



Crystal Lakes Road and Recreation Association
Board of Director's Meeting
March 17, 2018
MINUTES

I. Call to Order:

The meeting was called to order on March 17, 2018, at 1:00 p.m. at the Crystal Lakes Wapiti Room, 300 Tami Road, Red Feather Lakes; CO.

Directors Present:

President	Cheryl Poage
Vice President	Bryon Fessler
Secretary	Steve Dirmeyer
Treasurer	Andrew Burt
Member at Large	Jim Mcconnell

Others Present:

Stella Anderson	CL Office Manager
John Mcguire	CL Road and Facilities Supervisor

Property Owners: 9 in Attendance

II. Approval of Agenda:

The Board reviewed the agenda for the March 17, 2018, Board of Directors meeting.
A. Sirens were added under New Business.

A motion was made by Andrew Burt and seconded by Bryon Fessler to approve the amended agenda. The motion was approved unanimously.

III. Property Owner Forum:

- i. Sharon Cooper, Community Fund President requests the Board permission to stake wood markers for the Hash Memorial Shelter. Cheryl Poage requested the submission of a plat before any markers should be placed and suggested collaborations with John Mcguire, Road & Facilities supervisor. A request from the Board was to also work with John Mcguire to stake the site for the playground.
- ii. Janet Stellema expressed interest in an explanation for the division with the Water & Sewer Association. Cheryl Poage responded, financial impact will be a negative one for R & R and costs & services will change. Andrew Burt added positive focus will be on R & R services. Bryon Fessler stated it is W & S responsibility to address the separation. Mike Biló thanked Andrew Burt and Bryon Fessler for their input.

IV. Consent Agenda:

The minutes of the February 17, 2018 Board of Directors meeting were reviewed previously via email.

A motion was made by Jim McConnell and seconded by Andrew Burt to approve the Consent Agenda. The motion was approved unanimously.

V. **Officer's Reports:**

- A. **President's Report:** Cheryl Poage; looking at terminating services with CoAdvantage, in the process of hiring ADP. Huge cost savings. Board very pleased with staff, Stella working towards CAM license.
- B. **Treasurer's Report:** Board Treasurer would like to work with Westwind Management to open up a checking account to be FDIC compliant. Special account to open up short CD's, very please with new Westwind representative, Anais Torres.

A motion was made by Andrew Burt and seconded by Jim McConnell to accept the financials for January 2018 and place on file for the auditor. The motion was approved unanimously.

A motion was made by Andrew Burt and seconded by Jim McConnell to ratify the expenses and payables for January 2018. The motion was approved unanimously.

- C. **Secretary's Report:** Board Secretary reported the budget meeting is set for next weekend. Bryon Fessler added Annual meeting will be June 9 and notice should be sent out in early May and mentioned in the April agenda. A draft budget will be presented and content will be formalized. Secretary also presented the 3 year contract for the slash area, Jim McConnell, Bryon Fessler and Andrew Burt requested this topic to be delayed for April for detailed information on the burning process. The Board requested burning details before entering into contract, no decisions made at this time. Reiterated CLRRA staff will not participate.

VI. **Other Reports:**

- A. **Attorney Status Report:** Bryon Fessler reiterated payment plans require Board approval. Attorney has authorized 2 plans without Board approval. Mike Bilo stated, the Association needs to recover costs so makes sense these plans require Board approval. Westwind account numbers will be used for collections/payments.

A motion was made by Andrew Burt and seconded by Jim McConnell to accept the payment terms proposed in 3 equal payments for case #2018c30672. The motion was approved unanimously.

Andrew Burt suggested the rental income for trailer storage to be collected upfront. Office Manager explained these rental charges are included with assessments so property owners will have until June 30. Andrew Burt suggested this be looked at closer for subsequent years.

- B. **Manager's Report:** None at this time.

VII. **Committee Reports:**

Fire Pit Committee: Bob Chesnut, committee chair, reported re inspections will be conducted in filings 12 & 13 in June and filings 14 & 15 in July. Inspections for property owners who fail to meet deadlines will be conducted in August. Formal letter will be sent in May for June inspections and June for July inspections. Cheryl Poage suggested the use of preprinted cards for property owners to mail in to reduce staff workload.

Recreation Committee: The Committee accepted the resignations from Nina Narva and Sharon Fessler.

A motion was made by Jim McConnell and seconded by Bryon Fessler to accept Nina Narva and Sharon Fessler's resignations. The Board would like to thank them both for their services and recognize the huge loss for the committee. The motion was approved unanimously.

