

JOINT BOARDS' MEETING  
APRIL 15, 2006

IN ATTENDANCE CLWSA: Herb Cooper, Steve Koeckeritz, Barb Rosenbrock, Joe Sarjeant, Jack Watson, and Manager Jody Sandquist.

IN ATTENDANCE CLRRA: Inge Hongsermeier, Ruth Ludwig, Rex Schweers, Steve Smalley, David Smith, and Marvin Thomas.

ABSENT: Francis Podorski.

PROPERTY OWNERS & OTHERS IN ATTENDANCE: Six (6).

WATER & SEWER PRESIDENT STEVE KOECKERITZ CALLED THE APRIL 15, 2006, JOINT BOARDS' MEETING TO ORDER AT 10:09 A.M.

ADOPTION OF AGENDA:

MOTION: Steve Smalley moved to approve the Agenda. Ruth Ludwig seconded the motion, which passed unanimously.

APPROVAL OF MINUTES:

MOTION: Steve Smalley moved to approve the minutes of March 18<sup>th</sup>. Inge Hongsermeier seconded the motion, which passed with three abstentions: Joe Sarjeant, David Smith, and Marvin Thomas.

- MEMBER' COMMENTS: None.
- WEB PRESENTATION: Greeley Computer Service is still working on the web site.
- COLLECTION REPORT: Written report by Jody.
- MANAGER'S REPORT: Jody spoke with Debbie Hickock from CAI, Rocky Mountain Chapter, and she is going to confirm July 22<sup>nd</sup> as the date for the ABC's Basic Course for Board Members. The only expected cost for the seminar is for the booklets, which will be \$10.00 to \$20.00 ea. Jody suggests that the Associations sponsor the event and a luncheon at the restaurant. She has called Fox Acres, Red Feather POA, and Glacier View, and they are all interested in having their Board Members participate. The seminar would be from 8:00 a.m. until 4:00 or 5:00 p.m. The Board scheduled the Employee Appreciation Dinner for June 3<sup>rd</sup>. Happy Hour will be at 5:00 p.m. and dinner at 6:00 p.m. Jody has signed herself and Rick up for a CAI class on Financial Management, which will be held on June 1<sup>st</sup> and 2<sup>nd</sup>. In a conversation with David Bennett (08014), he suggested the Associations purchase a web camera and have a weather station here in Crystal Lakes. Jody could not find anything on the web relating to the weather up here. The Boards would like further information on what is available and asked Jody to look into the options.

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Jody apprised the Road & Rec. Board that the Water & Sewer Board had discussed the 9<sup>th</sup> Filing boundary line issue between the Forest Service and property owners. Steve Koeckeritz explained that at first he didn't feel this issue involved Water & Sewer in any way. However, as they discussed the issue, they concluded that this does affect the boundaries of the Augmentation Plan, and they do have an interest in this issue. Based on that, they asked Jody to send a letter to the Forest Service advising them that Water & Sewer does have an interest in it and would like to participate in any discussions or meetings that take place. They don't see themselves stepping in and representing the property owners themselves in picking up the tab for attorney's fees that might be involved to get this resolved. Steve Smalley informed the Board Members that Bob Brandes had submitted the same suggestion to the Road & Rec. Board. Steve Koeckeritz stated that they had asked Jody to send a letter to the Forest Service and suggested it could be on behalf of both Associations. It would inform the Forest Service that they are aware of this issue, they are concerned that other areas of Crystal Lakes could be similarly impacted, and they would like to know if any other Filings might in the future be affected by a similar type of finding.

CLRRA MOTION: Ruth Ludwig moved to be partners in the letter that is being sent to the Forest Service. Inge Hongsermeier seconded the motion, which passed unanimously.

- **CONTRACT ON 15010:** An offer came in on this property after the last Board Meeting. It was listed for \$18,500.00, the offer came in at \$17,500.00, and the consensus of the two Boards was to accept the offer. Steve Koeckeritz stated that this offer had come into Lone Pine Realty as a result of his being a Broker/Owner of said company. In the past, he had not collected a commission on property he has sold for the Association. In this instance, he would like to collect a partial commission on that part of the property owned by the Road & Rec. Association, of which he is not a Board Member. In order to not have a conflict of interest as a Water & Sewer Board Member, he would waive any commission that would be payable.

CLRRA MOTION: Inge Hongsermeier moved that Steve Koeckeritz, as the Broker representing the sale of lot 10, Filing 15, receive half of the commission for Road & Rec. for the sale of the property. Marvin Thomas seconded the motion, which passed unanimously.

CLRRA MOTION: Rex Schweers moved to approve the sale (15010) at \$17,500.00. David Smith seconded the motion, which passed unanimously.

CLWSA MOTION: Herb Cooper moved to approve the sale (15010) at \$17,500.00. Barb Rosenbrock seconded the motion, which passed unanimously.

- **POLICY & DOCUMENTS ITEMS:** Policy and Documents will have their meeting next week.  
Dues & Fees Schedule:
- **PENSION STATUS-**Steve Smalley, Steve Koeckeritz, Herb Cooper, David Smith: Steve Koeckeritz, Jody and Herb met with Gary Kietzmann, Raymond James Financial Services, Inc., with regard to the steps that we need to take to replace the plan that we previously had with 1<sup>st</sup> National Bank. Steps were taken many months ago to terminate the plan. It is taking the IRS so long to officially terminate the plan that it has created the dilemma of the Associations not being able to make contributions for our employees during this fiscal year. Gary has advised that a new plan cannot be set up until the old plan has been terminated. The Associations can fund a new plan at any time up until they file their

tax return for the current fiscal year, which normally would be sometime after May 31<sup>st</sup>. Steve reviewed the plans that are available. He explained that whether the Association pays into a SEP or a Simple Plan, a Sep must first be set up to allow the employees to transfer that money into the SEP to avoid being taxed on the receipt of those funds.

