

Approved 06/19/2010

GLACIER VIEW MEADOWS
ROAD AND RECREATION ASSOCIATION
WATER AND SEWER ASSOCIATION
ANNUAL MEETING
June 20, 2009

ATTENDANCE:

Water and Sewer

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

Road and Recreation

Rick Snow – President
Linda Adams – Vice-President
Mike McKay – Treasurer
Jack Carroll – Secretary
Jere Wallack – Director

STAFF:

Steve Horsmon – Manager
Lynn Johnson – Maintenance II
Mary Keller – Secretary
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 Board Members and Staff.

Fire Chief, Greg Niswender, reported for the Glacier View Fire District.

Greg discussed area of service, budgets and calls made by the Department (126 so far this year). Greg also announced that any property within 5 road miles of the station is eligible for an ISO 8B classification, compared to previous class 9. If your insurance company uses an ISO classification to set their rates, most do, it could mean an annual insurance savings of \$150 to \$450 per year per home owner. There was also discussion concerning fire prevention and tree maintenance. Fire danger has increased dramatically this year due to the heavy snow and limb breakage. The limbs are causing major fuel on the ground and causing a ladder effect in our trees. Clean up dead and down limbs, mow the cheat grass, and maintain a defensible space around your home. Greg also discussed disposal of slash and he reminded the membership that residents should not be burning slash on their property. Slash should be taken to the slash pile. Small camp fires are ok but burning slash is not.

Mike Hughes, US Forest Service, presented a Pine Beetle Update.

The Forest Service does not know how the mountain pine beetle (MPB) epidemic will impact Glacier View Meadows. MPB develop in pines, particularly ponderosa, lodgepole, scotch, and limber pine. The trees attacked by the MPB in Grand County, Colorado, were mistletoe ridden lodge pole pine trees. “We can’t stop mother nature”. Flight time for the MPB is July 15th through September 15th. The mountain pine beetle begins attacking most pine species on the

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lower 15 feet of the trunk. Trees are generally killed by beetles of a single generation. Examination of infested trees (September, October) usually reveals the presence of pitch tubes. Pitch tubes are made when beetles bore into the tree. Besides having pitch tubes, successfully infested trees will have dry boring dust, similar to fine sawdust, in bark crevices and around the base of the tree. Sometimes, however, infested trees can have boring dust, but not pitch tubes. These trees, called blind attacks, are common during drought years when trees produce little pitch. Improving the overall health of your trees is the best treatment for protection against insects, disease and wildfire. Thinning stands of trees will prevent or minimize beetle-caused mortality. The cutting of live trees is not recommended June through September, as cutting trees during this time may attract the MPB. Insecticides are available for direct control of beetles in infested trees. Preventive spraying before trees become infested will protect individual high-value trees. However, periodic treatments will be necessary for as long as the outbreak lasts.

Ginny Blanz, Glacier Gals President, reported for the Glacier Gals. Ginny outlined fund raising activities, recycling cans, pancake breakfasts, GVM logo wear, and bake sales. Ginny asked the public to join the highway cleanup crew. They meet the first Thursday of the month, if it is easier for you, pick your own time and place then contact Linda Petrie to let her know your schedule.

Rick Snow called the meeting to order at 9:55 a.m. (*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, and 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 28th, 2008

Rick Snow moved to accept the minutes as written. Unanimous-motion passed

ELECTIONS:

- A. Introduction of Candidates by Rick Snow
 - Road & Recreation: Linda Adams, Mike McKay, Jack Carroll and Cal Bruxvoort.
 - Water & Sewer: Jerry Wood, Jim Petrie, Tom Bizzell, Ted Rodenbeck
- B. Nominations from the floor: None

Ginny Blanz, spoke for the Nominating committee. Ginny explained the rules of voting. There are three (3) openings on the R&R Board, and three (3) openings on the W&S Board. The voting was conducted.

