

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
MARCH 12, 2010**

I. CALL TO ORDER

The meeting was called to order at 5:45 p.m.

Board members present were:

Rob Bullard, President

Kevin McClain, Vice President

Scott McLean, Secretary

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

II. OWNER FORUM

No owners were present.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Kevin McClain made a motion to approve the January 15, 2010 Board Meeting minutes as presented. With no opposition the motion carried.

IV. FINANCIAL REVIEW

A. Balance Sheet as of February 28, 2009

1. Total Checking/Savings - \$334,402. This included \$67,003 in the Operating account and \$113,952 in the Alpine Bank money market Reserve account, \$100 in Petty Cash, \$102,564 in a 13 month CD and \$50,782 in a 7 month CD.
2. A/R - \$641. Unit 1521/203 is the only significant delinquency but the owner has been making some payments.

The Association was \$17,574 under budget overall. Significant variances included:

1. Insurance – \$3,088 under budget due to no deductibles.
2. Snow Removal – \$7,998 under budget. All accounts were under budget.
3. Hot Tub Maintenance – \$1,045 over budget. Hot Tub Repairs & Maintenance was \$2,056 over budget.

Kevin Lovett provided a spreadsheet with projected year-end results. The Association is projected to end the year about \$15,388 under budget. He also provided a preliminary proposal for changes to the 2010/2011 Budget.

1. Insurance - \$1,339 (10%) increase.
2. Insurance Claims Deductible - \$3,000 decrease.
3. Water and Sewer - \$1,248 (3%) increase.
4. Cable TV - \$80 decrease based on new contract.

5. Trash Removal - \$2,412 increase based on actuals and \$70/month extra for an additional recycling pickup.
6. Asphalt Crack Seal - \$1,700 decrease as it will be covered in major Reserve projects this year.

The total expenses increased from \$262,219 to \$262,438.

Kevin McClain made a motion to approve the 2010/2011 proposed Operating Budget as presented. The Board reviewed other possible reductions to the budget:

1. Snow Removal Plow – reduce to \$900/month based on the current contract plus 5%.
2. Landscaping – reduce to \$3,700 per year based on past actuals.
3. Ice Removal Roof – \$2,000. After discussion the Board agreed not to change this account.
4. Ice Removal Labor – reduce from \$2,400 to \$500.
5. Common Electricity – the Board agreed to change the total to \$11,500 based on actual projected year end plus \$550.

Kevin McClain withdrew his motion. Kevin Lovett will update the spreadsheet and the Board will approve the final version in April.

Reserve Projects for 2010/2011:

Kevin Lovett said the Association should end the year with a balance of \$273,684.

1. Concrete Repair - \$2,000 for 1519 north end drain pan repair.
2. Asphalt Sealcoat/Striping - \$6,000.
3. Railings - \$5,400.
4. Hot Tub Covers - \$1,300.
5. Landscape Wild Areas - \$11,000.
6. Appraisal - \$2,300. This expense should be moved to Operating.

V. MANAGING AGENT'S REPORT

A. Completed Projects

1. Painted trim around new windows of Unit 1505/203.
2. Sent mailer to owners reminding them to check plumbing fixtures.

B. Report/Discussion Items

1. Roof Leaks – Kevin Lovett reviewed the report of leaks from this year.
2. Snow Removal – There were no complaints.
3. 1509/203 Insurance Claim Status – There has been no request from the owner or the insurance company.
4. In Line Electric Meters for Heat Tape – Kevin obtained information for meters that could be installed on each heat tape but found they were cost prohibitive.

5. Concrete Pan Work – The drain pan in front of the north end of 1519 has settled and creates a puddle and pooling in the garages. The plan and bid to repair are pending.
6. Recycling – The Association is currently paying \$70/month for four toters that are picked up once weekly. One additional pick up per week would be an additional \$70/month. Kevin McClain proposed increasing the pick ups only during Christmas week, half of March and for the month of July. Rob Bullard directed management to increase pickups as needed for up to two months as needed.

VI. OLD BUSINESS

A. *Satellite TV/Internet Survey Results*

Per the survey there were 28 owners in favor of having the Association add internet service and 36 who preferred the status quo.

