

**PROSPECT POINT TOWNHOMES ASSOCIATION  
BOARD OF DIRECTORS MEETING  
April 4, 2008**

**I. CALL TO ORDER**

The meeting was called to order at 5:35 pm.

Board members in attendance were:

Malcolm Orton, President, #1508D

Bob Roggow, Vice President, #1508C

George Day, Director, #1520B

Carol Bartoletti, Secretary/ Treasurer, #1510A

Owner Bart Bartoletti was also in attendance.

Representing Summit Resort Group was Kevin Lovett.

**II. OWNERS FORUM**

The Prospect Point Master Association dues revenue percentages paid by the Townhomes and the Villas was discussed. Since the inception of the Associations, The Villas and the Townhomes have each paid the Master Association \$1017 per month for Master Association dues. Bart Bartoletti presented concern over this 50/50 split and questioned the history and fairness of it stating that the Villas and the Townhomes use the Master Association elements on an even split per Prospect Point Unit, not Association. Bart proposed that the "denominator" for Master Association revenues should be 130 units, not 2 Associations. Bart Bartoletti will present the situation to the Master Association Board. The Townhome Board did not give direction or official opinion on the subject. This will be a discussion item for the 2008 Townhome Annual Owner meeting.

**III. APPROVE PREVIOUS MEETING MINUTES**

Malcolm Orton moved to approve the minutes of the July 20, 2007 Board Meeting as presented. George Day seconded and the motion carried.

**IV. FINANCIAL REPORT**

**2007 Year End Financials**

The fiscal year for the Townhomes runs from October – September.

September 2007 close financials report that the Townhomes ended the year with \$7,845.09 in Operating, \$9046.66 in the Alpine Bank Liquid T – Bill and \$10,153.09 in the Alpine Bank Reserve account.

September 2007 close Profit and Loss statement reports that the Townhomes end the year \$1,363.07 over budget in operating expense.

**February 2008 Close Financials**

February 2008 close financials report \$6,895.45 in the operating account, \$9,168.19 in the Alpine Bank T Bill account and \$33,556.41 in the Reserve account.

February 2008 close Profit and Loss statement reports that Townhomes are \$4491.31 over budget in operating expenses. The following items contribute to this overage:

- insurance claim \$1331.17 over
  - 1504 C leak claim
- landscaping \$1246.65 over
  - New posts and signage install
- R & M \$664.87 over
  - Roof repair, replaced shingles on 1516 bldg and chimney cap on 1522C
  - Repairs to front stairs \$400 1504B
- buildings and grounds \$635.90 over
  - Lift station pumping fee \$970 (this is due to necessary pumping of the lift station due to excessive debris)
- trash removal \$686.44 over (this is due to the recycling addition)
- snow removal loader \$880 over
  - January scrape and pushback \$980
- snow removal roof, ice \$2207 over
  - January – Extreme removal of ice on bldg 1516 Roof, A and B
  - February – Turner Morris removed roof ice \$332
  - February – Ma Greene removed roof ice 1508A, throughout \$1045

#### **Master Association Dues increase**

SRG reported that the Master Association is proposing an increase to dues of \$379 per unit per month. The increase is the first since the inception of the Master Association and is to fund increased operating costs as well as to fund capital reserve expenditures such as the major asphalt 2 inch overlay scheduled to occur in 2028.

#### **V. MANAGING AGENT'S REPORT**

Kevin Lovett reported on the following:

##### **Completed Items**

- New signage installed
- Step replacement, 1510 B, 1508E
- Concrete at entry replacement, 1502A
- Repairs to 1504B stairs
- Sq. ft., build out policy in place
- Crack sealing between garage slab and drives

##### **Planned Projects Spring, 2008 (non capital)**

- Spring cleanup planned to be completed
- The Board approved Sally Willis's return to work the landscape beds around the ponds
- Pine Beetle tree spraying to be completed

Discussion items

-Snow removal. Overall the Townhome Board was not pleased with the snow plowing this past season. Plan for 2008-09 includes increased site manager supervision and continued proactive scrapings and push backs as well as planned storage areas

-Insurance - The Farmers Insurance / SRG blanket insurance policy renewed this 4/1. Farmers Insurance has proposed an extremely competitive package with the most complete coverage on the market. Prospect Point Townhomes qualified for inclusion.

The proposed plan offers a slight premium savings! The 2007 premium was \$9183; the proposed premium for 2008 on the Farmers SRG blanket policy is \$8777 (a savings of \$406). Please note that the "off the SRG blanket program" offered PPT an increase of \$500 due to the loss history.

The significant change in the policy as it affects the Prospect Point Townhome owners is that the deductible increases from \$1000 to \$5000. The movement towards a \$5000 deductible is in line with the national trend for Home Owners Associations. Home Owner Associations are migrating towards a higher deductible to minimize the "smaller" claims and to protect their loss history. Home Owners will be notified of the Association deductible increase which will require them make an adjustment on their HO6 coverage.

This would also change the policy term to run from 4/1/08 – 3/31/09

A mailer was sent to all Townhome Owners informing them of the deductible change and informing them to contact the carrier of their individual contents coverage.

Insurance Claim management was also discussed. Attorney Lauren Holmes will create a policy for the Townhome Association which will outline how the Association handles claims and deductibles; the cost for the attorney to create such a policy is \$500. Malcolm Orton moved to have Attorney Lauren Holmes create a policy stating the process by which insurance claims and deductibles will be managed; the motion was seconded and passed. SRG will contact the attorney and get the policy in place.

-Carpenter ants – unit 1508B has carpenter ants in the attic. Mountain Pest control has been contacted and has inspected; further investigation and treatment will occur this April, weather dependant, as the ants must be "moving" in order for the treatment to work and the ants do not "move" until the weather warms up a bit. The entire 1508 building will be inspected and treated.

**VI. NEW BUSINESS**

Project Planning 2008

The following projects were reported on as planned for completion in 2008:

-Gutter install, phase 3 (bldg 1502-1506 backside); \$14,335 budgeted. SRG will receive updated bids to complete. It was noted that this will complete the backside of building gutter install.

-Gutter reimbursement; \$4320 budgeted. This is second half and will be completed in Jun 08'.

-Front entry steps 1512C, 1512B; \$2500 budgeted for this project. This leaves 3 units on list with replacement necessary; the Board moved to replace the three additional unit steps of units 1502B, 1506B and 1506C. Additional funds will be added to the capital projects budget for the replacement of the additional sets of stairs.

-Front entry concrete – 1510A. The concrete replacement at the front entry of unit 1510A was added to list as it has settled over the winter. Additional funds will be added to the budget for the replacement of this concrete.

-Asphalt crack fill - \$2000 is budgeted for the Asphalt crack sealing project to be completed in summer 2008.

It was noted that with the beginning balance of \$19,199, the annual additions of \$48,852 and the planned expenditures of \$28,565, the reserve balance at year end is estimated to be \$38,496.

During the capital projects budget review it was noted that the large expenditure possibly occurring in the next 10 years is roof replacement, Turner Morris has provided us with a budget figure of \$275,000 to replace all. The reserve acct grows until this expense; at the current annual contribution rate of \$48,852 per year, a special assessment will be necessary to fund. To avoid a special assessment for roof replacement funding, an additional \$10,000 annually (beginning in 2008-09 fiscal) would need to be placed in the reserve account. This results in an additional \$20 per unit per month to the reserve fund. This will be discussed further at the July Budget meeting.

#### Requested Projects

The owner of 1522A has requested that the Association install a fence at his side / back yard to prevent dogs from entering the yard. The cost to add a wooden, 3 rail, rough finish fence as exists now is \$14 per liner ft; the cost to add a mesh at the bottom to prevent dogs from entering the yard in an additional \$2.50 per liner ft. this totals \$16.50 per linear ft. The Board requested that SRG obtain the exact location and length of fence requested to be installed and discuss at the July Board meeting.

Unit 1516B experienced ice damming and leakage this past winter. The Owner of unit 1516B has requested that the Association take measure to prevent this from occurring and to inspect the unit exterior wall to ensure that all has dried properly. SRG will hire professionals to investigate.

#### Annual Meeting Preparation

The Master Association annual meeting will be held on May 24, 2008.

SRG is to propose four dates in the month of August to the Townhome Board members in efforts to set the 2008 Annual Townhome Owner meeting date.

**VI. NEXT MEETING DATE**

The next Prospect Point Townhome Board of Directors will occur in July to discuss the 08-09 proposed budgets. SRG will poll the Townhome board members on proposed dates.

**VII. ADJOURNMENT**

With no further business, the meeting was adjourned at 7:00 p.m.

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

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