

**PROSPECT POINT TOWNHOMES ASSOCIATION
BOARD OF DIRECTORS MEETING
June 18, 2019**

I. CALL TO ORDER

The meeting was called to order at 10:00 am.

Board members in attendance were:

Dave Benson, in person
Bill Word, in person
Elizabeth Poulos, in person
Ron Borchert, in person
Bill Tracy, in person

Representing Summit Resort Group was Kevin Lovett.

II. OWNERS FORUM

Notice of the meeting was posted on the website. Owner Jeanne Belli from unit 1510C was present.

III. APPROVE PREVIOUS MEETING MINUTES

The Board reviewed the minutes from the February 18, 2019 Board Meeting. Upon review, Bill Word moved to approve the minutes as presented; Dave Benson seconds and the motion carried.

IV. FINANCIAL REVIEW

The Board and SRG reviewed the financials as follow:

Current financials:

May 2019 close financials report \$11,474 in the operating account, \$8,162 in the Alpine Bank T Bill account, \$56,016 in the General Reserve account and \$220,765 in the Roof reserve account.

May 2019 close Profit and Loss statement reports \$114,392 of actual expenditures vs. \$112,932 of budgeted expenditures (an operating expense overage of \$1,460 year to date). Expense line item variances were reviewed.

2019-20 Operating Budget:

The Board discussed the 2019-20 Operating Budget. Two Budget options were presented to the Board for review. All expense line item projections for 2019-20 are the same for both budget options. The only difference between the budget options is with regard to how additional necessary revenues would be obtained. Budget option 1 consists of a 2.13% increase to monthly dues (\$6-\$8 per unit per month dependent upon unit size). Budget option 2 consists of no change to monthly dues, but instead a "one time" special assessment of between \$77 and \$96 per unit. Upon discussion, Dave Benson moved to approve budget option 1 to include a 2.13% increase to monthly dues; Bill Tracy seconds and the motion passed. Budget option 1 will be presented to the Owners at the 2019 Annual Owner Meeting for ratification.

Reserve Funding/ Siding Replacement Funding:

The Board discussed the Capital Reserve Account to include Siding Replacement Funding. The current reserve contribution of \$47,856 per year supports the regularly planned reserve projects (barring the unforeseen) but is not sufficient to fund major future siding replacement. Major future siding replacement will require additional funding. The Board discussed creating a funding plan for siding replacement similar to the roof replacement funding program which the Board considers a success. The Board agreed that there will be no additional assessments (in addition to the roof assessment which is billed and due July 31, 2019) in 2019. Owners should expect a siding assessment installment billing to begin to build the siding replacement fund in October of 2020. A letter to the Owners will be created presenting the siding replacement funding plan. Items to be included in the letter are:

- Siding replacement will be needed at some point in the future.
- Future siding replacement will require additional funding.
- Exact year of siding replacement is unknown (but per “expected life”, at least some sections of siding are anticipated to require replacement beginning in 2027).
- Exact cost of siding replacement is unknown (cost will be dependent upon scope; a budget figure of \$1 million is included in the capital reserve plan).
- Exact scope of replacement is unknown (replacement scope could range from replacing “only the boards that need it” to a complete “face lift/ redesign”; it was noted that the current Board of Directors is in favor of completing replacement as needed and NOT in favor of a complete face lift).
- Annual additional funding through special assessment will begin in 2020. The annual assessment amount will be determined by the Board annually, during the budget preparation cycle. (similar to the roof funding assessment program)

V. RATIFY MOTIONS VIA EMAIL

Dave Benson moved to approve the following actions completed via email:

- 5-10-19 1510 B window install request; The Board approved the concept. The owner must present engineering plan to the Board prior to proceeding, pull permit and obtain official Board approval.
- 4-22-19 Roof shingle color selection; approved
- 3-7-19 BluSky roof contract; approved
- 3-19-19 Peak to Peak painting proposal; approved

Bill Word seconds and the motion passed.

VI. OLD BUSINESS

The following Old Business items were discussed:

A. Roof Update; The status of the roof replacement was discussed. It was noted that the roof replacement has been completed and the contractor has completed a round of site cleanup. The contractor is now working on heat tape installations of what was existing. There are sections of heat that were identified as not functioning “prior” to roof replacement. SRG will work with the contractor to ensure that all heat tape sections are working. SRG will also work with the contractor to complete installation of “new” sections of gutter/ heat tape / downspout in areas in need. Heat tape power sources will also be investigated. The “third party inspector” will complete a final inspection.

B. Projects 2019: The following projects were discussed for 2019:

- Painting, "phase 3" 1506, 1504, 1502, to take place in August 2019.
- Deck Staining, 1514-1522, to take place in August 2019.
- Asphalt, some asphalt repairs have already been completed. Crack sealing and additional pot hole repairs will be completed.
- Landscaping, funds are available for landscape needs.

VII. NEW BUSINESS

The following new business item was discussed:

A. Annual Owner Meeting; the 2019 Annual Owner Meeting is scheduled for August 10, 2019 at 9:00 am. The official meeting notice will be sent to all Owners July 10, 2019.

B. Fence repairs; Repairs to the fence surrounding the property are needed. SRG will coordinate.

C. North Pond saplings; SRG will coordinate the removal of the saplings growing in the north pond.

D. Tree removal/ trimming; There are identified trees to be removed to include dead tree behind 1512, tree hitting building at 1502 and a tree branch in need of trimming near the south pond. SRG will coordinate this work.

VIII. NEXT MEETING DATE

The next Board of Directors meeting date will be held after the 2019 Annual Owner Meeting.

IX. ADJOURNMENT

With no further business, the meeting was adjourned at 11:57 am.

Approved: _____8-23-19_____