

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
MARCH 13, 2009**

I. CALL TO ORDER

The meeting was called to order at 5:40 p.m.

Board members present were:

Rob Bullard, President	Tony Peterson, Vice President
Joe Woodrow, Treasurer	Scott McLean, Member
Kevin McClain, Member, joined at 7:08	

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

II. OWNER FORUM

No owners were present.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Rob Bullard asked that the second sentence of the second paragraph in the Insurance discussion be changed to read "He inquired as to the changing cost if the policy was rolled back to a bare walls policy."

Joe Woodrow made a motion to approve the February 13, 2009 Board Meeting minutes as amended. With no opposition the motion carried.

IV. FINANCIAL REVIEW

A. Balance Sheet as of February 28, 2009

1. Total Current Assets - \$253,104. This includes \$45,603 in the Operating account and \$57,401 in the Alpine Bank money market Reserve account, \$100,000 in a 13 month CD and \$50,000 in a 7 month CD.
2. Total Liabilities - \$2,486.
3. Total Liabilities and Equity - \$254,315.

The Association was \$650 over budget overall in Operating expenses. Significant variances included:

1. Insurance Contingency - \$14,398 over budget for interior unit repairs from 2007/2008 roof leaks.
2. Snow Removal - \$2,548 under budget.
3. Electricity - \$3,675 under budget.
4. Water and Sewer - \$2,162 under budget.
5. Accounting/Audit - \$1,552 under budget.
6. Repair and Maintenance - \$2,129 under budget.
7. Grounds Maintenance - \$2,564 over budget.

B. Profit and Loss as of February 28, 2009

1. Total Income - \$217,810 actual vs. \$217,248 budget.
2. Total Expenses - \$6,232 actual vs. \$6,320 budget.
3. Net Income - \$49,285 actual vs. \$46,570 budget.

C. 2009/2010 Proposed Budget

The Board reviewed the draft budget. The following changes were made:

1. Delete account 509.
2. Add funds for an audit to account 519.
3. Add projected liability for the estimated income tax for 2008.
4. Review the Water and Sewer and Insurance Contingency figures.

The Board agreed that if there is a decision to remove the hot tubs, soil and grass seed will be spread for this summer and they will make a decision regarding any other possible uses in the future. The decision regarding its removal will be made by the ownership, not the Board.

Peter Schutz was asked to provide a second version of the budget that reflects removal of the hot tubs as of June 1, 2009 and includes funds for the expenses related to removal of the hot tub.

Peter will make the revisions to the budget as discussed above and will distribute the revised budget to the Board for approval by email.

D. Reserve Plan

The annual investment yield should be reduced from 4.99% to 2.6% with a 2.8% rate of inflation. There has been a 6% annual increase for the past two years. After discussion, the Board agreed not to make any change to the contribution for the time being.

V. MANAGING AGENT'S REPORT

A. Roof Leak Update

There have not been any leaks, primarily due to the lower snowfall. An updated roof inventory was included in packet.

B. Heat Tape

Chris and Bernie located the problem with the heat tape in the 1505 and 1509 atriums. The Bylin panel is working. Rob Bullard said the Board may need to address replacement of some heat tape this summer as some areas have started to fail.

VI. OLD BUSINESS

A. House Rules

Tony Peterson withdrew his motion to prohibit wind chimes.

Tony asked Kevin Lovett to check on the white van and red pickup that are sharing license plates. There is also a non-operational car with expired New Mexico plates.

B. Annual Meeting

The Annual Meeting will be Saturday, May 23 at 10:00 a.m. A reminder should be added to the bottom of the owner statements. The date has been posted on the website.

C. Insurance Renewal

The Farmers' premium in 2008 was \$13,201. The 2009 quote is \$13,457 with the same \$1,000 deductible. The quote from State Farm was \$40,000 and the Traveler's quote was \$16,156. Peter Schutz said he would be more comfortable with a \$200/sq.ft. replacement value instead of \$173. There is \$16 million in coverage for all the buildings. Kevin McCain will get an industry replacement cost figure for Peter Schutz within the next week. A bare walls policy would reduce the premium by 20-25%.

Bob Strong has been invited to talk to the owners. After further discussion, the Board agreed that Bob Strong's insurance presentation should be done after conclusion of the regular meeting. Bob will be asked to bring a handout that can be distributed to the owners.

Kevin McClain made a motion to retain coverage with Farmer's, subject to review of the replacement value of the buildings. Scott McLean seconded and the motion carried. Kevin Lovett will send the Board a letter from Bob Strong explaining the coverage.

VII. NEW BUSINESS

A. Board Election

The terms of Rob Bullard and Joe Woodrow expire this year. Both indicated their willingness to serve additional terms.

VIII. SET NEXT MEETING DATE

The next Board Meeting was set for Saturday, May 23, 2009 at 8:00 a.m. before the Annual Meeting.

IX. ADJOURNMENT

A motion was made to adjourn at 7:45 p.m.

Approved By: _____

Board Member Signature

Date: _____