TREASURER'S REPORT: (See enclosed)

Mike McKay, Treasurer, 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.

Jim Petrie, Treasurer, 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 during the 2008/2009 fiscal year including community workday and hazardous material clean up, fish derby, snow removal, and new gate signs. Operations team leader hired. No dues increase this year.

Frank Winter, President, Water and Sewer Association, discussed the activities and accomplishments of the Water and Sewer Association through the year. Frank also 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. However, at the financial rate we are going it will take up to 17 years to replace the remaining shallow bury pipes that are still in the ground. Frank discussed options to pay for the much needed replacement including Government Grants, Form a Local Improvement District, or impose a Special Assessment.

MANAGERS REPORT: (Attached below)

First, I want to thank the entire staff for another fun, productive, and rewarding year. Their dedication and commitment to their jobs continues to make everything run smoothly and causes me to get more credit than I deserve. Everything we do is a team effort.

2008-2009 has been both a challenging and fun year for us. The challenges have included the construction of a complex wastewater treatment plant while trying to keep up with our normal duties. We had our first employee turnover in 4 years and needed to recruit someone to fill 1/3 of our Operations team. Also, there is this economic downturn which is affecting all of us in different ways. We are seeing friends and neighbors struggling to keep their heads above water while others have had to either sell their home or walk away from it. This has affected GVM in the form of foreclosures and uncollected dues which must be written off. But even in this tough environment, we continue to see the optimism and can-do attitude of our GVM residents on a daily basis. That leads to the fun part of the last year.

With encouraging words and positive attitudes, our residents can be the best "pick-me-ups" around. They constantly remind us how lucky we are to live and work in our mountain paradise. Working to keep GVM that way is a privilege for our staff. We have been working hard to make the dues and fees you pay worthwhile. This year, we've been plowing snow as fast as possible, enhancing our gates with new gate signs, keeping safe water flowing in the 5 different community systems, and maintaining our roads. The office staff continues to keep our records in order, ensures timely billing, and maintains an aggressive collections process. While we say goodbye to some GVM residents, the office staff welcomes new and excited residents on a weekly basis.

Our quarterly newsletters do a good job of communicating what we've accomplished over the last year. So I won't read that list off as I did at the last annual meeting. I thought I would briefly address the key activities and issues facing us in the upcoming year and what we're doing about them.

Road Maintenance

Nobody would like to have perfect roads more than I. The Association has been maintaining the 68 miles of GVM roads for over 20 years with one road grader and one part-time road grader operator. The annual budget for buying new road base this year is \$50,000 which will buy about 2 miles worth of delivered material at 4" thick. Three years ago we began the practice of applying recycled asphalt to chronic problem areas to increase the road life and

decrease grading demands. This has worked well in low speed areas like tight switch-backs. We have cross-trained to allow 3 different people to run the road grader and hired a part-time road grader operator to help out during summer months.

Our R&R budget committee helps decide how much of the budget to dedicate toward road maintenance (currently about 30%) and each year they have agreed that the current level of maintenance is acceptable. Some people like the bumps because it slows traffic down. Some people think it's part of living in the mountains. Some people think their bumpers will fall off if we don't grade their road tomorrow. It seems that expectations vary greatly and I believe the current level of maintenance is meeting the expectations of the majority of our property owners. Many of our problem roads have no road base remaining and grading them becomes an exercise in futility. Participating on the budget committee and attending board meetings is the best way to influence resource allocation and current policy regarding road maintenance.

Mountain Pine Beetle (MPB)

You have already heard from the Forest Service on this issue. Many property owners want to know what the GVM position or responsibility is regarding the MPB. Larimer County has specific codes regarding the control of trees infected with the MPB. GVM relies on the county enforcement process when it comes to proactively requiring the removal and treatment of infected trees. GVM and the Ecology Committee are very active in educating residents on their responsibilities and methods of control. Upon request or receipt of a complaint, I will inspect properties with MPB problems and call the owners to inform of the issues and what they should do. I remind them that the county forester may be contacting them to put enforcement procedures into action.

