

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
ANNUAL MEETING
MAY 29, 2010**

I. CALL TO ORDER

The meeting was called to order at 10:00 a.m.

Board Members Present Were:

Robert Bullard, President, 1505-104
Tony Peterson, Vice President, 1515-203
Scott McLean, Secretary/Treasurer, 1517-204
Kevin McClain, 2nd Vice President, 1511-206

Homeowners present were:

Thomas Lash, 1501-201	Gary Valbert, 1503-102
Jim and Arlene Dinkel, 1501-203	Julie Comstock, 1507-201
Stephen Fuller, 1507-101	Margaret Bloder, 1509-102
Jeff Wakeford, 1511-202	James Dunn, 1511-208
Sean Cavins, 1517-102	Gisela Hillyer, 1521-202
Brenda Lloyd, 1519-102	Otis Halverson, 1519-201
John and Elizabeth Blackmar, 1519-203	Arlene Levie, 1505-101
Henry and Kathy Sparks, 1509-201	Tawny Isom, 1509-208
Rich Lemons, 1515-202	Margaret Bailey, 1515-204
Marshall & Sharon Constantino, 1519-101	Chris & Kim Guarino, 1519-205

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and Chris Trettel. Emma Stanbro of Summit Management Resources was recording secretary.

II. VERIFICATION OF QUORUM

With twenty-two units represented in person and twenty-one proxies received a quorum was reached.

III. APPROVE PREVIOUS MEETING MINUTES

A motion was made by John Blackmar to approve the minutes from the Annual Meeting on May 23, 2009 as presented. The motion was seconded and the minutes were approved.

IV. PRESIDENT'S REPORT

Rob Bullard reported that there were fewer roof leaks this winter than in the past.

A homeowner survey regarding cable television service and an evaluation of providers has been completed. After review by the Board, it was decided to negotiate a bulk high definition cable service contract with Comcast. Bundling internet with Comcast was considered but it was determined that it would not provide any cost savings. As with all common expense, owners will be assessed based on the square footage of their unit.

Recommendations and discounted prices for bulk window replacement have been identified by the Board. This information will be presented following the adjournment of this meeting. Window replacement is the responsibility of the owner as windows are not a common element. The Board, however, has architectural control over the appearance of replacements.

An insurance claim and deductibles resolution was adopted in April. A copy of the policy was provided in the meeting packet.

The big project for this summer is installing irrigation and seeding the “wild areas” east of the two buildings on the east side of the complex. It is hoped the result will be similar to the landscaping around the hot tubs.

Crack filling and seal coating of the asphalt will also be completed this summer.

V. FINANCIAL REPORT

A. Balance Sheet as of April 30, 2010

The Operating Fund has revenue in excess of expenses of \$20,286. Total equity in the Operating Fund is \$65,421. This amount includes previous years' surpluses. All of this amount will be transferred to the Replacement Reserve. The current balance of the Replacement Reserve was \$277,699.

B. Ratification of 2010/2011 Operating Budget

Rob Bullard explained that the Operating Budget covers expenses that are incurred in the normal operation and management of the Association and the premises. If an expense occurs regularly or at least once a year, it is likely to be in the scope of the Operating Budget. The total proposed Operating Budget for 2010/2011 is \$251,000, a 4% decrease from the 2009/2010 Operating Budget.

C. Reserve Fund

The Reserve Fund is used for the addition to or replacement of significant capital assets of the Association. If an asset has an estimated life of more than one year, the expense to replace that asset is likely to be covered by the Reserve Fund. The current Reserve Plan was created in 2006. The next complete revision of the plan is scheduled to occur in 2011. The plan is only a tool to calculate an appropriate level of contributions to the Reserve and is not a precise budget. As each component nears the end of its useful life and is scheduled for replacement, updated cost estimates will be obtained. It would be too expensive to fully fund the plan. At this time a Special Assessment is contemplated in fiscal year 2015/2016. The contribution to the Fund has been increased in the 2010/2011 budget by 6% from \$59,000 to \$63,000. Excess revenue of approximately \$5,000 in the 2009/2010 Operating Fund will be transferred to the Reserve Fund reducing the total amount to be collected to \$50,000.

A motion was made by Jeff Wakeford to ratify the Operating and Reserve Fund Budgets for 2010/2011. The motion was seconded by Tom Lash and carried.

VI. ELECTION OF DIRECTORS

Rob Bullard reported that Joe Woodrow had resigned from the Board. The terms of Kevin McClain, Scott McLean and Tony Peterson expired this year. All three incumbents indicated their willingness to serve additional terms. The floor was opened for nominations and Sean Cavins was nominated. A motion was made to elect the slate of candidates by acclamation. The motion was seconded and carried.

VII. NEW BUSINESS

Arlene Dinkel noted there had been a sizeable leak over the stairwell of her unit and there had been some plaster delamination by the roof valley in the bathroom of her unit. Kevin Lovett said the roofing contractor, Turner Morris, would be inspecting the roofs this summer to identify needed repairs. He will make sure the Dinkel's unit is addressed.

Stephen Fuller noted some concerns with the spring runoff and the railroad tie configuration around the side of his unit, which causes problems with the windows and rusting. Sean Cavins noted the same issue and thought that drainage from the roof valleys add to the problem. Rob Bullard and Kevin Lovett will inspect the area in question.

Jim Dinkel noted that the latex paint on the railings was peeling and that this seemed to be an ongoing problem. Kevin Lovett replied the railings would be touched up as part of the annual maintenance. He is also looking into an alternative to latex paint that has yet to be discussed with the Board. Jim also noted that some tops of pillars needed attention and it appeared that some have not been painted.

An owner asked questions regarding the cable television installation. Rob Bullard clarified that each unit will receive a digital box that will be installed on the main television. Additional boxes can be added and paid for individually. Owners who already have an individual contract with Comcast will need to contact Comcast in order to receive the new bulk discounted rate. Specific questions on this subject should be addressed to Kevin Lovett.

An owner asked if the "adopt a flower bed" program was still in effect. Rob Bullard replied that it was and explained that the Association would reimburse owners who take responsibility for a flower bed up to \$100 for plant costs.

VIII. ADJOURNMENT

A motion was made by John Blackmar to adjourn the meeting at 10:39 a.m. The motion was seconded and carried.

Approved By: _____ Date: _____
Board Member Signature