

**VILLAS AT PROSPECT POINT ASSOCIATION
ANNUAL MEETING
May 28, 2022**

I. CALL TO ORDER & CERTIFICATION OF QUORUM

The meeting was called to order at 10:09 a.m. via videoconference.

Board members participating were:

Sean Cavins, President, 1517-102

Julie Boyle, Treasurer, 1521-101

Brenda Lloyd, Vice President, 1519-102

Nancy Lee, Secretary, 1503-204

Owners participating were:

Tom & Teresa Lash, 1501-201

Arlene Dinkel, 1501-203

Becky Barbeau, 1503-201

Rob Bullard, 1505-104

Darren Hale, 1509-204

Carol & Peter Hewett, 1509-206

Jie Yan, 1513-101

Randall Krul, 1515-204

Les & Carol Clarke, 1519-103

Melva Coughlin, 1519-207

Kristie Sweeney, 1501-202

Gary & Marcia Valbert, 1503-102

Skip Burrows, 1503-202

Christopher Hoidal, 1505-206

Tawney Isom 1509-208

Jamie Martucci, 1511-203

Jason Angiulo, 1515-102

Greg Majcher, 1517-201

Kit Barwick & Rita Lee, 1519-206

David Benson, 1520A

Representing Summit Resort Group were Kevin Lovett, Steve Wahl, David Paradysz and Dale Hendrickson. Erika Krainz of Summit Management Resources was recording secretary.

Notice of the meeting was sent in accordance with the governing documents. A quorum was confirmed.

II. APPROVE PREVIOUS MEETING MINUTES

Motion: Brenda Lloyd moved to approve the May 29, 2021 Annual Meeting minutes as presented. Carol Hewett seconded and the motion seconded.

III. MANAGER'S REPORT

A. Completed Projects

1. Renewed the Association insurance.
2. Registered the Association with the Real Estate Commission and DORA.
3. Refilled 15 of the bird deterrent sprayers. The refills for the remainder are on backorder.
4. Painted the buildings and repaired siding as needed.

B. Planned Projects

1. Spring cleanup is underway.
2. Landscape bed cleaning is in progress.

3. Vole remediation is done between the 21st – 25th each month.
4. Roof drainage improvements will be completed to include drywells (1501, 1513 and 1515). It was noted that there are other areas with roof drainage issues.
5. The asphalt will be patched and crack sealed.
6. The hot tub decking will be replaced.
7. Replacement hot tub covers have been ordered.

C. Reminders

1. Windows – Only white window coverings are permitted.
2. Insurance – Owners should have an H06 policy.
3. Pets – Only owners are allowed to have pets.
Action Item: Kevin Lovett will review the governing documents to determine if owners are allowed to pet sit and if owner guests can bring pets.
4. In Unit Reminders:
 - Furnaces should be professionally inspected annually.
 - Furnace filters should be changed regularly.
 - Hot water heaters should be professionally inspected annually. Original water heaters have outlived their useful lives.
 - All water supply lines should be inspected regularly. The original lines have outlived their useful lives.
 - Smoke/CO Detectors – All units should have smoke and carbon monoxide detectors. The original detectors have outlived their useful lives.
5. Rules – Owners should review the rules with their guests and tenants.

Owner comments addressed the following:

1. There was a request to survey the owners to determine how many owners short-term rent.
2. There was a request to provide a contractor recommendation for smoke and carbon monoxide detector replacement.
3. There was a complaint regarding dogs off leash. Kevin Lovett encouraged owners to report violations and to include the date and unit number of the pet owner.
4. There was a question regarding venting. Kevin Lovett said some of the first floor unit furnace vents are 3” and most new furnaces require a 4” vent.

B. Owner Education

Kevin Lovett provided information regarding the Association insurance. Kinser recently informed him that Farmers will no longer insure properties with values over \$25 million. He will be working with Kinser to identify a new carrier. The current policy expires in April 2023. Letters that owners should provide to their insurance agent were provided in the meeting packet. Owners should have coverage for their contents, liability, deductible assessment and a small amount of building coverage to ensure there is no gap for upgrades.

IV. FINANCIAL REPORT

Kevin Lovett presented the Association Financial Report. As of April 30, 2022 (fiscal year-end), the Association had \$2,753 in the Operating account and \$23,573 in Reserves. The Association was operating 4.7% over budget, mainly due to overages in Roof Snow Removal, Repairs & Maintenance, Cable TV, Electricity and Landscaping. The Reserve balance is low due to the roof replacement and exterior painting projects.

V. RATIFICATION OF THE BUDGET

The 2022/2023 proposed Operating Budget includes an 11.63% increase in Operating dues and a 5.09% increase in the Reserve contribution for an overall 10.25% increase (\$36 - \$59 per unit per month). He reviewed the significant changes to the budget:

1. Insurance - \$8,100 increase.
2. Management Fee - \$8,580 increase.
3. Water & Sewer - \$8,098 increase.
4. Cable TV - \$8,748 increase.
5. Electricity - \$800 increase.
6. Master Association Contribution - \$700 increase.
7. Reserve Contribution - -\$4,392 increase.

Motion: Tom Lash moved to approve the 2022/2023 Budget as presented. Rob Bullard seconded and the motion carried.

The new budget will be effective as of July 1, 2022.

VI. NEW BUSINESS/MEMBER COMMENTS

A. 2022 Projects

The 2022/2023 Capital Reserve Plan potential projects include the roof drainage system (\$39,000), painting (\$5,928), a circulation pump (\$2,400), landscaping (\$4,000) and a contingency (\$10,000) for a total of \$61,328. The 2022/2023 contribution will be \$111,228 and the contribution is budgeted to increase 5% annually. The projected year-end balance is \$71,904.

B. Owner Comments/Questions

1. The Board was recognized for their management of the Association financials.
2. There was a suggestion to consider some other design for the hot tub covers to facilitate snow removal.
3. There was a question about the Reserve interest and investment. Kevin Lovett said the 1% annual interest rate in the Reserve plan should be adjusted to more accurately reflect current rates. Other investment options can be explored once the balance grows but they have to be very conservative.
4. There was a request to increase the temperature in one of the hot tubs.
5. There was a question about the painting payment. Kevin Lovett said the painting contractor offered a one year payment plan for the \$140,000 expense last year with no interest. The last payment was made in May.

6. There was a request for a report of unit sales. Kevin Lovett said this used to be provided by a realtor. He will try to obtain a report and send it to all owners.
7. SRG was thanked for cleaning up around the rocks near the 1521 building.
8. There was a comment that the retaining wall near 1501 needs some work.
9. There was a question regarding garage door replacement. Nancy Lee said she replaced hers and can provide information. Kevin Lovett has the name and number for a contractor who is familiar with the property.

VII. ELECTION OF DIRECTORS

The terms of Kristy McClain, Nancy Lee and Julie Boyle expired this year and they were all willing to serve additional terms. There were no other nominations from the floor.

Motion: Rob Bullard moved to re-elect the three incumbents. Carol Hewett seconded and the motion carried.

VIII. NEXT MEETING DATE

There was discussion at the Master meeting about moving the Annual Meeting date one weekend earlier or to align it with the fiscal year end. The next meeting date will be decided by the Boards.

IX. ADJOURNMENT

Motion: Skip Burrows moved to adjourn at 11:09 a.m. Carol Hewett seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature