

Pagosa Lakes Property Owners Association, Inc.
2008 Annual Meeting Minutes
Saturday, July 26, 2008
Pagosa Lakes Community Center Building
230A Port Avenue

Association Board President Gary Gray called the 2008 Annual Meeting to order at 10:00 A.M. In addition to Director Gray, present were Directors Fred Ebeling, Janine Krawitz, Robert Mullen, Alan Schutz, and Fred Uehling. Also present were: DPE Manager Larry Lynch, DPE staff, DCC Manager Margaret Gallegos, DCC staff, Comptroller Don Arries, Accounting Technician Eva Iwicki, Department of Recreational Amenities Manager Ming Steen, property owners, and Parliamentarian Ron Clodfelter

MEETING OPENING

Board President Gary Gray called the meeting to order and closed the balloting. President Gary welcomed the property owners in attendance. Curt Wiggers gave the invocation, which was followed by all veterans in attendance leading the audience in the Pledge of Allegiance.

President Gray stated that pursuant to PLPOA bylaws regarding the election process, the Board named a neutral disinterested party to count ballots. This was publicized as an Agenda item and voted on at a regularly scheduled board of directors meeting. He thanked the staff for the preparations prior to the election.

President Gray introduced the following staff members: General Manager Gloria Petsch; Comptroller Don Arries; Department of Property and Environment Manager Larry Lynch; Department of Recreational Amenities Manager Ming Steen; Department of Covenant Compliance Manager Margaret Gallegos. President Gray also recognized other staff members. In addition, he asked members of the Environmental Control Committee, Lakes, Parks and Fisheries, Road Advisory and Financial Advisory committees to stand. He then introduced the Board of Directors and recognized past board members.

He explained that the two main purposes of the annual meeting are to follow legal procedure in order to fill vacancies for the Board and as an avenue for members to voice their opinion. He encouraged owners to provide feedback, inform the Board of things that could be done differently and actions that might be taken. He felt that the Board needs to know what homeowners want in order for the Board to make informed decisions. In terms of violations, the procedure for resolution follows due process with property owners given an opportunity to be heard by the ECC, a Hearing Panel or by the Board. Source documents are the Declaration of Restrictions, the Rules and Regulations, and state and federal law. State mandates are present in the Colorado Common Interest Ownership Act. Committee members are all owner volunteers representing the

homeowners. The Board of Directors has fiscal and fiduciary responsibility to act prudently. Reserve fund dollars are carefully watched to minimize surprises and special assessments.

Board President Gray introduced Parliamentarian Dr. Ron Clodfelter who is appointed as PLPOA Parliamentarian. Dr. Clodfelter simply asked that homeowners respect and be polite to each other during the meeting.

QUORUM VERIFICATION

Board Secretary, Fred Ebeling, introduced the candidates for the Board: Paul Boyd, Gary Gray, and Scott Maxwell.

He stated that the Bylaws of the Association require at least one hundred (100) voting members for a quorum with at least twenty-five (25) members physically present. Secretary Ebeling established that there was a quorum. The number required for a simple majority vote would be 50% plus one or thirty-two (32) and the number required for two-thirds plus one would be forty-three (43). He then read the "Notice and Call". The purpose of the meeting is to elect four (4) regular members to the Board of Directors for three-year terms, and to hear reports from the Board and its standing committees, and consider other business.

APPROVAL OF THE AGENDA

MOVED AND SECONDED TO ADOPT THE AGENDA AS SUBMITTED.

MOTION CARRIED.

APPROVAL OF ANNUAL MEETING MINUTES – 2007

MOVED AND SECONDED TO APPROVE THE ANNUAL MEETING MINUTES OF JULY 28, 2007 AS SUBMITTED.

MOTION CARRIED.

TREASURER'S REPORT

The Association's financial report (Operating Funds, Settlement Fund, Parks and Trails Fund, Recreational Amenities fund, and Reserve Fund) was presented by Association Treasurer Fred Uehling. A Reserve Study has been completed, and an inventory is conducted annually for Association items valued over \$500.00 (see attached copy). The Treasurer's report was presented. Copies of the report are available for property owners.

MOVED AND SECONDED THAT ANY YEAR 2008 ENDING FUND BALANCE IN THE OPERATING ACCOUNT SHALL BE CREDITED TO THE YEAR 2009 BUDGET FOR THE PURPOSE OF DETERMINING YEAR 2009 ASSESSMENTS.

MOTION CARRIED.

PUBLIC COMMENTS

Before public comments were heard President Gray touched on issues that were raised last year and how they were handled:

1. A request to reconsider the fishing restrictions for Lake Hatcher that allowed no live bait, established per-day limits for trout and bass, with exceptions for children and ice fishing. The response from property owners and users has been positive, and the program seems to be working. The objective of making Lake Hatcher a quality fishing experience has resulted in more and larger fish. President Gray spoke with the concerned property owner and felt that his opinion was in the minority.
2. Requests for more pathways and trails. The Association's Master plan contains more trails. The section of trail in Lake Forest will be completed this fall, going from the dam to Wilderness Drive with additions to follow hopefully yearly. The trails and pathways are considered an amenity and add to property values.
3. Changes in violation procedures. The Board, the ECC, and DCC staff have made changes to the procedures to clarify, be specific and user-friendly. The fines structure has been reevaluated.
4. A request for more gazebos and picnic areas. On Lake Pagosa there will be constructed a gazebo and six picnic pads with handicap access, with a fall completion date.
5. Requests for more cluster boxes. The current postmaster plans to live up to the promised boxes with 400 enroute.

Public comments were limited to three minutes with property owners stating their names, subdivision and concern.

J.B. Smith – Pines. Mr. Smith suggested that additional money for trails and bike trails might be available through grants. Perhaps fishing licenses and recreation center user fees could have increased fees for timeshare owners.

Fred Ebeling – Lake Pagosa Park. Mr. Ebeling stated that when a property owner applies for a variance and the variance is denied, the Association keeps the variance fee. He proposed and moved that the following resolution be forwarded to the PLPOA Board of Directors:

RESOLUTION: Be it resolved that the PLPOA Board of Directors consider that upon denial of a variance request that the variance fee be refunded to the property owner. The motion was seconded. Voting was accomplished by the raising of hands. The vote was overwhelming in favor of refunding the fee. The motion will be forwarded to the PLPOA Board of Directors for consideration.

John Meyer – Lake Forest Estates. Mr. Meyer complimented the Association for publishing the Treasurer’s report on the website. He felt that the Treasurer, Finance Committee and Comptroller were very professional and provided good financial guidance.

David Yates – Vista. Mr. Yates was concerned about what priorities are scheduled for next year and what the most important issues the Association has to face. He would like to see those goals published in the newsletter.

Roger Organ – Lake Forest Estates. Mr. Organ would like to see pathways, bikeways and trails be a top priority for next year with a quarterly report on how the projects are progressing so that a five and ten-year plan can be implemented. President Gray stated that the Association is limited to less than \$100,000 for capital improvements without a vote of the members. He appreciated all comments asking the Association to provide more amenities for the homeowners.

Mary Meyer – Lake Forest Estates. Mrs. Meyer said that four vacancies for the Board were open with only three property owners running. She asked about the procedure for selecting the fourth person. President Gray said that the Bylaws require the property owner to be a Member in Good Standing. The vacancy is announced and the Board interviews those interested. The Board then votes on the candidate. The Parliamentarian added that a property owner seeking the regular vacancy would need twenty-five signatures of Members in Good Standing to sign a petition to place a name for consideration and to submit an application. In addition, he stated that a current board member could not resign until a person is successfully appointed or elected. The vacancy must be publicized for 75 days prior to the Annual Meeting. Three homeowners will be elected today. Director Robert Mullen agreed to stay on the Board until another member is appointed. Richard Fortier has put his name forward for consideration and will submit the petition and application. President Gray also felt that additional participation from property owners is needed. For example, for this election we were down to the wire and ready to publish the newsletter with no candidates. He urged all present to encourage and recruit neighbors to become involved with the Association. He felt that if we lose owner participation, we lose the Association.

