

**PROSPECT POINT TOWNHOMES ASSOCIATION
ANNUAL HOMEOWNER MEETING**

August 20, 2005

Frisco, Colorado

Board members in attendance were:

Bob Roggow, Vice President, #1508C
Carolyn Stickell, Master Board Member, #1510B
Eric Eckberg, Master Board Member, #1508A
Carol Bartoletti, #1510A
Diane Gordon, #1514B

Homeowners in attendance were:

Kevin Rodden, #1502 A
James & Ann Johnson, #1504 C
Edward Mower, #1512D
George Gordon, #1514B
William Broten, #1520C
Paul & Sue Olstad, # 1522B

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and Greg Moses.
Erika Krainz transcribed the minutes from tape.

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I. CALL TO ORDER

The meeting was called to order by Bob Roggow at 3:00 p.m. With 9 units represented in person and 5 proxies received, a quorum was reached. Bob Roggow welcomed Peter Schutz and Summit Resort Group as the new management team.

II. REVIEW MINUTES OF PREVIOUS ANNUAL MEETING

Carolyn Stickell made a motion to approve the minutes of the August 21, 2004 Annual Meeting as presented. The motion was seconded and carried.

III. TREASURER'S/FINANCIAL REPORT

A. 2003/2004 Year-End Status

Kevin Lovett reported that the Association ended the 2003/2004 fiscal year with \$4,339 in the Operating account, \$8,035 in an Alpine Bank T-Bill and \$38,975 in the Reserve account. Overall, the Association ended the year \$4,743 under budget, mainly due to savings in Trash Removal, Buildings and Grounds and Repair and Maintenance. Reserve expenses for the year included painting and landscaping.

A. Year-to-Date Financial Status as of July 31, 2005

As of July 31, 2005 the Association had \$21,586 in the Operating account, \$8,205 in the Alpine Bank T-Bill and \$24,263 in the Reserve account. Overall, the Association was \$5,018 under budget year-to-date. Any year-end Operating surplus will probably be transferred to the Reserve account. Kevin Lovett anticipates the Association will end the current fiscal year under budget.

A Reserve Study will be developed in the coming year by Summit Resort Group in order to identify upcoming projects and estimated costs for the next ten years.

There was discussion about the insurance claim in the past year. Bob Roggow explained that the heat was turned off in a unit and about forty pipes froze and burst. Peter Schutz recommended that owners have their policy for the unit interiors with the same insurance carrier, Farmer's, to facilitate settling of any claims.

A. Reserve Fund Contribution

Bob Roggow said at the August Board meeting there was discussion about increasing the Reserve contribution by \$20/month immediately, but the Board tabled a decision pending owner input. In discussion, an owner felt the decision should be left to the Board after they have received the Reserve Study. He thought \$20/month might not be the appropriate amount. A motion was made to increase the dues by \$20/unit/month to be directed to the Reserve Fund, effective October 1, 2005. The motion was seconded and carried.

D. 2005/2006 Proposed Operating Budget

Kevin Lovett presented the proposed 2005/2006 Operating Budget. He explained there were no major changes on the Operating side. A motion was made and seconded to approve the 2005/2006 Operating Budget as presented, but with an increase in the Reserve contribution of \$20/unit/month. The motion carried.

IV. PROJECT UPDATE AND LANDSCAPING REPORT

Contact information for the management team was included in the meeting packet. The out of state toll free number is 800/944-9601. The Denver direct line is 303/670-9437.

A. Completed Projects

1. Improvements were made around south pond.
2. Decks were stained.
3. Vole remediation was done.
4. Units 1514, 1516, 1518, 1520 and 1522 were painted.
5. Installed and stained new stairs.
6. Weeds behind the fence were sprayed.
7. Fences were repaired.

B. Pending Projects

1. Cleanup area between Units 1518 and 1520, including removal of thistle, adding topsoil and seed with wildflowers and native grasses.
2. Repair entryways including some stair replacements and concrete work.
3. Remove slash and dead trees behind buildings on Denver Water Board land to reduce fire hazard. Kevin Lovett will contact the Water Board to obtain permission.

Bob Roggow recognized Don, Bill and Sharon Tracey for their assistance in bringing in plants.

V. OWNER'S FORUM

An owner asked if anything could be done to get a Summit Stage stop at the property. Greg Moses said this issue had been brought up in the past. A town representative and the Summit Stage will be contacted about this request.

