

**PROSPECT POINT TOWNHOMES ASSOCIATION
ANNUAL HOMEOWNER MEETING
August 5, 2023**

I. CALL TO ORDER

The Prospect Point Townhomes Association Annual Homeowner Meeting was called to order at 9:09 a.m. at Colorado Mountain College in Breckenridge and via videoconference.

II. INTRODUCTIONS/PROOF OF NOTICE/QUORUM

Board Members Participating Were:

Garrett Poulus, Vice-President, 1522B	Bill Word, Secretary/Treasurer, 1512B
Ron Borchert, Director, 1512A	Jeanne Belli, Director, 1510C
Pete Catalano, Director, 1508E	Bob Roggow, Director, 1508C

Homeowners Participating Were:

Tina & Thomas Campbell, 1502B	Gill Dann, 1504A
Jim & Ann Johnson, 1504C	Janet & Mike Williams, 1504D
Judy Lawton, 1506A	Connie & Stephen Seiler, 1506B
Eric Eckberg, 1508A	Beth Poulos, 1522B
Mary & Tom Murray, 1510A	Heather Lemay, 1510B
Robin Pitts, 1510D	Barb Parry, 1512A
Steve Thompson, 1514B	Sean Baker, 1514C
Joanne Mayer, 1516A	Dan & Laurie Winkler, 1516B
Janet & Malcolm Orton, 1518A	Tracey Arlaud, 1518B/1518C
Hannis & Kim Thompson, 1520C	Diane & Tom Servas, 1522A

Representing Summit Resort Group were Kevin Lovett and Steve Wahl. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

Notice of the meeting was sent in June and the packet was emailed on July 3, 2023. With units represented in person and proxies received a quorum was confirmed.

III. MASTER ASSOCIATION UPDATE

Steve Wahl reported that there is discussion starting about asphalt replacement. It will be a very expensive project. A committee has been formed to discuss this issue and make recommendations; no decisions have been made at this point in time.

IV. REVIEW MINUTES OF PREVIOUS MEETING

Motion: Bill Word moved to approve the August 6, 2022 Annual Meeting minutes as presented. Jeanne Belli seconded, and the motion carried with one opposed (Jim Johnson, 1504C).

V. PRESIDENT'S REPORT

David Benson, former board president, resigned prior to the meeting because of the sale of his Prospect Point Townhomes home.

VI. TREASURER'S/FINANCIAL REPORT

A. *Financial Status*

As of June 30, 2023, the Association had \$28,319 in the Operating account, \$54,298 in the General Reserve account and \$125,588 in the Siding Reserve account.

The June 30, 2023 Profit and Loss statement reflected \$143,908 actual expenditures versus \$142,509 budgeted expenditures, resulting in a 1% unfavorable variance to budget.

B. *2023/2024 Proposed Operating Budget*

The 2023/2024 proposed Operating Budget includes an increase in dues ranging from \$88.43/unit/month to \$110.36/unit/month. Steve Wahl reviewed the significant changes compared to the prior year:

1. Operating Dues – increased by \$23,642 to \$160,548.
2. Reserve Fund Contribution – increased by \$24,360 to \$74,604 to fund capital projects throughout the community.
3. Siding Special Assessment – increased by \$160,000 to \$200,000. The siding is not due for immediate replacement. The estimated siding expense will be about \$3.5 million in 2023 dollars, so the board is working toward collecting funds toward what will be required for a future siding replacement project.
4. Insurance – increased from \$28,404 to \$53,568. This is based on the actual renewal premium. The policy was put out to bid and was renewed with Farmers. Farmers is one of the most competitive providers. The renewal is put out to bid every year.
5. Trash Removal - \$6,900 2022-23 rate increases to \$8,100. This is after switching providers and seeing a price reduction in 2022-23.
6. Contingency – reduced from \$2,760 to \$0. This was typically not utilized in the past.

C. *Siding Fund Special Assessment*

Based on the high-level estimates received over the past year, the cost estimate is about \$3.5 million in 2023 dollars, but the project does not need to be done immediately. The current Siding Fund balance is \$125,588. The Board increased the Siding Reserve contribution to help close the gap in the cost when the time comes for replacement. The 2023-24 siding assessment ranges from \$4,421.38 to \$5,517.50/unit. Payment will be due at the end of the fiscal year (Sept. 30, 2024) but will be invoiced at the start of the fiscal year so owners can pay it off as they choose.

Kevin Lovett explained that the 2023/2024 Budget has been approved by the Board. It is deemed ratified unless at least 51% of the membership votes to reject it.

Motion: Dan Winkler moved to reject the 2023/2024 Operating Budget as presented. Malcolm Orton seconded. Kevin Lovett conducted a roll call vote on the motion, and it did not carry with only two in favor, one abstention and all other owners opposed to this motion.