MOTION: Rex Schweers moved that we proceed with the plan to establish the SEP accounts for our employees. David Smith seconded the motion, which passed unanimously.

Steve Koeckeritz stated that one loose end on this is selecting the fund that we would use to provide the basic menu of investment options. American Funds is one that Gary recommended and that Steve has had positive experiences with.

MOTION: Steve Smalley moved to use American Funds. Marvin Thomas seconded the motion.

David Smith said he would prefer to do some research on this on his own and have this vote later. Steve replied that there is a risk involved if the plan is terminated, the timeframe for getting the funds transferred into replacement funds is an unknown.

MOTION: David Smith moved to amend the motion to read "to use American Funds on an interim basis until the May Meeting. Rex Schweers seconded the motion to amend, which passed unanimously.

The original motion passed unanimously.

- **DISCUSSION RE: SERVICE PROVIDERS HIRED BY THE ASSOCIATIONS:** Staff had been notified that a septic system in the 6<sup>th</sup> Filing had not been draining. The property owner had hired a provider to clear their line. When it appeared that our lines could be frozen, rather than hire the provider the property owner was using, the Association hired one that we had used before at a great saving. That provider is a company owned and operated by a husband and wife and they do not need to provide such items as workman's compensation, etc., inasmuch as they handle the work themselves. The issues before the Boards are determining that a sole proprietor company does not employ anyone else when they do not carry workman's compensation, and if there should be a policy citing a minimum level of liability insurance that every provider is required to carry when working in Crystal Lakes. This issue will be addressed at the May Meeting.
- **INVESTMENT STRATEGIES:** Steve reported that he, Jody, and Herb met with Kevan McNaught of 1<sup>st</sup> National Bank Investments last week to discuss available options for investment of Association funds. The Water & Sewer Board created an Investment Committee consisting of the President, Treasurer, and the Association Manager. Road & Rec. will address this issue this issue at their afternoon meeting.

CLWSA MOTION: Herb Cooper moved to adopt the resolution proposed by 1<sup>ST</sup> National Bank Investments, subject to the restrictions imposed by Senate Bill 100. Joe Sarjeant seconded the motion, which passed unanimously.

- **COMMERCIAL INSURANCE REVIEW:** T. Charles Wilson provided the Boards with notification, and Jody has reviewed Water & Sewer's inventory to assure that they have full coverage. She has reviewed the Road & Rec. vehicle coverage, and still has to review their assets.

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- **ANNUAL MEETING PREPARATIONS:**  
Set locations & times: Water & Sewer's Meeting is scheduled for May 27<sup>th</sup> at 1:00 p.m. Road & Rec. has permission to hold their meeting in the Water & Sewer Building on June 10<sup>th</sup> and will decide the time at their afternoon meeting.  
Request volunteers to serve as Tellers to count ballots: Water & Sewer is required by SB 100 to count ballots at their meeting, they might want to consider having a committee for both Associations that would count ballots and have tellers. There is a tentative list of volunteers, and Jody will finalize the list for approval at the May Meeting. She will also make sure Road & Rec. has volunteers to count ballots on April 30<sup>th</sup>.
- **FIRE READY OFFERS:**  
Property Owner's Clinic: Tony Mahon, owner of Fire Ready, is offering a clinic for property owners and interested in being available at both Association's Annual Meetings to give information on creating defensible space. Water & Sewer agreed that Tony could be available outside during their Meeting.  
Chipper for a Day: Tony is willing to donate a chipper for a day, and Jody will work out the particulars with Tony.
- **ACCOUNTING PROGRAMS:** Jody spoke with John Kruchten, who has served as the Associations' auditor and tax accountant. John is willing to help us look at some of the available programs; however, he does feel that Peachtree is the most appropriate program for us. Jody will also check with CAI for their recommendations.
- **BINDER UPDATES:** The Boards were presented with an updated Hearing Panel Charter for their binders.

Jody and Daniel will meet with Jessica of the 1<sup>st</sup> National Bank in Loveland to go through their lockbox data center on May 4<sup>th</sup>.

THE JOINT BOARDS RECESSED TO EXECUTIVE SESSION FOR A PERSONNEL MATTER AT 11:59 A.M., AND RECONVENED AT 12:40 P.M.

Steve Koeckeritz stated that the Joint Boards of Directors are aware of a communication circulated by a property owner by the name of Vince Molinaro and the distribution of a rebuttal to that letter purportedly on behalf of the Crystal Lakes Association signed by Daniel Miller. The Boards want to make it clear that that letter has not in any way been authorized or approved by the Association Manager or the Associations' Boards of Directors, and does not represent a response by Crystal Lakes Associations. Furthermore, we consider responses of this type to be inappropriate by an Association staff member, and the Association will be reviewing the matter and taking appropriate disciplinary action.

MOTION: Marvin Thomas moved to adjourn. Inge Hongsermeier seconded the motion, which passed unanimously.

THE JOINT BOARDS' MEETING ADJOURNED AT 12:43 P.M.

Respectfully submitted,  
Bev Eddinger  
Recording Secretary