Removing and treating infected trees is important, but it must be done within a specific time window and is an overwhelming task for many people. Focusing on controlling your neighboring trees will have a limited affect on the likelihood of avoiding attacks on your trees as the beetles can come from much farther away. I believe preventive spraying has the highest probability for preventing MPB attacks on your trees. However, preventive spraying can be over-done. U.S. Forest Service recommendations are that you choose 5-10 high value trees. Choosing to spray this year means that you must choose to spray every year. This is a large financial commitment. The potential negative effect of the pesticide on our ground water is debatable among experts. It is not clear how much of a concern this should be, but it seems to make sense that minimizing the pesticide volume on your property is a good idea.

Community Water and Wastewater Systems

We have about 175 residents who are served by community water and/or sewer systems. We manage and maintain 5 separate water treatment plants and 5 separate leach fields. The costs of maintenance on the older parts of the system increases every year. Our challenge is to save enough money from the fees collected to make long term improvements which will reduce maintenance costs. The costs of complying with State regulations and testing increase every year. As you know, we are close to consolidating 3 older community septic leach fields into one centralized wastewater treatment plant. By using GVM staff for project management, most of the excavation and plumbing work, and material purchasing, we will be able to keep the overall project cost under the \$500,000 budget. Although this project has redirected some of our resources from Road and Recreation projects, I think we have done a good job of multi-tasking. At the end of this project (September), GVM will have the most advanced wastewater management system in the entire area. The 3 old leach fields will be abandoned, the greenbelts will be more enjoyable, and the risk to our groundwater quality will be eliminated.

Covenant Enforcement

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Like road maintenance, this issue puts people into a few differing categories depending on expectations. Some people think that covenant enforcement should be our #1 priority and every rule should be proactively enforced through property inspections and imposed fines. Other people think that approach is too aggressive and is what gives HOA's a bad name. And others don't want any Association meddling in the affairs of their property or those of their neighbors.

Our process is mostly complaint driven, but I do contact property owners on my own when I see obvious violations. We field phone calls and complaints every week on varying degrees of covenant violations. I am often able to resolve issues with a simple phone call or personal chat with the offenders. Barking dogs, messy yards, and all night bright lights are commonly fixed this way. Other more serious problems are dealt with by letter and by imposing fines. Last year, we had an extremely proactive attempt to reduce the number of inoperative vehicles and campers staying too long on a property. This effort was about 90% effective and we continue to have spotty issues we're dealing with.

I'm looking forward to another fun year as your Manager. Thanks to all of you and all of our committed volunteers who help make GVM a wonderful place to live.

JOINT COMMITTEE REPORTS:

A. Budget Committees (Attached below)

Linda Petrie, Chair, reported for the Road & Recreation Committee

Budget Committee Members

Linda Petrie – Chairperson

Sue Olson

Charles Maybury

Bob Naftzger

Mike McKay – GVM R&R Treasurer

1. After review of the 09-10 proposed budget and review of the actual revenue and expenses for 08-09, the committee does not recommend a dues increase for the 09-10 fiscal year. Again, the budget carry-forward was better than expected. Along with the carry-forward from 07/08 there was more revenue than projected from collection of Previous Year's Dues and Late Fees. In addition, Projected Operating Expenses, Personnel Expenses and Road Maintenance Expenses came in lower than projected for 08/09. (As of 3/21/09)
2. The proposed annual road maintenance material budget was increased last year from \$60,000 to \$70,000 to cover additional road repairs after frozen pipe excavations, and additional road base. On the proposed 09/10 budget it decreases from \$70,000 (for 08/09) to \$50,000. This is mostly for road base.
3. The committee recommends a \$40,000 contribution to the 09/10 capital reserve funds to be divided as follows:

