

Rough Draft

GLACIER VIEW MEADOWS
ROAD AND RECREATION ASSOCIATION
WATER AND SEWER ASSOCIATION
ANNUAL MEETING
June 19, 2010

ATTENDANCE:

Water and Sewer

Frank Winter – President
Jerry Wood – Vice-President
Jim Petrie – Treasurer (absent)
Tom Willard – Secretary
Tom Bizzell – Director

Road and Recreation

Rick Snow – President
Linda Adams – Vice-President
Mike McKay – Treasurer (absent)
Cal Bruxvoort – Secretary (absent)
Ted Rodenbeck – Director

STAFF:

Steve Horsmon – Manager
Lynn Johnson – Maintenance I
Mary Keller – Secretary (absent)
Jerry Rogers – Water Operations Supervisor
Brian Schaneman – Operations Team Leader
Deanna Snell - Bookkeeper

Registration to Vote 8:00 – 9:00

Rick Snow, Road & Recreation President, welcomed and introduced the three guest speakers, Poudre Valley REA, Energy Use Specialist, Gary Meyers, Glacier View Fire District, Assistant Chief in charge of training, Tom Bizzell, Glacier Gals, President, Anne Rodenbeck.

Poudre Valley REA, Energy Use Specialist, Gary Meyers: Gave a Power Point Presentation and Discussed Energy use and steps that can be taken to reduce energy use in the home. Poudre Valley REA has a program that offers energy audits for homes and small businesses. If you are a PVREA member call 970-282-6464 and I will be happy to bring high-tech equipment out to your house and give you an assessment of how to make your home more energy efficient and save money.

Three-tiered Home Energy Audit Program

1. Electricity Audit to detect and mitigate electrical power issues -- Free.
2. Blower Door air leakage and weatherization evaluation – \$50
3. Steps 1 and 2 plus infrared structural and insulation evaluation – \$100

PVREA will rebate up to \$50 after some qualifying repairs are made.

CFL lightbulbs cost just \$1 for REA members when they stop by the PVREA offices.

Replacing just one incandescent light bulb with a CFL will use 60% less energy for one bulb. There are mercury concerns: They take them at Poudre Valley REA, Land fill, Home Depot and Ace hardware and will dispose of them for free.

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Assistant Chief in charge of training, Tom Bizzell, reported for the Glacier View Fire District. Tom discussed the Department and stated that we have an incredible volunteer service up here. The Department gets an average of 120 calls a year. Eighty percent of the calls are for injury or sickness, 15% are for wild fire, and 5% are for structure fires. The Department was fortunate to put a new 4-wheel drive ambulance in service this year. Tom also discussed burning of slash and the strict EPA regulations that have to be followed. This year GVM experienced many problems related to illegal dumping in the slash pile. Tom stressed that only branches, limbs and pine needles are allowed in the slash pile. Please do not dump hay or hay bails, manure or bedding, tree stumps, whole trees or logs, lumber or plastic bags. If these rules are not followed we could lose the ability to obtain a burn permit. The Department is applying for grants to purchase additional equipment in 2011.

Anne Rodenbeck, Glacier Gals President, reported for the Glacier Gals. Anne invited members of the audience to join Glacier Gals. Anne outlined fund raising activities: recycling cans, pancake breakfasts, GVM logo wear and the annual bake and plant sale. The funds the Glacier Gals raise goes back into our community and to help support school activities. Anne thanked the membership for their continued support.

Rick Snow called the meeting to order at 9:30a.m. Rick introduced the Board Members and staff.

(Annual meetings and special meetings are considered a meeting of the membership. To establish a quorum 50 unit owners must be present by attendance or proxy.) All Board members were present except Jim Petrie, Mike McKay, and Cal Bruxvoort. It was determined that a quorum was present and the Annual Meeting Notification had been sent on time.

REVIEW OF ANNUAL MEETING MINUTES DATED JUNE 20th, 2009

Linda Adams moved to accept the minutes as written. Unanimous-motion passed

ELECTIONS:

- A. Introduction of Candidates by Diane Morison
 - Road & Recreation: Ted Rodenbeck and Rick Snow.
 - Water & Sewer: Frank Winter and Ginny Blanz
- B. Nominations from the floor: None

Diane Morison, spoke for the Nominating committee. Diane explained the rules of voting. There are two (2) openings on the R&R Board, and two (2) openings on the W&S Board. Diane stressed the importance of the board and running for a board position. The voting was conducted.