Bob Roggow said two turn lanes had been approved on the Dillon Dam Road, one in front of Prospect Point and one in front of Lake Forest. Construction is budgeted in 2007.

An owner suggested adding some signage by the dumpster reminding users to place the garbage inside the dumpster in order to prevent extra charges.

An owner asked about establishing a recycling pickup. Kevin Lovett said Waste Management offered the service. The cost would be \$20/week for a co-mingled container.

Bob Roggow said the Master Association planned to erect signs in the guest parking areas.

A question was raised regarding parking of trailers long term in the driveways. Greg Moses said it was a problem in the winter because he had to hand shovel underneath it. Kevin Lovett will contact the owner regarding the issue.

VI. NEW BUSINESS

A. Architectural Committee

Carol Bartoletti said the Board had been serving as the Architectural Committee. She asked the membership if they thought it was necessary to have this Committee and if so, if any owners would be interested in serving on it. Greg Moses said the most common issues were heat tape and concrete. The membership indicated they were comfortable with the Board making the decisions and there were no other volunteers.

An owner asked what the procedure was for expanding his deck. Bob Roggow explained he would first need approval from the Board and his

neighbors on either side, and then he would need approval from the Town of Frisco.

B. Satellite Dish Installation Procedure

Bob Roggow said there was a satellite dish on the unit next to his, in his view corridor, that had not been authorized by the Board. It was installed by the long term rental tenant. The owners were reminded that per the Bylaws, any exterior modifications must be pre-approved by the Board.

C. Reimbursement for Gutter Installations

Diane Gordon explained that some units have drainage issues that are causing damage to the decks. At the last meeting, the Board agreed to install gutter and heat tape at Association expense on the problem units. Prior to this decision, some owners had already installed gutters at their own expense. The Board felt the owners should vote on reimbursement of the owners (about five) who already completed the gutter work. Bob Roggow had gutter and heat tape installed at a cost of \$2,400. There was general discussion about how to determine which units needed the gutters. Greg Moses said he had a list of reported problem areas, and he could watch the property over the course of the winter to make sure there were not any additional areas.

An owner said this might be open up a wide spectrum of issues, noting that he spent several thousand dollars over the past few years to remedy a chronic roof leak. Since that time, the Association has taken over responsibility for all roofs, but he does not plan to request reimbursement for the work. Carol Bartoletti suggested hiring a contractor this winter to remove ice while the data is being collected. Diane reiterated that the decision had been made by the Board to install the gutters, but the Board wanted the owners to vote on the reimbursement issue. The reimbursements would be paid out of the Reserve Fund. Kevin Lovett said he would tour the property with Ma Greene to refine the list of units needing gutter and obtain a bid for the work. Carolyn Stickell made a motion to proceed with the contract as discussed and to proceed with reimbursement, with the amount to be reimbursed to be based on the cost provided by Ma Greene for bulk installation. In discussion, an owner pointed out that if there are twenty units needing the gutter and heat tape at a cost of about \$2,400 each, it would total almost \$50,000, which the Association could not afford. After further discussion, the motion was withdrawn, pending further research. Peter Schutz pointed out a vote could be done by mail.

A motion was made to have Ma Greene tour the property as soon as possible to determine the scope of work to be done and to provide a bid. The motion was seconded and carried.

D. Carbon Monoxide

There is a possible issue with carbon monoxide fumes in the units. Peter

Schutz said a contractor would be hired to inspect all units.

VII. ELECTION OF DIRECTORS

The floor was opened for nominations. The terms of Diane Gordon and Malcolm Orton both expired this year and both indicated they would be willing to serve another term.

Motions were made to nominate Diane Gordon and Malcolm Orton to run for additional terms. The motions were seconded.

A motion was made to nominate Bill Broden to serve on the Board. The motion was seconded and nominations were closed.

A motion was made to elect the three candidates by acclamation. The motion was seconded and carried.

VIII. SET NEXT MEETING DATE

The next Annual meeting was set for August 19, 2006 at 3:00 p.m.

IX. ADJOURNMENT

Bob Roggow recognized Greg Moses for his work on the Association's behalf.

With no further business, the meeting was adjourned at 5:30 p.m.

Approved By: _____

Board Member Signature

Date: _____