VIII. Unfinished Business:

- A. FEMA Grant/Hazardous Fuels Reduction Project: No discussion at this time.
- B. Deferred Maintenance Projects: Bryon Fessler reported Kenny Lee Architect toured the shop and noticed the dirt floors and no restroom. Bryon Fessler will speak with W & S on how their shop receives plumbing services.
- C. OHV Access to National Forest: Bear Gulch – Next Steps: Cheryl Poage reached out affected Bear Gultch property owners with no response. The Board would like to proceed with the survey. Cheryl Poage will reach out to said property owners one more time in the form of a letter sent through the Postal Service.
- D. Entrance Sign: Cheryl Poage reported the Davinci installers hit granite and have given an addition cost of \$1,000-\$2,500 to proceed. Crystal Lakes staff will use an auger in attempt to create a hole in the granite. Andrew Burt expressed the possibility of causing damage to the equipment. If the CL crew is unsuccessful an e-vote may be necessary to proceed with Davinci.
- E. CLRRRA Records Retention and Destruction Policy: Topic was covered during the Joint Board Meeting earlier in the day.

A motion was made by Andrew Burt and seconded by Jim McConnell to approve the CLRRRA Records, Retention and Destruction Policy. The Board would like to thank Herb Hanlen and the Policies and Documents Committee for all their hard work and dedication. The motion was approved unanimously.

- F. Contracted Cleaning Services: Cheryl Poage requested this posting to go into a Special Edition of the View. Bryon Fessler has been approached by property owners asking about the employment of the current Porter and highly recommends current porter to respond to the RFQ.
- G. Audit Proposal:
A motion was made by Andrew Burt and seconded by Bryon Fessler to approve the accounting proposal by Houston Accounting Services to perform Audit and Tax Services beginning May 31, 2018. The motion was approved unanimously.
- H. Community Association Manager Proposals: To be discussed in Executive Session
- I. Purchasing Policy: Tabled for next month's meeting.
- J. Memorial Shelter: The Board requested more information, plan for maintenance etc. Steve Dirmeyer stated Hash Gile will build it, stain it but will not maintain long term. Further discussion will take place at next month's meeting.

IX. New Business:

- A. Grant's Heating Estimate for Basecamp: The Board was fine with the estimate given for the necessary maintenance of the boiler system.

- B. 2017 Employee Tax Forms: Westwind Management complete the forms and the no further discussion necessary.
- C. Prepare for 2019 season (vehicle passes, trailer storage reservations etc.): Office Manager reported contact has been made with printing company and the process in well underway. The choice color for the 2019 season will be lime green.
- D. Fire Pits and Open Fires: The revised policy will be posted on the Website for 30 days for property owner feedback. A vote on the revised policy will be decided in April's meeting.
- E. POS System/Sales Tax Items: The Board discussed discontinuing the sale of items in the Office that require us to charge sales tax as we are not a retail store. Andrew Burt recommended the Association cease selling items and post recommendations on the website as to where property owners can obtain items such as OHV flag kits. Bryon Fessler is working on the Maps and exploring the impact of the advertising revenue and how this will impact the cost of the maps. Exploring the option of going forward with donations for both maps and ice.

A motion was made by Andrew Burt and seconded by Jim McConnell to cease the sale of retail items in the Association Office by May 15, 2018. Left over items will be given to property owners at the Annual Meeting. The motion passed unanimously.

- F. Profile Holes: Office Manager reported service had not been offered or done under current staff. The Board decided to eliminate this service going forward.
- G. Annual Mailing: Bryon Fessler will work with Office Manager.
- H. FY2018-2019 Budget: First meeting scheduled for March 24, 2018 at 12 pm (noon).
- I. Group Health Plan Proposals: Will be discussed in Executive Session.
- J. R & R Transition Issues: HughesNet, will hold on decision to switch if decision is made to switch from CenturyLink an e-vote will be exercised.
- K. Vacant Board Seat for 2018/2019:
A motion was made by Jim McConnell and seconded by Bryon Fessler to appoint Bob Chesnut to the vacant position on the Board beginning June 9, 2018 for a year appointment. The motion passed unanimously.
- L. Initial Budget Sneak Peak: Will discuss budget at the budget meeting on March 24, 2018.
- M. Warning Sirens: Bryon Fessler expressed concern over the exposure of the emergency radio system, recommended securing the system. He volunteered to approach the Fire Department on the best location for the emergency radio system. Bryon was given Board (verbal) permission to pursue issue.

X. Reports and Correspondence:

- A. Violation Report: No discussion at this time
- B. Work Order Report: No discussion at this time.

C. Correspondence: No discussion at this time.

XI. **Executive Session, "if needed"**

Topics for discussion; Personnel and Contracting

A motion was made by Andrew Burt and seconded by Jim McConnell to enter into Executive Session at 3:22 p.m. The motion was approved unanimously.

A motion was made by Andrew Burt and seconded by Jim McConnell to adjourn from Executive Session at 4:21 p.m. The motion was approved unanimously.

