

**PROSPECT POINT TOWNHOMES ASSOCIATION
ANNUAL HOMEOWNER MEETING**

**August 1, 2009
Frisco, Colorado**

I. CALL TO ORDER

The meeting was called to order by Malcolm Orton at 9:15 a.m.

Board members in attendance were:

Malcolm Orton, President, 1508D/1518A	Bob Roggow, Vice President, 1508C
Diane Gordon, Director, 1514B	Ann Johnson, Director, 1504C

Homeowners in attendance were:

James Johnson, 1504C	Eric Eckberg, 1508A
Diane Roggow, 1508C	Janet Orton, 1508D/1518A
Bill & Katie Word, 1512B	James Kohn, 1512C
George Gordon, 1514B	Paul & Sue Olstad, 1514C
Carol & Frank Burger, 1516B	Penny & Dick Thomas, 1516C
Julie Neils, 1518C	David Benson, 1520A
Bob & Cathy Weinschenk, 1522A	David Perez, 1522B

Representing Summit Resort Group were Peter Schutz and Kevin Lovett. Erika Krainz of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE AND QUORUM

Notice was sent in accordance with the Bylaws. With fourteen units represented in person and nine proxies received a quorum was reached.

III. MASTER ASSOCIATION UPDATE

The Annual Master Association Meeting was May 23, 2009. A packet with the minutes from that meeting was available for any interested owners. The Master Association balances were \$6,536 in Operating and \$37,102 in Reserves. They are on track for Operating expenses and there was no dues increase this year. The Reserve account balance increased about \$7,000 over the same time last year.

Completed projected included:

1. Sprayed lodgepole pines against pine beetles.
2. Fertilized trees.
3. Monthly vole remediation the last week of each month (ongoing).
4. Flower planting and mulching.
5. Asphalt crack sealing.

All roads will be sealcoated in early 2010. Some settling on the side of the south pond has been noticed.

IV. APPROVE PREVIOUS MEETING MINUTES

Diane Gordon made a motion to approve the minutes of the August 2, 2008 Annual Meeting as presented. Diane Roggow seconded and the motion carried.

V. PRESIDENT'S REPORT

Malcolm Orton expressed appreciation to the owners and the management team. He said the complex looks great. He encouraged owners to provide feedback on the budget.

VI. FINANCIAL REPORT

A. Financial Status as of June 30, 2009

As of June 30, 2009 the Association had \$7,074 in the Operating account, \$9,362 in the Alpine Bank T-Bill account and \$64,090 in the Reserve account. Overall, the Association was \$2,117 under budget in operating expenses. Any year-end surplus will be transferred to the Reserve account.

B. 2009/2010 Proposed Operating Budget

Kevin Lovett presented the proposed 2009/2010 Operating Budget. There is no change to the dues. Changes as compared to the previous year's budget included:

1. Insurance - \$4,884 decrease based on new negotiated rate.
2. Management Fee - \$1,020 increase based on contract renewal rate.
3. Trash Removal - \$120 increase.
4. Reserve Fund Contribution - \$1,056 decrease.

Bill Word asked about the insurance policy. Kevin Lovett explained that the buildings were insured for a guaranteed replacement value. Summit Resort Group has a \$125 million Master Policy for all the Associations under their management. Owners who have done substantial upgrades should make sure to have adequate coverage for their unit interiors. The Association policy is with Bob Strong with Farmer's Insurance in Steamboat.

Julie Neils suggested doing the plowing on an as needed basis instead of per contract. Kevin said the contract is put out to bid each fall for both Associations. It is a flat fee contract and plowing is done any time there is 3" of snowfall or more. The contractor last winter, Aicholz Excavation, did the best job ever.

An owner requested vole remediation both in front of and behind the townhomes. Kevin will follow up.

An owner asked about ice buildup by the garages on the north facing units. Kevin said will gutters will be added on the front side roofs to divert drainage and there will be increased maintenance with hand shoveling and the snow blower.

Bill Word asked about funding for routine maintenance. Kevin said siding repair was built into the painting project and tree removal was built into landscaping.

George Gordon made a motion to approve the 2009/2010 Proposed Operating Budget as presented. The motion was seconded and carried unanimously.

C. *Capital Reserve Funding*

Kevin Lovett said he had developed a spreadsheet to help with project planning. He feels it is very accurate for the first five years, fairly accurate for ten years out and a rough planning tool out to twenty years. Roof replacement is scheduled in 2014/2015 and the projected cost is \$275,000, adjusted for inflation. Funds are being collected now for the project but there will probably need to be a Special Assessment as well. The plan assumes that all roofs will have to be done in one year but they may last longer and it may be possible to phase the project.