TREASURER'S REPORT: (See enclosed)

Linda Adams, Vice President, Road & Recreation, gave a synopsis of the financials for the Road and Recreation Association. We completed the 11 month or 92 % of the budget year, with no issues noted. The report was accepted as submitted.

Jerry Wood, Vice President, Water & Sewer Association, gave a synopsis of the financials for account #'s 001, 002 and 003 for the Water and Sewer Association. Water & Sewer is 8 months or 67% into the budget year. There are no significant deviations from the budget. The report was accepted as submitted.

PRESIDENTS' REPORTS:

Rick Snow, President, Road and Recreation Association, reported for the Association. Rick outlined various Road and Recreation projects and events for the past year. The Road & Recreation welcomed two new board members Cal Bruxvoort and Ted Rodenbeck then we went on to events such as community workday and hazardous material clean up, fishing derby, snow removal, completed and had new GVM maps printed. The two Boards have approved a special accounting practices and procedures audit by outside auditors to determine whether our homeowners association has in place proper policies and procedures in financial operations such as receipts, disbursements, banking, etc. The Board will also be looking at the requirements of recently passed legislation here in Colorado requiring HOA boards to adopt policies regarding financial reserves. The Architectural Review Committee will submit a final draft rewrite of the Rules & Regulations to the Board at the July 21st Board meeting.

Frank Winter, President, Water and Sewer Association, discussed the activities and accomplishments of the Water and Sewer Association through the year. Frank discussed the challenges that lay ahead in repairing the community system corridor in the 4th, 7th and 8th filings. The system was installed in the 1980's and needs to be replaced. For the last several years we have been replacing sections of the corridor and are in the process of completing the excavation of the Maroon Bells deep bury project. The waste water treatment plant is up and running and met all test requirements for nitrogen removal last month. Frank also reminded the membership to take advantage of the \$100.00 septic pumping rebate. This benefit is available to all water & sewer members once every three years.

MANAGERS REPORT: (Attached below)

General Office, Personnel, and Budget Updates:

- A. Scheduled the Association accounting practices audit with Rickards Long & Rulon CPA's for August 17, 2010. We have requested that this audit includes a review of our procedure for performing Reserve Studies which is a new requirement of Colorado House Bill 09-1359.
- B. Frank Stanek has been a GVM part-time employee also working through the Larimer County workforce program since April 1st. After 10 weeks of solid performance, we plan to interview Frank for a full-time position. This opening has become available since Jerry Rogers has converted to part-time status working about 10 hrs./week.
- C. The 2010-2011 Road and Recreation billing process is complete. Once again, Deanna and Mary teamed up on this and got it done in flawlessly. We will be reporting on-time payment statistics in the July and August meetings.
- D. As discussed and approved in previous meetings, the office has had a new door installed and replacement windows are planned in July. These items should improve our heating costs as wind and snow inside the office should be reduced.

Road and Recreation Association

- A. Brian, Lynn, and Frank spent about 10 days removing beetle kill trees from GVM greenbelts and covering with plastic. We managed to cut down about 75% of the known infestations. We will work on getting more in June/July.

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- B. We are tracking pine beetle infestations and notifications to property owners. About 30 owners were contacted this month with about half of them taking immediate action. The remainders have been reported to the county forester.
- C. Began mowing GVM greenbelts in preparation for weed spraying. First round of spraying was done in the week of June 14th for mostly Canada Thistle and early Diffuse Knapweed.
- D. Completed road grading on main roads in the 1st, 4th, 8th, and 9th Filings. Applied almost 3000' of recycled asphalt in mud-prone areas of the 12th Filing and on Green Mtn. Dr. Next application is scheduled for portions of Mt. Harvard Rd.
- E. More new road signs have been completed and mounted. This will continue all summer as time allows.
- F. Stocked all 3 lakes and power-washed all outhouses in preparation for the 4th of July weekend.
- G. Helped Ecology Committee volunteers with continued tree thinning at Gate 8 and removed two large trees near the driveway with a long history of stepping out in front of vehicles on that curve.

Water & Sewer Association

- A. Began excavation for final connections on the Maroon Bells deep bury. Weather and pipe fitting availability has delayed the completion of this project.
- B. The wastewater treatment plant met all test requirements for nitrogen removal for the month of May. Ground saturation has caused water to surface at the new leach field. This should improve with drier weather. We will investigate any possible lateral line breaks. It also appears that spring ground water is getting into community septic tanks and affects the influent quality which affected the plant biology. We are changing the carbon source from acetic acid to MicroCg which is made from renewable agricultural components.
- C. So far this fiscal year, 15 homeowners have received the \$100 rebate for pumping their septic tanks. This benefit is available to all GVM Water & Sewer members once every 3 yrs.

Steve thanked the Board for the party last night. It was a great time! Steve also mentioned the wildlife and reminded everyone that the bears are out. Steve also mentioned three longtime residents that recently passed away: Iris Slack, Vince Degregorio, and Nancy Blackwell.

JOINT COMMITTEE REPORTS:

Architectural Review (ARC) Steve Horsmon, GVM Manager, reported for the committee: Committee members have been busy working on the rewrite of the ARC rules and regulations. The goal is to clarify, update and improve the rules that the membership must follow. The final draft will be ready for board review at the next board meeting.

Ecology Committee: Judd Adams, Chair, reported for the committee:

Noxious weeds:

- 1) We have been making progress over the years.
 - a) Gate 3, Mt. Moriah Open Space the leafy spurge is gone
 - b) Spraying the Canada Thistle is very effective: Fortay uses a special "cocktail" which we hope to be using soon, and Milestone has proven very effective on its own.

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- i) the drainage area of Crellin Lake is almost completely clean except for a few plants at the upper end, an area which was probably not sprayed.
 - ii) In former horse runs near the current slash pile, totally infested with CT, has been reduced to about 10% from several years ago.
 - iii) At Gate 10, the Canadian Thistle and Diffuse Knapweed have been greatly reduced, although still needs follow up.
 - c) At Gate 2, Diffuse Knapweed is down to 10% from 2 years ago.
- 2) A Weed Alert has been posted on the door to the trash compactor and will updated periodically.

Tree Thinning Project

In October 2009 we launched a new initiative to reduce the number of trees at the entrance to the Association Office area to make them more healthy and thus less of a *fire hazard* and less susceptible to *mountain pine beetle*, mistletoe and other diseases. Fewer trees mean less competition for water, light, and nutrients.

We also believe a thinned forest would look better.

We trimmed dead branches up 3-4 feet in height and reduced tree density.

Some of the long trees were saved to be used with the buck and rail fence.

Smaller material was given as firewood to a group in Red Feather Lakes who distributes to needy families.

We worked 2 weekends in 2009 and 1 weekend thus far in 2010.

Horse Property Pasture Management and Slash Pile Management

- 1) In April Steve and I sent a two part letter to all owners of horse property addressing two topics.
 - a) Part one was a request to not put manure or hay and straw in the slash pile because it doesn't burn properly. The problem was discovered when the Glacier View Fire District attempted to burn the slash pile 3/29/10. It could not be completed on that day as required by EPA regulations. Non-composted, wet manure mixed with straw was found to be smoldering for days after the burn was to be completed. This resulted in multiple emergency calls for the firefighters to return to the burn area for more "mop up" work.
 - b) The second part was a letter from me about effective pasture management, prompted in part by a talk by CSU range management researcher Ernie Max, given at the January, 2010 North Fork Weed Coop Annual Meeting. My letter had two basic parts:
 - i) First, early spring grass is especially rich in carbohydrates and can cause metabolic problems such as founder or laminitis. Horses need to be transitioned slowly from their winter hay to the fresh pasture grass. If they have had free access to the pasture during the winter, they need to be brought in to the corral when the spring grass begins to grow.

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- ii) The second reason to keep horses off the spring grass is to give it the chance to grow properly and to avoid over grazing.
- iii) I also gave suggestions on manure management
- 2) Subsequently over several weeks time I have conducted a survey to determine how we horse owners are managing our property.
 - a) My survey included an evaluation of quality of the land as pasture, specifically, how much nutrition will the land provide? Land was rated on a 3-point scale: 3= good forage, 2= some forage,1= no forage value, only exercise. This rating in an interaction of forage value and lot size.
 - b) Next I rated how well the land is being managed relevant to its potential, again on a 3-point scale: 3=excellent condition, as good as it gets, 2=reasonably well managed, 1=needs improvement; 0=overgrazed.
 - c) 28 properties were evaluated, 2 were not because they could not be viewed from the road. My results:
 - i) Pasture potential is roughly 1/3 in each level, meaning most properties are not particularly suitable for forage value.
 - ii) A large majority – 75% - are managing the land at the highest level. There are several lots where we need to talk with the owners.
 - d) From personal observation I can say that in several instances owners have made improvement in their management practices with very beneficial effects on the land.
- 3) In this regard, at this time, I wish to present to my neighbors, the Butlers, the Land Steward of the Year award for the dramatic improvement they have made to their pasture.
 - a) Unfortunately they can not be here today because they both work on Saturday.
 - b) But Rex is here today. He received the Land Steward of the Year award last year for the dramatic improvement he made to his property effectively managing a massive noxious weed infestation of predominately Canada thistle – it was a 100% thick patch, along with Common mullein. I helped him get started several years ago, but he has done all the work, and his property is beautiful. Rex, please come up here and be recognized for the excellent work you have done. Say a few words if you wish.

Rating	Potential		Management	
3	10	36%	21	75%
2	9	32%	3	11%
1	9	32%	4	14%
	28			

Land Stewards

We have two categories of Land Stewards Private and Community. Private Land Stewards are working to manage noxious weeds, mountain pine beetle, or otherwise improving the ecology of their land. GVM now has over 80 properties so designated. Community Land Stewards, in addition to managing their own property, devote time to managing community property. Ecology Committee members please rise and be recognized.

Budget Committees

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Mike Corbin, reported for the Road & Recreation Committee
Budget Committee Members
Linda Petrie – Chairperson
Sue Olson
Mike Corbin
Frances Feist
Rick Snow – GVM R&R President.

The budget committee reviewed the reported actual R&R expenses incurred as of March 2nd, 2010 and the projected actual expenses for the end of the 2009–2010 fiscal year. We also completed a detailed review of the proposed 2010-2011 budget. The committee has agreed with the budget as proposed.

Based on the proposed budget information, it was decided that an increase in the R&R dues should not be needed for 2010-2011. This decision was based on the projection that total operations revenues are expected to be higher than projected last year. This projected increase is a combination of collection of previous year's dues and late fees, Viewpoint map ads, and carry forward from the previous year. In addition, total expenditures are expected to be less than projected last year. This projected decrease was due to less snow removal expenses, the lower cost of fuel, and the fact that the emergency fund had not been used as of 3/2/10.

The committee recommends a \$40,000 contribution to the 10-11 capital reserve fund to be divided as follows:

Capital Line Item	2009-2010 Addition	New Balance	Projected Use
Office Equipment	\$ 1,500	\$	Future Computer Replacement
Grader Replacement	\$25,000	\$	Replacement fund
GMC (2000) Replacement	\$ 1,000	\$	Replacement fund/split with W&S
Mower/plows/Snow Removal equip	\$ 5,000	\$	Replacement fund
Building/Yards	\$ 2,000	\$	Buck and Rail/Signs
F350 Truck	\$ 2,500	\$	Replacement fund (50%)
Dodge Truck (1999)	\$ 3,000	\$	
Total	\$40,000		

The R&R dues have not been increased since 2005. The committee understands that there is a possibility that the dues may need to be increased for the 2011-2012 fiscal year to allow continued capital reserve contributions at \$40,000.

