stremmel, 1512A
Hannis & Kim Thompson, 1520C	Bob Weinschenk, 1522A

Representing Summit Resort Group were Peter Schutz, Kevin Lovett, Deb Borel and Chris Trettle. Margot Mayer of Summit Management Resources was recording secretary.

II. CERTIFICATION OF PROXIES AND DETERMINATION OF QUORUM

With twelve units represented in person and ten proxies received a quorum was reached.

III. MASTER ASSOCIATION UPDATE

Kevin Lovett reported that the Prospect Point Master Association balances were approximately \$10,000 in Operating and \$60,000 in Reserves.

Completed projects included:

1. Preventative tree spraying.
2. Tree removal.
3. Vole mitigation (between the 23rd and 30th of each month). Kevin Lovett asked that owners keep an eye on their pets during this time.
4. Landscaping upgrades to the entry area and throughout the complex.

Upcoming projects included:

1. The large "future" asphalt repair to the outer road that circles the complex.
2. Minor patches in asphalt as you exit to Dillon Dam Road.
3. Asphalt crack sealing.

Carol Bartoletti said the entrance to her garage had been fixed but it is now sinking in other areas. Kevin Lovett stated that this would be a Townhome Association issue and that it would be looked into.

IV. APPROVE PREVIOUS MEETING MINUTES

Bill Word made a motion to approve the August 6, 2011 Annual Homeowner Meeting minutes as presented. Bob Roggow seconded and the motion seconded.

V. PRESIDENT'S REPORT

Malcolm Orton thanked Property Management for doing a great job managing the Association and welcomed the new members.

VI. TREASURER'S / FINANCIAL REPORT

Kevin Lovett presented the Association financials as follows:

A. Financial Status

As of June 30, 2012 the Association had \$1,568 in the Operating account, \$8,075 in the Alpine Bank T-Bill account, \$82,429 in the Reserve account and \$35,306 in the Roof Reserve account.

The June 2012 Profit and Loss statement reflected that the Association was \$178 unfavorable to budget in operating expenses.

Significant budget overages included:

1. Repair & Maintenance – \$1,025 unfavorable to budget due to heat tape repairs.
2. Landscaping – \$3,083 unfavorable to budget. There was \$1,500 of landscape expenses from the summer of 2011 that hit this fiscal year. As a result, last year's landscaping budget was \$1,400 favorable to budget. There was \$1,495 spent for tree removal and pruning in accordance with the Fire Marshall report.

Significant savings to budget included:

1. Insurance Claim – \$1,000 favorable.
2. Trash Removal – \$1,980 favorable due to renegotiation of the contract.
3. Snow Plowing/Loader – \$1,600 favorable.
4. Snow Roof, Ice Removal – \$1,000 favorable.

B. 2012/2013 Proposed Operating Budget

Kevin Lovett presented the proposed 2012/2013 Operating Budget. Projected annual expenses increased by \$2,669 and the approved \$2669 special assessment to cover the previous fiscal years expense increase has been removed from the projected revenue.

Two options were presented to fund the expense increase of \$2,669.

1. Option A – A 3.75% increase to monthly Operating dues.
2. Option B – A one-time Special Assessment of \$112 or \$140, based on unit size.

Changes from the 2011/12 Budget to 2012/13 Budget included:

1. Insurance – Rates are increasing by \$3,537. The insurance policy is part of Summit Resort Group's blanket policy. Rates from competitors are higher. Kevin Lovett said it was important to minimize the loss history in order to keep these lower rates. The current deductible is \$5,000. Owners should make sure that their homeowner's insurance is appropriate. Rubber washer and dryer hoses

and copper icemaker lines should be replaced with steel braided hoses to prevent leaking.

2. Management Fee – \$1,080 increase.
3. Trash Removal – \$1,944 decrease.

Diane Gordon made a motion to accept the 2012/13 Operating Budget as presented. Dave Benson seconded and the motion carried.

Diane Gordon made a motion to accept Option A to fund the dues increase. Carol Bartoletti seconded. The motion carried with eleven votes in favor and ten votes opposed.

VII. MANAGING AGENTS REPORT

Kevin Lovett thanked on site manager Chris Trettle for his hard work around the complex and the Board for their continued efforts for responsible project and fiscal planning. He asked owners to make sure their units are equipped with carbon monoxide detectors where necessary.

A. Completed Projects

1. Preventative tree spraying was done against pine beetles.
2. The Fire Marshall did a defensible space inspection and provided a report. Trees were removed and pruned as recommended.
3. Dead trees and slash were removed from Denver Water Board property.
4. Inspected the boiler flues.
5. Stained unit decks (Unit 1508-1512).
6. Reviewed and amended Association Bylaws. Highlights included:
 - Proposed votes will be listed on the proxy document.
 - Removed the “Declarant control” sections.
 - Revised the Annual Meeting date.
 - Revised the number of Directors to three to nine.

B. Report/Pending Items

1. Vole remediation (ongoing).

C. Insurance

Owners should have coverage for their contents and unit interiors and help minimize insurance losses by doing the following:

1. Have regular boiler inspections and set the thermostats appropriately to prevent frozen pipes. Flue inspections are mandatory. Owners can contact the plumbing contractor to arrange for boiler inspection. An owner said he had his boiler inspected and it passed the inspection. A couple of months later the boiler failed and it was found that the fittings were rusted. He recommended using a different contractor. Kevin Lovett said he would research other providers.
2. Check and replace supply lines for refrigerators, toilets, dishwashers, washing machines and hot water heaters to prevent other plumbing leaks.
3. Clean out dryer vents and schedule regular gas fireplace checks to prevent fires.

D. Exterior Alterations

All exterior alternations require Board approval.

VIII. OWNER'S FORUM

A. Noxious Weeds

Alan Stremmel asked if there were plans to control noxious weeds on the Denver Water Board property. Kevin Lovett said the Denver Water Board does not allow spraying but weeds could be pulled. He will make arrangements with his staff. Carol Bartoletti said it was important to control these weeds so they will not spread to the Association's property.

B. Rocks Around Pond

Ann Johnson said it appears that the rocks around the pond moved and are now lower than the grass. Kevin Lovett said he will investigate and pass this concern on to the Master Association.

C. Property Management Recognition

The Board presented Peter Schutz a plaque recognizing his 15 years of dedicated service.

IX. ELECTION OF DIRECTORS

The terms of Bill Word, Bob Roggow and Ann Johnson expired this year. Thomas Keith and George Day resigned from the Board and Ann Johnson was not willing to serve another term. Bob Roggow and Bill Word both indicated their willingness to run again.

Chris Sanchez and Garrett Poulus volunteered for Board positions. Malcolm Orton made a motion to elect Bob Roggow, Bill Word, Chris Sanchez and Garrett Poulus. Diane Gordon seconded and the motion carried.

X. NEXT MEETING DATE

Dave Benson made a motion to schedule the Annual Homeowner Meeting on August 10, 2013. Bob Roggow seconded and the motion carried.

XI. ADJOURNMENT

The meeting was adjourned at 10:15 a.m.

Approved By: _____ Date: _____
Board Member Signature