VII. MANAGING AGENT'S REPORT

A. *Completed Projects*

1. Preventative tree treatments, tree trimming and tree removal.
2. Cleaned gutters.
3. Repaired heat tape.
4. Vole remediation (ongoing).
5. Changed trash vendor to Timberline Disposal (\$1,500/yr savings)
6. Submitted 2022 tax return.
7. Spring cleanup and gardening.
8. Downed tree removals
9. Painted 1508, 1510 and 1512. It was noted that the 1510 building is already peeling. Steve is following up with the owner.
10. Turf treatments were completed twice.
11. 1520C siding leak repair was completed.

B. *New Business*

1. Heat tape repairs 1518A/1518B.
2. Lake access stair repair. Two stair treads will be replaced. No additional work to the steps is planned for these stairs. A railing will be added for winter safety. A future review of the stairs will be discussed by the board.
3. Gutter repairs at 1510C.
4. South collection pond parking sign replacement.

C. *Reminders*

1. Noise – Owners are asked to respect the House Rules regarding noise, disturbance, pets (leashing and cleaning up) and parking.
2. Insurance – Owners should have coverage for their contents and unit interiors and help minimize insurance losses by doing the following:
 - Prevent frozen pipes by having boiler inspections and setting the thermostats appropriately on sub-zero days and nights.
 - Avoid other plumbing leaks by having the supply lines inspected and replaced with steel braided lines when necessary.
 - Toe kick heater wall switches should be labeled for easy identification.
 - Prevent fires by cleaning out dryer vents and doing regular gas fireplace safety inspections.
3. Exterior Alterations – All exterior alternations such as landscaping (trees), satellite dishes, windows and deck alterations require Board approval.

D. *Owner Education*

Information about the current HOA insurance policy was included in the meeting packet. The Association provides insurance for replacement of the unit exteriors but all owners should carry an H06 policy for their contents that includes any upgraded finishes, as well as coverage for liability, deductible assessment and loss of use. Owners can use the information on the website as a guide for their insurance agents.

VIII. OWNER'S FORUM

Owner comments addressed the following:

1. Trash – Owners who see unauthorized use of the dumpster, including disposal of construction debris, should take a photo of the vehicle license plate and contact Frisco police.
2. Landscaping – There is \$2,500 budgeted in Reserves for tree removal and \$8,000 in Operating for landscaping that is used for irrigation repairs. Owners who would like to make landscaping improvements at their own expense can provide a proposal to the Board for approval. An owner commented that there was discussion about spending \$8,000 for work between two units, which does not seem equitable. It was confirmed that there are no plans to do the planting between 1518 & 1520. This project was discussed among the board members, and it was determined that this project would not be undertaken.
3. Retention Pond – The saplings were removed last year but there is new growth. Kevin Lovett said the saplings will continue to grow unless the entire pond is dug out. Owners who would like to see improvements in that area should submit a proposal to the Board. The snow plowing contractor has voiced his opinion that considerable room needs to be left so snow can be pushed into the retention pond.
4. Siding Assessment – There was a comment that it was a large assessment, and some owners may no longer own the unit when the siding is replaced. The response was that owners can negotiate the value of the contribution with the buyer. There was a recommendation to invest the funds to maximize return. There was a suggestion to institute a mandatory Reserve contribution for new buyers. The Board will discuss this further, but Kevin Lovett noted that a legal opinion should be obtained before such a mandatory contribution requirement could be implemented. There was a suggestion to keep all the Siding Assessment funds in a separate account dedicated to that project.
Motion: Jim Johnson moved that all funds collected for the Siding Assessment be dedicated to that project only and not spent on other projects. The motion was seconded. The motion carried with two opposed.
5. Siding Assessment Allocation – Kevin Lovett explained that all assessments are assessed based on the percentage of ownership (home square footage) for each unit as defined in Exhibit A in the Declarations.
6. Signage – There was a suggestion to add a sign “No Access to Bike Path” and a “Recycling Only” sign on the recycling bin.
7. Irrigation – There was a request to reduce the irrigation frequency.
9. Fence – The moose have knocked over the split rail fence. This will be addressed.
10. Heat Tape – Owners should make sure their heat tape is turned off in the summer. One homeowner pointed out that their front and back systems are not on one circuit so others may want to double-check that the rear heat tape is getting turned off in the summer.

IX. OLD BUSINESS

Old business was covered in the Managing Agent's Report.

X. NEW BUSINESS

New business was covered in the Managing Agent's Report.

XI. ELECTION OF DIRECTORS

The term of Pete Catalano expired this year and he was willing to serve an additional term. Dave Benson's seat was vacant due to moving out of the community, with two years remaining in the term. Steve Thompson self-nominated and Robin Pitts was nominated from the floor.

Motion: Garrett Poulos moved to elect all three candidates. Jeanne Belli seconded and the motion carried.

XII. NEXT MEETING DATE

The next Annual Homeowner Meeting was scheduled for August 3, 2024 at 9:00 a.m.

XIII. ADJOURNMENT

Motion: Bill Word moved to adjourn at 11:40 a.m. Jim Johnson seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature