

**PROSPECT POINT TOWNHOMES ASSOCIATION
BOARD OF DIRECTORS MEETING
July 14, 2006**

I. CALL TO ORDER

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

Board members in attendance were:

Malcolm Orten, President, #1508D
Bob Roggow, Vice President, #1508C
Diane Gordon, Director, #1514B (via teleconference)
Diane Roggow, #1508C
Bill Broten, #1520C

Representing Summit Resort Group were Peter Schutz and Kevin Lovett. Erika Krainz of Summit Management Resources transcribed the minutes from tape.

II. APPROVE PREVIOUS MEETING MINUTES

A motion was made to approve the minutes of the August 6, 2005 Board Meeting as presented. Bob Roggow seconded and the motion carried.

A Board member mentioned there had been discussion at the last Annual Meeting about adding "Guest Parking" signs. This has not yet been done. Kevin Lovett said he had received input that some owners wanted signs but others did not. Several Board members indicated they would like to have signs installed because there have been issues with renter parking. A copy of the parking rules should also be placed in each unit.

Bob Roggow asked if there had been any developments with the Summit Stage stop. Kevin Lovett said a formal request was submitted but the request was denied.

III. FINANCIAL REPORT

A. Balance Sheet as of June 30, 2006

As of June 30, 2006 the Association had \$30,589 in the Operating account, \$8,522 in an Alpine Bank T-Bill and \$34,474 in the Reserve account. Kevin Lovett noted the cash position had improved by about \$8,000 over last year at this time.

B. Profit and Loss as of June 30, 2006

As of June 30, 2006 the Profit and Loss Statement indicated the Association was \$25,768 ahead of budget. Kevin Lovett explained this was due in large part to timing of the insurance premium payment (\$22,222) which will be paid

in August. After taking this into account, the Association was actually operating \$3,546 ahead of budget.

C. *2006/2007 Operating Budget*

Kevin Lovett presented the proposed 2006/2007 Operating Budget. He explained there were no major changes on the Operating side and he did not see any need for a dues increase.

D. *Reserve Budget*

Items scheduled in 2006 included:

1. Second half of priority 1 gutter needs - \$10,344.
2. Exterior painting phase 2 for 1512, 1510 and 1508 - \$25,000.
3. Front entry steps (2) - \$3,400 – completed.
4. Front entry concrete walks (2) - \$2,000 – completed.

Total cost for all scheduled projects is \$40,744. The monthly Reserve contribution is \$3,721, equating to an annual contribution of \$39,252. The projected Reserve balance at the end of next year is \$23,131.

The Board discussed the frequency of painting. As written, the Reserve Budget includes painting of the buildings in three phases every five years. Kevin was directed to change the frequency to every four years.

Peter Schutz recommended including some funds for asphalt and seal coating.

Malcolm Orten suggested increasing the dues by \$10/month to put toward the Reserve Fund. Diane Gordon thought this would be hard to sell to the owners but supported the concept. Malcolm said he has proposed similar increases the past two years and no owners objected. Kevin will include this increase in the draft of the budget that he will send to all owners before the Annual Meeting.

IV. **MANAGING AGENT'S REPORT**

A. *Report Items*

1. Vole remediation is ongoing and is working well.
2. Preventative spraying for pine beetles has been completed. The Denver Water Board is not spraying their trees due to the cost and proximity to the reservoir. The DWB does not have any plans to remove the slash due to the cost but said the Association could write a letter requesting permission to do so at the Association's cost. Kevin estimated it would cost about \$1,000 to have a contractor remove and dispose of the slash. The DWB will, however, remove any standing dead trees that are considered a hazard, i.e. that are close to a building.
3. Landscape clean up – Sally Willis needs to add edging.
4. Carbon monoxide boiler venting issue has been resolved.

5. Senate Bill 100 compliance – completed.
6. Association website is complete at SummitResortGroup.com. Association documents are now available online.

B. Capital Reserve Projects

1. Phase 2 painting – Buildings 1512, 1510 and 1508 are scheduled for painting August 7 – 11. Notification will be sent to the owners. The accepted bid for the work was \$24,800.
2. Entryway step replacement – 1508B and 1514B. This project was completed by Greg Moses.
3. Entryway concrete walkway by 1520C and 1512D – completed by Colorado Coring and Cutting.
4. Phase 1 gutter installation will be scheduled for early September.

C. Pending Projects

1. There are two large pines behind 1508B which are on Association property. The owner is concerned that the trees could blow over onto the building. The cost will be \$250 to remove them. The Board authorized this work.
2. Landscape cleanup between 1518 and 1520 – A bid of \$4,000 was received last year to dig up all the thistle and spread seed. Malcolm Orten commented that in the past, the Association has tended to fund projects that benefit the general ownership, not just a few. The Board agreed to table this project.
3. Senate Bill 89 – the attorney will charge \$250 to make the necessary amendments for compliance. This Bill was passed in order to clear up some issues related to the requirements of Senate Bill 100.
4. Gutter reimbursement - The Board discussed the issue of reimbursing owners who have already installed gutter. Kevin Lovett calculated that the reimbursement figure could go as high as \$25,000, if every owner wanted to be reimbursed for every piece of gutter that has been installed at owner expense to date. Bob Roggow suggested the payback could be spread over a period of five years. Kevin Lovett was directed to send a carefully worded questionnaire to all owners to determine which of the current owners had gutter installed and how much they paid. Diane Gordon will review the letter before it is sent.

V. NEW BUSINESS

A. Annual Meeting Preparation

1. Include the \$10 increase for the Reserve Fund in the 2006/2007 Budget discussion.
2. Include a discussion item for the slash removal in New Business.
3. Include a discussion item for the gutter reimbursement in Old Business.
4. The terms of Bob Roggow and Mary Anne Hoffman are expiring.

5. There is a barbecue planned for after the Annual Meeting. Carol Bartoletti volunteered to have it at her unit if necessary.

B. For Sale Signs

The House Rules currently prohibit real estate signs in unit windows. Per Peter Schutz's recommendation, Malcolm Orten made a motion to amend the House Rules to allow real estate signs in unit windows only, not in the yards. Diane Gordon seconded and the motion carried. This will be announced at the Annual Meeting.

C. Master Association Appointees

The current representatives are Eric Eckberg and Carolyn Stickell. They can be reappointed.

D. Long Term Tenants – Dogs

The House Rules prohibit renters from having dogs but the rule has never really been enforced. Peter Schutz asked the question because he has some long term rental prospects who he has worked with for over a year, but they have a dog. The Board members did not have any objection to allowing long term tenants to have dogs. Peter said he would proceed accordingly and cautiously. A motion was made to amend the Rules to indicate that long term tenants could be allowed to have a pet with prior approval of the Board. The motion was seconded and carried.

E. Snow Removal

Kevin Lovett said he was developing the RFP for snow removal for the coming winter. He has sent a copy to Carol Bartoletti for review.

VI. ADJOURNMENT

With no further business, the meeting was adjourned at 7:15 p.m.

Approved By: _____

Board Member Signature

Date: _____