The new contract proposal from Comcast is \$1.00/unit/month less and includes one digital cable box per unit. Kevin Lovett was instructed to get the new agreement from Comcast as soon as possible for the Board to execute. Kevin Lovett will draft a letter explaining the upgrade in service and lower cost. The installation dates will be set for a Thursday, Friday and Saturday time period. He will get a sample of the packet that will be provided for each owner from Comcast. In the letter he will also include a summary of the internet survey results and inform owners that they have to install it individually.

B. *Landscaping*

The revised plan is to convert the west wild area only into a lawn with irrigation, to spray/remove the existing grasses, lay 1.5” new top soil, install commercial grade irrigation system and hydroseed. The bids received were:

1. Greenscapes - \$10,870 (including spraying of the existing grasses).
2. Bobby Cat - \$9,905.
3. Neils Lunceford – pending.
4. BW Creations - \$10,234 (including removal of the existing grasses).

Rob Bullard asked if any of the bids included any type of warranty for the seeding. He noted they had tried unsuccessfully to seed the area six times in the past so there should be a written warranty.

Kevin Lovett said he liked the Greenscapes bid because the contractor was familiar with the property and there was a relationship with the contractor. Rob Bullard was concerned that the bid did not include anything for topsoil. Kevin Lovett will ask Greenscapes about removal of the old grass, addition of topsoil and a warranty. Kevin McClain suggested a performance bond for the work. The Association would hold the rights to it for the length of the guarantee, which should be two seasons. Rob Bullard said he would also like to see the Neils Lunceford bid because it is an established company. The revised bid should

include tilling, proper soil preparation, additional of top soil, a performance bond and a guarantee.

C. Windows

Per the survey there were 30 owners in favor of Association group replacement of all windows to be paid with a Special Assessment and 31 owners opposed.

Rob Bullard said the Board would need to come up with some window specs for owners to ensure uniformity. The Board also needs to figure out a way to mandate maintenance for the windows that are leaking or in poor condition. The cost for total window replacement would be approximately \$3,500/unit, depending on the layout.

With 30 interested owners, it should be possible to get some type of bulk deal. Peter Schutz said Alpine Bank would be willing to finance the project for owners.

Kevin Lovett recommended forming a committee to deal with the contractors and manufacturers and to select two or three window options with different price points. Kevin McClain volunteered to help select the windows instead of a committee. Deb Borel will work with him. The goal is to have something to present to the owners at the Annual Meeting.

VII. NEW BUSINESS

A. Association Insurance Renewal Proposals

The Association policy renews 4/1/10. The 2009/2010 premium was \$13,457 with a \$1,000 deductible. Bob Strong indicated the premium would increase about 10% to \$14,802. Neil Garing quoted Travelers based on a \$1,000 deductible with \$16,000,601 building value. The building and liability premium would be \$20,255 and the D&O premium would be \$899. Fidelity insurance would be \$475 for \$50,000 of coverage or \$700 for \$100,000. Lockton quoted Fireman's Fund at \$25,000. Rob Bullard said he would like to see a bid from Hartford as well.

Kevin Lovett provided a proposal for a fidelity package to cover for computer hacking. Rob Bullard did not feel the Association had exposure because it would be the bank system that would be compromised. Peter Schutz will check with Alpine Bank. The Board could look into a security audit if they are really concerned.

B. Insurance Claim Deductible Policy Modification

Rob Bullard directed SRG to send the proposed modification to the attorney for review.

C. Insurance Value Appraisal

An insurance value appraisal was done and provided a building value of \$16,672,000. The insured value is currently \$16,000,601 but this will probably increase with the upcoming policy renewal. Kevin Lovett will send the appraisal information to Bob Strong and will email the appraisal to all Board members.

D. 2010 Annual Owner Meeting

The Annual Meeting will be May 29, 2010. Official notice will be sent to the owners no later than April 29, 2010.

The Board seats of Tony Peterson, Kevin McClain and Scott McLean will be up for election. Rob Bullard will contact potential candidates.

VIII. SET NEXT MEETING DATE

The next Board Meeting was set for Friday, April 9, 2010 at 5:30 p.m.

IX. ADJOURNMENT

A motion was made to adjourn at 8:36 p.m.

Approved By: _____
Board Member Signature

Date: _____