



**CLRRA Board of Directors E-Newsletter
March 2020**

It has come to the Board's attention that a former Board Member has once again taken to social media to falsely state that the Board had forced him to resign last year. In fact, the resignation that was submitted by the former Board Member states that the former Board Member was resigning for personal reasons. In addition to this, the resignation letter states that the Board has agreed to not pursue damage or proceed with any action concerning actions taken by the former Board Member during their tenure on the road and rec board of directors.

The Board has remained silent throughout the repeated instances that this former Board Member has taken to social media to disparage the Board. The Association is at its best when its members are engaged and active within both community and at Board meetings. Every owner has the right to voice their opinions and we encourage those opinions to be voiced even when the Board may disagree with such opinions. However, the Board will not stand by and allow members to make false accusations. The Board did not force any individual to resign. There is a process for removal of a director in the Association's Bylaws. No such action was ever initiated by the Board. When the resignation was received, the Board did agree not to pursue civil or criminal action against the Board Member for any actions or damages the Board Member may or may not have caused to the Association during the time the former Board Member was on the Board.

The Board regrets having to address the false statements, but felt that since we are approaching election season and the misstatements continue to be posted and spread throughout the community the Board had no option but to respond with the actual facts of the resignation letter.

Jeffrey B. Smith



Annual Meeting and Budget Ratification

Bryon Fessler, Finance Committee Chair

The Annual Meeting of the Association is held on the second Saturday of June each year. The purpose of the meeting is to present reports and transact other business as indicated in the notice. The Association is required to inform members of the Annual Meeting by sending a written notice at least 10 days, and not more than 50 days, before the meeting. The notice includes the date, time and location of the meeting along with the agenda and quorum requirement (50 members in good standing). To save money, the Association historically includes two other important documents with the Annual Meeting notice.

The first document is a summary of the proposed budget that has been adopted by the Board of Directors. Per Colorado law, the budget does not require approval by owners, but it is deemed approved by owners in the absence of a veto at the meeting by a majority of all owners (not just a majority of the owners who show up at the meeting), whether or not a quorum is present at the meeting. In other words, the owners have a right of disapproval. Per the Association's Covenants, Conditions and Restrictions (CC&Rs), "No increase or adjustment in annual assessments, and/or special assessments shall be charged to the Members of the Association except those previously approved by the Membership, or approved by a majority of the Owners' votes cast."

The second document is a written ballot, but only if needed. For example, if the Board of Directors proposed budget includes an increase in the annual assessment, it must first go to the members for a vote. Another example is the election to fill positions on the Board of Directors when there are more candidates running for election than the number of vacant positions to be filled. An election is not required if the number of candidates equals the number of vacant positions. In this case, the Board of Directors is authorized to make appointments.

President's Report

I will be leaving office in June and I thought this would be a good time to report on some of the many issues the Board has dealt with over the past three years. We have in my opinion moved our Association into the 21st

century and taken great pains to protect our community. Below are just a few of the many issues of the past three years.

Accomplishments of Current Board

- Consistent enforcement of covenants and bylaws
- Undertaken a review process for all CCR's and bylaws to present to property owners for a vote including aligning our covenants to current Colorado law allowing campers on lots for six months.
- Maintain capital reserve fund for the long term maintenance/replacement of Association assets
- Remodeled/updated Basecamp to current County code using reserve funds
- Remodeled/updated the shop in order to meet current OSHA codes
- Added additional road equipment
- Maintenance schedule for all equipment created and followed through on
- Hired a certified diesel mechanic to work on our equipment in house (large cost saving)
- Hired a certified CAM who also mentored our future Association manager
- Maintained consistent staffing
- Adjusted pay scale for staff to reflect market value of this area and the change in Colorado minimum wage laws
- Engaged a professional management firm to handle accounts receivable and payable giving property owners another layer of protection for their investments
- Hired a new law firm that specializes in HOA issues resulting in accounts receivable being reduced significantly.
- Introduced an employee safety program thus reducing insurance costs
- Addressed concerns expressed by property owner's and hired an outside security firm for summer patrols.
- Attended trials and hearings in court to protect all property owner rights concerning easements
- Initiated the revitalization of the Greenbelt Committee
- Worked with the Community Fund to create a playground area behind - Basecamp
- Worked to maintain and manage the slash pile which is a benefit to the entire area
- Completed a federal grant to help mitigate fire danger in the community