Road and Recreation Dues Cap Summary

2005-2006 – Cap raised by member ship vote from \$300/yr to \$350/yr
2006-2007 – Cap raised by 2005 CPI-U 3.4% to \$361.90
2007-2008 – Cap raised by 2006 CPI-U 3.2% to \$373.48
2008-2009 – Cap raised by 2007 CPI-U 2.8% to \$383.94
2009-2010 – Cap raised by 2008 CPI-U 3.8% to \$398.53
2010-2011 – Cap decreased by 2009 CPI-U -0.4% to \$396.93

Jerry Wood, Vice President, reported for the Water & Sewer Association

Budget Committee Members

Cal Bruxvoort – Chairperson

Jerry Tucker

Ted Rodenbeck

Jim Petrie – GVM W&S Treasurer

Summary of Proposed Budgets

The Budget Committee began meeting on March 23, 2010. They were presented with a budget study report for all three Water & Sewer Association accounts. **The Management Account (001)** included a proposal to add an additional expense of \$3,500 for a modified CPA audit of the Water and Sewer Association accounting practices. This is half of an estimated \$7,000 cost of this professional service shared with the Road and Recreation Association. Also, it was proposed that the Management Account portion of the Manager and Bookkeeper salaries be changed from 55% to 70%. This more accurately reflects the management nature of these two positions. With \$136,244 in capital reserves, it was proposed that no additional contribution to capital reserves is needed. Lastly, the budget study indicated no need to raise the current Water and Sewer Association dues amount of \$144. It appears that a 10% increase in these dues may be needed in the 2011-2012 budget year.

The proposed budget for the **Community Water and Sewer System Account (002)** was also reviewed. This account pays expenses and collects fees on behalf of properties on the 3rd, 4th, 7th, 8th, and 9th Filing community systems. One additional expense of \$1,000 was proposed for a professional underwater inspection of the 20,000 gallon water storage tank in the 7th Filing. The proposed 002 budget also showed an increase of \$5,000 to cover Wastewater Treatment Plant chemicals and water testing services which were under-budgeted prior to this system going into operation. Also, the proposed budget showed a decrease in the portion of payroll expense for the Manager and Bookkeeper salaries from 35% to 20% of the Water and Sewer Association paid wages. A contribution of \$20,000 to capital reserves is proposed to help fund continued replacement of shallow-buried water and sewer lines. Lastly, a rate increase of 5% is proposed for availability and user fees. This increase is needed to keep pace with expenses and continued contributions to capital reserves.

The proposed budget for the **Community Water and Sewer System Account (003)** was also reviewed. This account pays expenses and collects fees on behalf of properties on the 12th Filing community systems. One additional expense of \$2,000 was proposed for a professional underwater inspection of the two 30,000 gallon water storage tanks in the 12th Filing. A contribution of \$5,000 to capital reserves is proposed to help fund a future upgrade to the community system leach field. A letter has been sent to all property owners served by this system to explain the status of this leach field. Lastly, a rate increase of 5% is proposed for availability and user fees. This increase is needed to keep pace with expenses and continued contributions to capital reserves.

The budget committee also discussed at length the ongoing expenses associated with the remaining shallow-buried water and sewer systems in the 4th, 7th, and 8th Filings. Heat tape electrical expenses are budgeted at \$18,000 this year and corridor supplies/repair expenses are at \$7,000. These two expenses could be significantly reduced if the association could accelerate the completion of the deep bury projects on the remaining 7,000 feet (approximate) of main lines. If these expenses are reduced, it would reduce the pressure to increase the fees on this system each year. The budget committee investigated potential costs by working with the manager and a trenching contractor. This information is provided to the Board of Directors. The budget committee recommends that the board pursue an aggressive plan to complete the deep bury projects. With the largest constraint being availability of funds, the budget committee believes the board should consider setting up a line of credit with the Water & Sewer Management account (001). With over \$136,000 in reserves in the 001 account, a portion of this amount could be used as a loan to the Community System (002) account to help fund the needed projects. This money could be used in conjunction with the current balance of \$46,000 in capital reserves in the 002 budget account.

Summary of Budget Committee Recommendations

Water & Sewer Budget Account 001 - Management

1. No dues increase recommended for 2010-2011 fiscal year. Dues should remain at \$144/yr for improved lots and \$72/yr for unimproved lots.
2. With a current balance of \$136,244 in capital, no additional contribution to the 2010-2011 capital reserve funds is recommended.
3. Recommend retaining the \$100 rebate benefit to Water and Sewer members for septic tank pumping by private contractors.
4. Recommend increasing the portion of the Manager and Bookkeeper salaries from 55% to 70% of the Water and Sewer Association wages (W&S Assoc. wages are 50% of total wages)
5. Recommend adding the additional expense of \$3,500 to cover half of the cost of a financial audit to agree upon procedures. (Expense shared with Road and Recreation Assoc.)