Carol Chiffons – Meadows IV. Mrs. Chiffons asked who was responsible for the repair of the gullies in the road. President Gray answered that Archuleta County Road and Bridge is the responsible party.

Herb Nason – Lake Forest Estates. Mr. Nason said that there is an interested homeowner who is willing to serve. He wanted the Association to be cognizant of the fact that John Meyer will fill out an application and obtain the required number of signatures on the petition. President Gray said that the 75 days for publicizing the vacancies would not apply.

J.B. Smith – Pines. Mr. Smith suggested that the newsletter sell advertising so that it could be published more often and be self-supporting.

Mary Meyer – Lake Forest Estates. Mrs. Meyer suggested that more comprehensive financial information be included in the newsletter on an ongoing basis so homeowners can see how money is being spent. President Gray mentioned that current and past financial statements are available on the website or a member can request a copy. He commended the financial guidance and professionalism given by the Treasurer, the Finance Committee, and the Comptroller, Don Arries.

President Gray thanked all who made comments and stated that remarks and suggestions are always welcome by email, letter, or by phone.

COMMITTEE REPORTS

Recreation Center Committee – Department of Recreational Amenities Manager Ming Steen, shared a video of an assortment of all the activities available at the Recreation Center. She felt that pictures would say much more than words could convey. She added that the Center is less crowded due to fishing licenses now being sold at Wyndham, and that swim lessons were discontinued in July to allow for the additional owners using the facility in the summer months. In addition, she mentioned that not all users are ‘hard bodies’ and that all shapes and sizes with differing abilities are welcome to maintain good health. She thanked the Department of Property and Environment crew – Larry Lynch, Joseph Rivas and Jerry Heber for the timely response to the maintenance issues at the center. Thanks also went to Dave Kenyon for the wonderful gardening and especially Harry Roth, Todd Ormonde, Katarina, and Jerry for their friendly, quality service and to the Board for their support.

Lakes, Fisheries and Parks Committee – Scott Maxwell, Chairman, stated that the Committee was established in 1992 when the lakes were deeded to the Association by Fairfield. The Committee is a standing committee, which acts as an advisory group to the PLPOA Board of Directors on issues dealing with lakes, fisheries, parks and trails. There are currently eight members on the committee with room for more. Fishing conditions are great with 6,000 pounds of bass, 4,000 pounds of crappie, 12,000 pounds of rainbow trout, 2,000 pounds of brown trout and 1,000 pounds of cut bow trout stocked. The remaining dollars from the \$77,000 budget is reserved for fall fish stocking. Monies from fishing permits pay for the fish stocking. Lake Hatcher fishing has greatly improved. Feedback has been positive on the revisions to the requirements at the lake to provide a quality fishing experience. In September, a fish survey will be conducted at Lake Hatcher. Boat permits and decals are available and required for boats on all the lakes. The fee is \$10.00 for the first boat and \$5.00 for each additional boat. This program reduces Association liability and increases safety by keeping track of boats on the lakes. The \$2,000 garnered from the permits will be used for improvements to the docks and ramps. Additional trails for pedestrians and bikes are being considered as funds are available. The paved trail from Lake Forest to Beaver Circle and on to Fish Cove Court is under construction and should be completed in the fall. Eventually the

trails will be extended north on North Pagosa Boulevard and to Park and Cloud Cap to the south.

Environmental Control Committee - Dennis Schick, representing the Committee, explained that this Committee is also made up of volunteers, and is currently seeking members who would like to preserve, protect and enhance property values. Accomplishments this year included rewriting the Building Permit Process, which contains definitions, architectural standards, permits for structures, signs, fences and docks, rules and regulations and unfinished road information. The Committee feels that the process has been tightened and streamlined to aid the Department of Covenant Compliance in identifying violations. Since the beginning of the year, 620 violations have been detected while applications have dropped to 224 as compared to 770 and 823 for the two previous years.