Capital Line Item	2009-2010 Addition	New Balance	Projected Use
Office Equip	\$ 1,000	\$ 3,747	Future Computer Replacement
Grader Replacement	\$ 25,000	\$81,464	Projected Replacement 4-5 yrs
Mower/Plows/Snow Removal Equip	\$ 1,000	\$13,802	Replace snow plow/equipment
Building/Yards	\$ 10,000	\$21,023	GVM entry gate sign improvement

GMC Replacement	\$ 1,000	\$25,692	Replacement fund. Split with W&S
F350 Truck Replacement (50%)	\$ 1,000	\$12,994	“ “ “
Dodge Truck Replacement (50%)	\$ 1,000	\$13,098	“ “ “
Total Capital Balance After 2009-2010 \$40,000 transfer	\$40,000		

4. After both GVM boards of directors requested a review of health insurance benefits and premiums, the committee recommends that the GVM Personnel Benefits Program budget be increased to provide an additional \$166 per month per employee for health care benefits. The current amount of \$234 per month has not been increased since 2000. Although high deductible health insurance can be obtained for some employees at the current benefit amount, this would provide help with the deductibles or other needed health benefits (such as dental/vision/disability/preventative, etc). GVM will still be paying much less than a group plan would cost. The GVM employee benefit is lower than that of nearby Crystal Lakes. This could be done without an increase in the GVM R&R dues and without decreasing GVM services.
5. The committee recommends that the merit pool remain in the budget. It was agreed on that IF an employee increased his/her production by continued education, above average efforts, etc, that employee should be entitled to a merit increase.
6. The R&R dues have not been increased since 2005. The committee understands that a dues rate increase of approximately \$35 may be needed in 2010-2011 to allow continued capital reserve contributions at \$40,000 in 2010-2011 and the following year.
2009-2010 – Cap raised by 2008 CPI-U 3.8% to \$398.53

Cal Bruxvoort, Chair, reported for the Water & Sewer Association (below)

Budget Committee Members

Cal Bruxvoort – Chairperson

Jerry Tucker

Jim Couillard

Jim Petrie – GVM W&S Treasurer

Water & Sewer Budget Account 001 - Management

1. No dues increase recommended for 2009-2010 fiscal year. Dues should remain at \$144/yr for improved lots and \$72/yr for unimproved lots.
2. With a current balance of \$133,552 in capital, no additional contribution to the 2009-2010 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 moving all indirect community system payroll tax costs (\$7,687): FICA, Workers Compensation Insurance, Unemployment Taxes, and Benefits to the Management account 001 as the Budget can handle the increase without a dues increase.
5. Recommend increasing the monthly employee medical flexible spending allowance by \$41 to \$275 total per full-time employee. (50% of total expense – split with Road and Recreation.)

6. Recommend removing the Merit Pool wage increase line item from all budget accounts for the 2009-2010 Budget Year.
7. Recommend moving all wage expenses for the Association secretary to the Management budget account 001. (50% of total wages – split with Road and Recreation)
8. Recommend moving all the auto insurance and license plates for the Association to the Management budget account 001. (50% of total expense – split with Road and Recreation.)

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

1. With the delay of the operation of the community Wastewater Treatment Facility, the 002 community system account will have a better carry-forward amount into the 2009-2010 Budget. However, a 10% increase in fees is needed to allow larger contributions to the capital improvement reserve fund. With a 10% increase, we will be able to contribute \$20,000 to capital which will allow ongoing upgrades to the aging water and sewer infrastructure. The committee believes that increases in the 5% to 10% range in the next few years will likely be needed to continue funding needed capital improvements.
2. Recommend moving all indirect community system payroll costs (\$5,950): FICA, Workers Compensation Insurance, Unemployment Taxes, and Benefits to the Management budget account 001.
3. Recommend removing the Merit Pool wage increase line item from all budget accounts for the 2009-2010 Budget Year.