Water & Sewer Budget Account 002 – 3rd, 4th, 7th, 8th, 9th Filing Community Systems

1. Recommend a 5% increase in Availability and User Fees for this system. See summary below.
2. Recommend additional expense of \$1,000 for a professional underwater inspection of the 20,000 gallon water storage tank in the 7th Filing.
3. Recommend decreasing the portion of payroll expense for the Manager and Bookkeeper salaries from 35% to 20% of the Water and Sewer Association paid wages.
4. Recommend a contribution of \$20,000 to the capital reserve funds.
5. The committee is evaluating strategies and costs related to expediting the completion of the remaining shallow-buried system.

<u>Annual Fees</u>	<u>Current</u>	<u>(Recommended) 2010-2011</u>	
Improved Lots W&S	\$943.80	\$991.20	
Monthly Payment with Dues Included: \$3.95	\$90.65	\$94.60	Monthly Increase in Payment:
Unimproved Lots W&S	\$471.84	\$495.60	
Monthly Payment with Dues Included: \$1.98	\$45.32	\$47.30	Monthly Increase in Payment:
<u>3rd Filing Sewer Only Lots</u>			

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Improved Lots	\$399.24	\$419.40	
Monthly Payment with Dues Included:	\$45.27	\$46.95	Monthly Increase in Payment:
\$1.68			
Unimproved Lots	\$201.24	\$211.20	
Monthly Payment with Dues Included:	\$22.77	\$23.60	Monthly Increase in Payment: \$
.83			

Water & Sewer Budget Account 003 – 12th Filing Community System

1. Recommend a 5% increase in Availability and User Fees for this system. See summary below.
2. Recommend additional expense of \$2,000 for a professional underwater inspection of the two 30,000 gallon water storage tanks in the 12th Filing.
3. Recommend maintaining the portion of payroll expense for the Manager and Bookkeeper salaries at 10% of the Water and Sewer Association paid wages.
4. Recommend a contribution of \$5,000 to the capital reserve fund.

<u>Annual Fees</u>	<u>Current</u>	<u>2010-2011</u>	
Water Only			
Improved Lots	\$544.56	\$571.80	
Monthly Payment with Dues Included:	\$57.38	\$59.65	Monthly Increase in Payment:
\$2.27			
Unimproved Lots	\$270.60	\$284.40	
Monthly Payment with Dues Included:	\$28.55	\$29.70	Monthly Increase in Payment:
\$1.15			
Sewer Only			
Improved Lots	\$399.24	\$419.40	
Monthly Payment with Dues Included:	\$45.27	\$46.95	Monthly Increase in Payment:
\$1.68			
Unimproved Lots	\$201.24	\$211.20	
Monthly Payment with Dues Included:	\$22.77	\$23.60	Monthly Increase in Payment:
\$.83			

PUBLIC INPUT:

Jerry Wallack thanked the Boards for not only putting on a great party but for paying for the food out of their own pockets. Jerry also thanked the fire district for doing a great job. He explained they had need for emergency services at their house a few days ago and were extremely impressed with professionalism and timeliness of the department.

NEW BUSINESS:

- A) Road & Recreation Board Vote on 2010-2011 Budget: Jerry Wallack, moved to approve the Budget as submitted. Unanimous-motion passed
- B) Water & Sewer Board Vote on 2010-2011 Budget: Jerry Wood moved to approve the Budget as submitted Unanimous- motion passed

ELECTION RESULTS:

Road and Recreation: Rick Snow and Ted Rodenbeck were re-elected to serve a two year term.

Water and Sewer: Ginny Blanz was elected to serve a two year term and Frank Winter was re-elected serve a two year term.

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Meeting adjourned at 10:15 a.m.

Appointment meetings held immediately after the annual meeting. The Boards selected officers as follows:

Road and Recreation Board Appointments: Water and Sewer Board Appointments:

Rick Snow – President
Linda Adams – Vice-President
Mike McKay – Treasurer
Cal Bruxvoort – Secretary
Ted Rodenbeck – Director

Frank Winter – President
Jerry Wood – Vice-President
Jim Petrie – Treasurer
Tom Bizzell – Secretary
Ginny Blanz – Director