Adversities Dealt With

- Reorganization after split brought on by Water and Sewer Association
- Dues increase to cover the loss of revenue previously shared by Water and Sewer Association
- Re-organization of field staff, office staff and management structure
- Working with a limited labor pool
- Replaced our CAM (community association manager required by Colorado law at the time)
- Ongoing divergent expectations from our property owners making consensus on issues difficult
- Numerous trash, porta pot/trash vandalism concerns
- Obtained restraining order after receiving death threats towards the entire Board and staff

Future/Ongoing Concerns

- Trash issues - general abuse, non-owners using compactor, volume in summer months etc
 - Explosive growth of the community resulting in many issues from roads and fishing to trash
 - Short term rentals which create additional trash and water use as well as rules violations
 - Maintain our outstanding fishery
 - Maintain the natural beauty of our surroundings
 - Keeping our community safe
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WHERE ARE THE ASSOCIATION FUNDS INVESTED

The Association has capital reserve funds, operating, and limited emergency funds. Capital reserve funds are to be used for major renovation, replacement, or capital improvement projects to maintain the Association's assets. Operating funds are for funding a fiscal year's operations, smaller repairs and services.

You will find a portion of our investment policy included here and the entire document can be found on the Association's website. The Board has chosen to place reserve funds in FDIC insured accounts and works with RBC to ladder these investments.

As an individual I have the right to invest my funds in higher yield accounts which are not insured. However, as elected officials charged to protect your assets, which are the Association's assets, we have stayed with insured investments.

If you have personal assets in excess of one million dollars, you can pay to have a professional fund manager such as provided by Fidelity or any number of other entities. Those funds can be invested in stock, off shore investments, municipal bonds, or corporate bonds etc. All of these types of investments carry some type of risk based upon market conditions.

We also have a capital replacement plan based on expected life of our various assets. As equipment and facilities approach their "end of life" they have to be repaired or replaced in order to maintain the value in our community. As we save to provide the funds to pay for asset replacement or repair, it is rare for the reserve fund balance to exceed the million dollar threshold for a professional fund manager and that does not remove the investment risks associated with those types of investments.

CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION
RESERVE FUNDS INVESTMENT POLICY
March 21, 2015

1. SCOPE

This policy applies to all members of the CLRRRA Board of Directors.

1. PURPOSE

The purpose of this policy is to document the policy for the investment of reserve funds.

1. RESERVE FUNDS

1. The reserve funds shall be established as one or more trust savings or trust checking accounts at any financial institution in which deposits are insured by an agency of the federal government.
2. The Association may invest reserve funds to generate additional funds to be accrued to the reserve fund account in eligible investment instruments including money market securities, CDs, notes or bonds with a rating of "AA" or better.
3. The investment funds shall be purchased with varying maturity dates to allow funds to be available at any given time.
4. All investments must be approved by a majority of the Board of Directors.
5. The Board of Directors may work with an investment counselor to create a strategic investment plan for the Association.
6. The Board of Directors shall review the investment schedule on a periodic basis to evaluate and prepare for expiring investments.
7. The Board of Directors shall allow funds to be available for upcoming planned and/or unexpected capital improvements...

Submitted by,
Cheryl Poage

Connecting With Your HOA

Your CLRRRA Board of Directors is always open to answering questions or concerns of our property owners. The Board meets the third Saturday of each month in the Wapiti Center at 10:00am. All Board members email addresses are posted on our website and we welcome comments, concerns and suggestions. As Board President I always respond to email sent to my address and I believe any other Board member will do the same. Our office staff is also there to assist property owners during business hours. We have been asked to respond to issues on social media in the past and this Board at the advise of our attorney, has decided not to do so. We offer a monthly newsletter and a weekly View for direct communication from the Board and staff to the community.

Recreation Committee Report

Chairpersons: Sue Chesnut
Cheryl Beavers

Month/Year: February 2020

Valentines Day was celebrated at the February Soup Potluck on Saturday Feb. 15th, 2020. Over 40 people brought delicious soup to warm our insides, salads, sides and luscious desserts to share.

The first Bingo session was held on Saturday January 25th, 2020 and it was so much fun! A lot of laughs, conversation and jokes between bingos kept the session moving. Thanks to Bryon and Sharon Fessler for hosting such a fun night! Our next Bingo will be Saturday Feb. 22nd and is scheduled every month on the 4th Saturday of the month. Donations are accepted for prizes.

Upcoming events:

February 22nd - Bingo! March Potluck - St. Patricks theme March 21st March 28th - Bingo!