Road Advisory Committee – Bill Ralston, Chairman, said that the five-member Committee is probably the most inactive Committee because of the situation within the County. All roads in the Pagosa Lakes area are County roads. He did say that the County did a good job last winter. Primary and secondary roads will receive one grading prior to the snow season each year. Gravel has not been put down in over ten years. As to the future, he hoped the County would start doing what we the tax payers deserve.

President Gray stated that the Committee and other property owners were influential in getting the County to commit that 40% of 1A money would be dedicated to roads. All of the candidates for County Commissioner have pledged to that end.

President Gray mentioned that complaints were received about large commercial snow removal equipment on a homeowner's property. The Board felt that even though it was against the rules, the homeowner was helping other neighbors to remove snow, which was a blessing. He reiterated that as neighbors we should be helping one another as circumstances dictate.

Finance Advisory Committee – Chairman Fred Uehling said that the Finance Advisory Committee is composed of five members; two bankers, an accountant, a property manager and Fred, the Association Treasurer, as Chair. The Committee is an ad hoc committee acting in an advisory capacity to the Board. Activities for the year included an in-depth review of the Reserve Study which was completed in January. The way the Reserves are funded was a major concern. The funding was in the 56% range and the ideal would be in the 70% range. The recommendation to the Board was that the entire carryover from the previous year be placed in the next year's reserve fund, which would increase the reserve funding percentage rate. The training and travel policy was reviewed with a Resolution to adhere to the IRS mileage rates for travel. A credit card policy was established which makes purchases for the Association more convenient. The policy is very restrictive as to the type and dollar amount of the items that can be purchased. Gas cards for each Association vehicle were procured as well. Auditors were changed to Frederick, Zink, Elliott from Durango. The Committee then reviews the audit, and from that a capitalization policy was adopted.

Legal Actions – The Department of Covenant Compliance has seven pending legal cases. There are no cases of foreclosure and no other litigation issues for or against the Association pending at this time.

President Gray mentioned how many of the members have been good neighbors in the community. We support the hospital with a monetary donation and member's names can be found as candidates for County Commissioner, as well as prospective members of the home rule committee. He reiterated that as an Association we are prohibited from taking an official stand on politics but we can provide informational forums, and we have members that will serve the greater community as well as the Association so that we will have good government in the future. He also introduced Mojie Adler who was selected to be a delegate to the National Republican Convention after serving at local and state levels.

ELECTION RESULTS

Director positions – Secretary announced the following results:

Regular Vacancy – Three-year terms

Scott Maxwell	1,087.34 votes
Gary Gray	1,060.64 votes
Paul Boyd	1,063.48 votes

In addition, there were six write-in names. Timeshare votes count as 1/50th of a vote.

ACKNOWLEDGEMENT OF ELECTION RESULTS

PLPOA Board of Directors President Gary Gray acknowledged the election results, confirmed that it was conducted as prescribed and congratulated Paul Boyd and Scott Maxwell for being elected to three-year terms and then certified the election results.

President Gray thanked Directors Janine Krawitz, Fred Ebeling and Robert Mullen for their service to the Association. In addition, Robert Mullen will stay on the Board until a new director is named. Fred Ebeling was applauded for his service to the Association from aiding in setting up the Association in the beginning, and then wearing every hat available. He has just concluded two consecutive three-year terms on the PLPOA Board of Directors and is leaving the Board with much appreciation and thanks. President Gray thanked all committee members for their work and thanked all property owners for attending.

MOVED AND SECONDED TO ADJOURN THE 2008 PLPOA ANNUAL MEETING.

MOTION CARRIED

The 2008 Annual Meeting adjourned at 11:58 AM.

Respectfully submitted,

Sue Passant, Recording Secretary

Fred Ebeling, Secretary