

**Prospect Point Townhomes
Board of Directors Meeting
January 11, 2023
10:00 am
ZOOM**

Minutes

I. Call to order

- A. The meeting was called to order at 10:02
- B. Meeting attendees included:
 - a. Dave Benson, Board President 1520A
 - b. Ron Borchert, Director 1512A
 - c. Bill Word, Secretary/Treasurer 1512B
 - d. Jeanne Belli, Director 1510C
 - e. Pete Catalano, Director 1508E
 - f. Bob Roggow, Director 1508C
 - g. Tom Murray, Owner 1510A
 - h. Kevin Lovett, SRG
 - i. Steve Wahl, SRG

II. Owners Forum

- a. Tom Murray was asked if he had questions or comments to start the meeting, he had none at the time.

III. Review and Approve Minutes of Last Meeting

- a. October 19, 2022 Board Meeting
- b. A motion to approve the 10/19/22 minutes was made by Bill Word, seconded by Jeanne Belli and approved unanimously

IV. Treasurer's / Financial Report

- a. November 2022 YE Financials
- b. October 2022-September 2023 Fiscal Year
- c. November 30, 2022 month-end close financials report \$37,912 in the operating account, \$37,867 in the General Reserve account, \$137,044 in the siding reserve account (\$174,911 in total reserves).
- d. November 30, 2022 Profit and Loss statement reports \$30,005 of actual YTD expenditures vs. \$31,630 of budgeted expenditures (5.1% below budget).

- 508 Repair & Maint; \$1,325 over budget; \$2,100 spent on gutter cleaning
 - 525 Landscaping; \$1,120 over budget, Bobby Cat collection area cleanup
 - 545 Irrigation Water; \$3,528 under budget; \$4,700 budgeted for 4th qtr
 - 575 Contingency; \$460 under budget
- e. Reserve Contributions are 100% paid year-to-date

V. Managing Agent's Report

- a. Still working on Aspen Trees and 1518-1520 landscaping proposal
- b. Snow pile between 1518 & 1520 was reduced by half
- c. Lots of heat tape repairs have happened and continue to happen
- d. Siding leak at 1520C was repaired completely
- e. HB1137 policy change approval, signed, posted

VI. Ratify Board Actions Via Email

- 10/13/22 1520C door request approved
- 10/20/22 January assessment meeting date set
- 10/26/22 8/6/22 BOD meeting minutes approved
- 10/27/22 Landscape rules modification approved
- 10/31/22 1522A window request approved
- 11/9/22 1520C Leak investigation approval
- 11/17/22 Final house rules modifications approved
- 11/21/22 1520C Insurance claim cancellation approved
- 11/30/22 1504C tree installation request approval

A motion to approve the above board actions via email by Bob Roggow, seconded by Bill Word and approved unanimously

VII. New Business

- a. Prospect Point Townhomes Special Assessment Discussion
 - 10 building estimate of \$2.8-2.9 million Hardie board or \$2.5 million for cedar
 - Siding estimate is in 2022 dollars
 - How far out is this projected project start? How much of a special assessment should be collected per year? How many years to collect this for?

- One option is to not do a special assessment and let the owners plan based on the total project cost and the time frame
- How much of a balloon payment can be expected at the time of the project inception? Assuming the HOA does not assess for the full estimated project cost.
- Bill Word inquired about how to financially plan for a building that requires siding sooner? Can this assessment be done piecemeal with contributions collected per building? Can just the sides of the buildings that require replacement be done rather than replacing an entire building?
- Kevin Lovett replied that the Board needs to adhere to the governing documents to develop a funding and spending plan. Assessment collections are done based on the square foot calculation in the governing documents and work is completed per building based on need. This does not preclude doing one side of a building as needed.
- A question was asked about how this impacts owners who sell and how do potential buyers view a long-term assessment. The feedback is that buyers have access to the financials, assessments are posted to the financials ASAP and the financials are posted on the website for owners and potential buyers to see. Well-funded reserves are viewed positively by buyers and Realtors. An informed buyer will notice if an HOA has underfunded reserves. In general, a reserve account that is fully funded is viewed positively.
- Pete Catalano asked what is next in the process? What is the current status of the siding? Should the HOA pay for a siding assessment to determine the current condition and a replacement timeline? Can this evaluation include an estimate by building side? Can SRG do this? Should a contractor be compensated to do this?
- Tom Murray stated that there needs to be something to back up the special assessment when presented to owners in order to get owners to agree to this program. An inspection is needed. Data is needed.
- Steve Wahl suggested talking to HC3 and Xcel Energy as well as contractors.

- Ron Borchert stated that if a Hardie Board material is to be used, it would require an entire building be completed. Kevin said that he does have HOAs that have mixed siding, but it does not look the best.
 - Pete Catalano requested that he be invited to any onsite assessment with a contractor or consultant.
 - Tom Murray added that Kevin had laid good groundwork about this topic at the annual meeting and had let owners know that this was on the horizon.
- b. Siding, caulking or other leak prevention discussion
- The discussion revolved around ensuring that future painting projects clearly state the need to do a through job of caulking in order to avoid issues like the siding leak at 1520C which cost the HOA about \$5,000 this year.

VIII. Action Items

- **SRG to reach out to Xcel Energy, HC3 and contractor to get advice on siding and estimates for building and per side replacement**
- **SRG will work with the BOD to set an agreed upon siding assessment and build this amount into the draft budget to be presented to the BOD in advance of the June BOD meeting with the goal of discussing at the June BOD meeting.**

IX. Next Meeting Date

The next meeting will be held in June 2023. Steve will send out a list of potential dates or the Board to choose from.

X. Adjournment

- A motion to adjourn was made by Bob Roggow, seconded by Dave Benson, and approved unanimously.
- The meeting adjourned at 11:40