The following fee increases are recommended:

<u>Annual Fees</u>	<u>Current</u>	<u>2009-2010</u>	<u>2010-2011</u>
<u>2011-2012</u>			
Improved Lot W&S \$1,142.00	\$858.00	\$943.80	\$1,038.18
(Monthly rate over 12 mos.) \$95.16/mo	\$71.50/mo	\$78.65/mo	\$86.51/mo
Unimproved Lot W&S \$ 571.00	\$429.00	\$471.90	\$519.09
Improved Lot \$ 483.08	\$363.00	\$399.24	\$439.16
(3 rd Filing sewer only)			
Unimproved Lot \$ 243.50	\$182.00	\$201.24	\$221.36
(3 rd Filing sewer only)			

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

1. A 10% increase in fees is needed to allow larger contributions to the capital improvement reserve fund. With a 10% increase, we will be able to contribute at least \$10,000 to capital in the 2010-2011 Budget which will allow ongoing upgrades to the water and sewer infrastructure. Leach field capacity and eventual wastewater treatment plans will become an issue within the next 10 years. The committee believes that increases in the 5% to 10% range in the next few years will likely be needed to continue funding needed capital improvements.

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2. Recommend moving all indirect community system payroll tax costs (\$1,737): FICA, Workers Compensation Insurance, Unemployment Taxes, and Benefits to the Management budget account 001.
3. Recommend removing the Merit Pool wage increase line item from all budget accounts for the 2009-2010 Budget Year.

The following fee increases are recommended:

<u>Annual Fees</u>	<u>Current</u>	<u>2008-2009</u>	<u>2009-2010</u>
<u>2010-2011</u>			
Improved Lot (water only)	\$495.00	\$544.56	\$598.95
\$658.85			
(Monthly rate over 12 mos.)	\$41.25/mo	\$45.38/mo	\$49.91/mo
\$54.90/mo			
Improved Lot (sewer only)	\$363.00	\$399.30	\$439.23
\$483.15			
(Monthly rate over 12 mos.)	\$30.25/mo	\$33.28/mo	\$36.60/mo
\$40.26/mo			
Unimp. Lot (water only)	\$246.00	\$270.60	\$297.66
\$327.43			
Unimp. Lot (sewer only)	\$183.00	\$201.24	\$221.43
\$243.57			

1. Due to a low carry forward amount, there is no recommendation for a contribution to capital in the 003 account this year.

B. Architectural Review (ARC)

Jerry Blanz, Chair reported for the committee. Jerry thanked committee members Lee Barker, Phil Wilson, Tommy Harris, and Ted Rodenbeck for a job well done. The committee has kept busy this year with not only ARC reviews but visiting many properties related to compliance issues. After property visits, several GVM members received deposits due to them for construction cleanup.

C. Ecology Committee: Judd Adams, Chair, reported for the committee. (Attached below)

- 1) Ecology Fair in maintenance building, please visit for information on many topics, such as
 - a) The demonstration garden and wildflowers and plants in GVM – Susan Lamb, Wynne Dimock, Linda Bell and Jim Erdman.
 - b) Recycling and going green: Wynne Dimock and Ginny Doft, including samples of Andre Roy's products produced from slash.
 - c) Photos of the Crellin Lake Restoration Project
 - d) Examples of noxious weeds and sign-up sheet if you would like one of us to inspect your property for noxious weeds, Mountain Pine Beetle, etc.
 - e) Crellin Nature Trail brochure and maps of hiking trails
- 2) We have several special visitors
 - a) Tim D'Amato, Larimer County Land Stewardship Manager and his colleague, CSU Professor Phil Westra:
 - i) They are here to answer your questions about weeds, especially if you are concerned about the safety of the herbicides we use.