A motion was made by Bryon Fessler and seconded by Andrew Burt to approve ADP as our group health plan provider and select United Health Care Navigate Direct Silver plan for employees. The motion was approved unanimously.

Board reviewed 6 proposals. Employees will have an option to upgrade at the employee's expense.

A motion was made by Andrew Burt and seconded by Steve Dirmeyer to authorize Bryon Fessler to negotiate with Westwind Management Group, INC for a part time portfolio CAM. The motion was approved unanimously.

A motion was made by Jim McConnell and seconded by Andrew Burt to change the office closure days to Sunday and Monday year around beginning April 2018. Exceptions to said closure days will be Memorial Day, 4th of July and Labor Day. The motion was approved unanimously.

The Board reluctantly made this decision based on budget constraints, historical usage and employee welfare. On-call staff will be available if warranted.

XII. **Adjournment:**

A motion was made by Andrew Burt and seconded by Steve Dirmeyer to adjourn the meeting at 4:36 p.m. The motion was approved unanimously.

Next Meetings:

CLRRA Board on April 21, 2018 at 1:00 pm

Joint Board on April 21, 2018 at 10:00 am

**MONTHLY TREASURER'S REPORT FOR NOVEMBER 2017 FINANCIALS
AS OF JANUARY 13, 2018**

Part I: Critical Notes and Motions for Current Meeting

1. **MOTION #1:** Accept the financials for November 2017 and place on file for the auditor
2. **MOTION #2:** Ratify the expenses and payables for November 2017
3. No Water and Sewer Equipment rental for the month

Part II: Open Items from Prior Month

- Started focusing on 2018/2018 budget
- Continue to push greater automation of interface between POS system and Westwind to increase speed and accuracy of financial statements
- Had meeting with our collections attorney, community manager, and Westwind to review Collections Report= reduced past due amounts by \$11.5k during the month!

Part II: Financial Statement Review

Balance Sheet

- Operating cash balances decreased by \$80k as expenses exceeded revenues for the month.
- Prepaid Assessments (liability) was essentially flat to prior month

Income Statement

Revenues

<u>Month to Date</u>	<u>Year to Date</u>
<ul style="list-style-type: none"> • Revenues were favorable to budget by \$12k • Assessment revenue was \$10k favorable to budget • Fishing revenue was below budget by \$4k • Operating revenue exceeded budget by \$5k • Rental revenue and sales revenue were \$1k favorable to budget <p>=> \$15k of this favorability is attributable to legal reimbursement and assessment revenue collected on past due amounts</p>	<ul style="list-style-type: none"> • Revenues exceeded budget by \$113k • All revenue categories exceeded budget year to date

Expenses

<u>Month to Date</u>	<u>Year to Date</u>
<ul style="list-style-type: none"> • Expenses were \$54k over budget • Administrative Expenses were \$5k favorable to budget • Employee expenses were \$3k favorable to budget • Equipment maintenance was \$1k favorable to budget • Fishing expenses were \$3k favorable to budget 	<ul style="list-style-type: none"> • Year to date expenses are \$13k unfavorable to budget primarily due to fishing expenses over budget by \$11.5k (on increased revenue)

<ul style="list-style-type: none"> • Ground Maintenance expense were \$19k unfavorable to budget, mainly due to timing of slash operations payment • Road Materials were \$47k favorable to budget due to timing of road materials purchase • Utility expenses were \$2k over budget 	
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According to our monthly financials, we incurred a net loss this month of \$43k and a year to loss of \$14k.

Reserves

We earned \$840 in interest income during the month and our investments had an unrealized gain of \$2,154. We paid \$3,252 for fire mitigation and \$4,987 for snow plow equipment. Net change to reserve balance was a decrease of \$5,246

Part III: Payables Review

Voided Checks:

- Terri Meadows- \$9.00
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Debit Card Transactions

- Reviewed debit card transactions for the month. No issues noted.

Potential Conflicts of Interest with Payables:

- Check to Bryon Fessler for \$66.31- signed off by two other board members to resolve conflict of interest
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Part IV: Account Review

- Amounts in Alliance checking and Guarantee operating accounts exceeds FDIC Insured Amounts. Need to correct in future. Reserve transfer of \$250k was completed during August helping to reduce impacted amount.

Part V: Past Due Balances

	Current to 60 Days	60-90 Days	90 to 119 Days	>120 Days	TOTAL
Current Month	\$3,850	\$980	\$3,626	\$38,932	\$47,388
Prior Month	\$3,173	\$3,771	\$3,401	\$48,532	\$58,827
Increase/(Decrease)	\$677	(\$2,791)	\$225	(\$9,600)	(11,489)

Westwind working to reconcile to Legal Collections Report.

Other Items

- None Noted