Eric Eckberg asked if there was deterioration of the wood siding and what the expected life was. Kevin said it was in pretty good shape and replacement was scheduled in 2025/2026.

Julie Neils asked if there were plans to install gutters on the back side of the units. Kevin said gutter had been installed above the decks on all back sides and along the valleys to address any flowing water that would damage the siding or decks. The project is now moving to the front side of the buildings and gutters will be installed in phases.

Frank Burger asked about the yield of the Reserve investment. Kevin said it was 4% last year but this year it is about 1.6% for the T-Bill and less than 1% for the money market. He has shopped CD's and the best rate is about 2.3% for a 13 month CD. Peter Schutz said he would be glad to take owner suggestions for improving the return.

Malcolm Orton explained that in order to minimize dues increases in the past, the Board has levied an annual Special Assessment to fund the Reserves. Last year the Assessment was \$240/unit and this year the Board is proposing \$120/unit. David Perez made a motion to accept the Board proposal of a one time \$120 assessment for the Reserve Fund contribution to be levied in November 2009. David Benson seconded and the motion carried

VII. MANAGING AGENT'S REPORT

A. *Completed Projects*

1. Preventive pine beetle spraying.
2. Landscaping cleanup and improvements.
3. Final phase of gutter installation on back sides of buildings.
4. Building staining for Units 1514 – 1522.
5. Asphalt patches and crack sealing.

B. Report Items

1. Vole remediation is ongoing. It is done the last week of every month.
2. Deck staining for Units 1502 – 1512 will be completed in the first two weeks of August. Decks are being stained every other year.
3. Gutter and heat tape installation on the front side of Units 1502 – 1508 will be completed before fall 2009.
4. Kevin is working with the Denver Water Board on cutting down some dead trees behind the complex.

VIII. OWNER FORUM

A. Owner Comments

1. Carol Burger requested that her concrete walkway be repaired this summer. Bob Weinschenk said his was also deteriorating.
5. Sue Olstad said she was not satisfied with the grass trimming and mowing. Kevin Lovett asked owners to contact him about these issues so he can address them in a timely manner.
6. Paul Olstad said there was a low water valve by his driveway that ices over in the winter. Kevin will follow up.
7. Julie Neils asked if anything was being done with CDOT about noise mitigation. Malcolm Orton recommended that individual owners pursue it if interested. Diane Gordon said a letter was written to CDOT last year so it is on their list.
8. Frank Burger suggested taking pictures of the plantings by the north detention pond to show to the snowplow contractor so he knows where he can push the snow without damaging the landscaping.
9. Carol Burger complimented the way Allman Painting worked; they were very efficient and cleaned up very nicely after the work was done.

IX. NEW BUSINESS

A. Owner Picnic

There will be an owner picnic with pizza after the meeting by the south pond.

B. Wireless Internet and Cable Television

Kevin Lovett said some contractors would be touring the property to determine if it would be feasible to install wireless internet. So far it does not look very promising due to the initial equipment cost. One contractor also offers cable television service. Once the information is received, the decision will be put to an owner vote.

C. Security

Frank Burger said since the paint job there was an attempted break in to his unit. Diane Gordon said she also had an attempted break in. Kevin Lovett said he would notify the Frisco Police.

D. Pet Waste

Carol Burger said there was an ongoing problem with renters not picking up after their pets. Short term renters are not allowed to have dogs so owners should notify Kevin Lovett of the unit number if they see violations. He was asked to put a reminder in the November and December owner statements. Cathy Weinschenk suggested putting a garbage can by the pet waste stations for bag disposal.

E. Owner List

Sue Olstad suggested including an updated owner list with the owner statement. Kevin Lovett said the owner list was posted on the website.

F. Property Tour

Ann Johnson and Sue Olstad have organized a tour of several units that have been renovated.

X. ELECTION OF DIRECTORS

The terms of Malcolm Orton, Carol Bartoletti and Diane Gordon expired this year and all were willing to serve again. David Benson volunteered to run. A motion was made and seconded to elect David Benson to the Board. A motion was made and seconded to reelect the incumbents. The motions carried.

Malcolm Orton said the Board had voted to award Kevin Lovett and Chris Trettle small bonuses.

XI. SET NEXT MEETING DATE

The next Annual Meeting was set for Saturday, August 7, 2010 at 9:00 a.m.

XII. ADJOURNMENT

With no further business, the meeting was adjourned at 10:45 a.m.

Approved By: _____
Board Member Signature

Date: _____