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- ii) Tim can also talk about our demonstration plots where we are testing the effectiveness of the herbicide Milestone. After the meeting we will have a Field trip to the former slash pile at Haystack to view the results.
- b) We also have several people here with information about bears.
 - i) Linda Masterson, author of *The Bear Essentials: Living, Hiking and Camping with Bears*. Later today she will give a talk at the Red Feather Lakes Community Library from 2-4 pm.
 - ii) Shane Craig from the Division of Wildlife.
 - iii) Jim and Jane Tiffin from Crystal Lakes
- 3) Noxious Weed Management
 - a) We have begun an aggressive program of mowing on the leach fields, greenbelts and along the roads followed up later with spraying by ourselves and with contractors as necessary.
 - b) If you have noxious weeds along the road by your property, please control them or we will spray.
 - c) You can control by pulling, mechanical means, or spraying. We have tanks and herbicide for your use.
 - d) Last year we distributed 50 oz of Range Star which at 5 oz/acre would mean 50 acres of coverage.
 - e) This year already we have distributed 40 oz of Milestone, which is more potent and effective at 3 oz/acre, which equals 40 acres of coverage – so we are ahead of last year.
 - f) We just purchased 3 more 1-gallon tanks.
- 4) Land Steward Program – people who work to improve the quality of land by controlling noxious weeds, tree problems, and reseeded or otherwise improving the land. Two types of stewards – community and private.
 - a) Community Land Stewards – the people with neon green vests – are Ecology Committee members and others who devote time to managing weeds on our common property either by participating in our monthly 3 hour community project or on their own time. Last year this amounted to at least 150 documented hours at Crellin Lake, Crellin Nature Trail, the Community Leach Field near Crellin, Gate 5 Greenbelt, Batterson Lake and Greenbelt, spraying roads, etc.
 - b) Private Land Stewards are property owners who take care of their own land.
 - i) To date we have on the list at the GVM Office 75 properties and 100 individuals.
 - ii) There are probably others. If you are a Private Land Steward and your name is not on the list, we have a sheet next door where you can add your name – see Ellen
- 5) Mountain Pine Beetle – check your trees and spray very soon.
- 6) West Nile has been discovered in Fort Collins in a single mosquito, so check your property and eliminate the puddles of water.

The Glacier View Meadows, Volunteer of The Year Award, is awarded to the Ecology Committee for their outstanding service and dedication to the betterment of Glacier View Meadows. The Ecology Committee Land Steward award is awarded to Rex Snyder.

PUBLIC INPUT:

John Sandorf asked for clarification as to as to who pays for community system upgrades. Steve Horsmon, GVM manager, explained that the residents, who are served by community system, are billed for services.

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Diana Lustick invited the membership to the July 25th Hawaiian Luau Picnic.

NEW BUSINESS:

- A) Road & Recreation Board Vote on 2009-2010 Budget: Jerry Wallack, Director, Road and Recreation, moved to approve the Budget as submitted. Unanimous-motion passed
- B) Water & Sewer Board Vote on 2009-2010 Budget: Frank Winter moved to approve the Budget with changes noted. Unanimous- motion passed

The 09-10 budget should include an \$83 monthly increase to the GVM full-time employee medical flexible spending allowance. This represents one-half of a \$166 total increase to the current monthly benefit of \$234. The Road & Recreation Assoc. shall pay the other half of the benefit. Also, the current Merit Pool wage adjustment line item should be retained in all 3 of the 09-10 budget accounts.

Tom Bizzell motioned that one-half of the employee medical flexible spending allowance benefit should be paid out of budget account 001 - Management. However, all wage related payroll expenses (FICA, Workers Comp., and Unemployment Taxes) must be paid by each budget account according to the percentage of wages paid in those accounts.

ELECTION RESULTS:

Road and Recreation: Cal Bruxvoort was newly elected to fill a position, for a two year term. Linda Adams and Mike McKay were re-elected to serve another two year term.

Water and Sewer: Jerry Wood, Jim Petrie and Tom Bizzell were re-elected serve a two year term.

Meeting adjourned at 11:45 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
Jere Wallack – Secretary
Cal Bruxvoort – Director

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