

**CRYSTAL RIVER COUNTRY ESTATES
ANNUAL MEMBER MEETING
Tuesday March 14, 2023 at 5:30 pm
515 Crystal Circle
Residence of Mark & Angela Loughry**

CALL TO ORDER:

The meeting was called to order by Angela Loughry at 5:47 pm.

ROLL CALL:

***Board members present:**

Crane, Jeff – 0600 Crystal Lane
Hamlin, Jim – 0548 Crystal Circle
Loughry, Angela – 0515 Crystal Circle
Orf, Gracie – 0310 Crystal Circle

***Homeowners Present:**

Franzee, Jed & Kirste – 0358 Crystal Lane
Henry, Mike – 0395 Crystal Lane
Hollowell, Ruth – 0394 Crystal Circle
Keller, Ann – 0247 Crystal Circle
Markham, Gary – 0432 Crystal Circle
Mathias, Earlene – 0108 Crystal Circle
McGill, Bob & Evelyn – 0535 Crystal Circle
Morris, Andrew – 0490 Crystal Circle
Pintar, Jennifer – 0269 Crystal Circle
Pojman, Raymond – 0170 Crystal Circle
Workman, Sherman – 0128 Crystal Circle

***Homeowners Present by Proxy:**

Berliner, Louise – 0254 Crystal Lane
Dear, Joyce – 0504 Crystal Circle
Fullam, Jay / Lam, Sylvie – 0208 Crystal Circle
James, Jason / Nichols, Kelcey – 0285 Crystal Circle
Lopez, Phil & Kim – 0002 Crystal Circle
McBrayer, Thomas & Sydney – 0074 Crystal Circle
Merriam, Todd & Lynn – 0066 Crystal Lane
Merrill, Charity – 0337 Crystal Lane
Pearlman, Daniel – 0357 Crystal Lane (2)
Pineda, Maria / Zelaya, Noe – 0377 Crystal Lane
Rafelson, Tim – 0495 Crystal Circle
Spiegel, Gay – Block 2, Lot 11

***Other present:**

Kim Clinco, Accountant
Rocky Mountain Accounting Services, Inc.

**STATEMENT OF COMPLIANCE
WITH PROCEDURES FOR NOTICE
OF MEETING:**

Verification of the meeting notice was confirmed. There was a quorum of members present and proxies submitted to conduct business of the Crystal River Country Estates HOA.

**ANNUAL MEETING
MINUTES:**

The annual meeting minutes from the June 23, 2022 meeting were reviewed and considered. Gracie moved to approve the minutes with the addition of the two letters as noted in the minutes to be attached to the official minutes. Jeff Crane seconded the motion as presented and was unanimously passed.

REPORT OF OFFICERS:

President's Report. Angela provided an update to the members. The new accountant, Kim Clinco was introduced. Angela provided an explanation of the transition from Al Carte Management and will be complete by April 1, 2023.

Concrete Work on Bridge – In June the Association approved a budget of \$15,000 to complete work on the bridge. Angela reported SGM provided an estimate of \$10,000-\$15,000 of additional engineering work that would need to be complete in order to provide the required documents for County approval. Due to cost and time sensitivity, the Board decided to postpone the project and have further discussion with the homeowners. Angela noted the Board did verify with Bill Gavatte of the Carbondale Fire Dept; the fire trucks are able to cross the bridge.

Covenants. The revised Covenants were distributed to the membership for review and consideration. Homeowners must cast their vote by March 29, 2023.

Bylaws and Policies. The Board adopted the amended Bylaws and Policies at a Board meeting held on February 22, 2023. The documents have been provided to the homeowners and will be reviewed later in the meeting.

Package Mailbox. There is an issue with larger packages fitting in the current box; and a theft occurred in December. The Sheriff's Department asked the Board if they could install a camera at the mailbox cluster. The Board approved the camera installation and was completed in March 2023. The purchase or construction of a larger package box will be discussed later in the meeting.

**REPORT OF
COMMITTEES:**

Road Report. Jim Hamlin provided a brief report. Gravel was approved for the road, but the Committee did not complete the work in 2022. The road work will be completed this year, as the budget was minimal in 2022. The work will consist of a complete cleanup and general maintenance of the road.

Architectural Committee. 285 Crystal Circle provided a request to change their two-car garage into a caretaker's unit and dwelling. This was approved by the Board.

Treasurer's Report. Jeff Crane provided a brief treasurer's report and noted the bank account balance. He reported the account has a current balance of \$36,195. The surplus balance at year end is due to the work on the bridge not being complete, which had a budget of \$15,000. Also, gravel for the road was not complete in 2022, which was budgeted at \$6,000.

UNFINISHED BUSINESS:

Bylaws and Policies.

The Board updated the Bylaws and Policies in order to be in compliance with State Legislation. The Board worked closely with the HOA attorney. Angela reviewed the amendments that were adopted. The summary below was provided to the homeowners:

BACKGROUND: The Board of Directors changed the By-Laws and Policies to make them easier to understand and to bring them up to date with a 2022 change in CCIOA (Colorado Common Interest Ownership Act). The Board worked with POA attorney in the fall of 2022 draft these changes. The changes are summarized below.

1. *Remove items from By-laws that are repeated in the policy document to prevent confusion and documents that do not agree.*
 - a. *Collections moved to Policy.*
 - b. *Enforcement of covenants and rules moved to Policy.*
 - c. *Details of conflict of interest in Policy*
 - d. *Copy of records moved to Policy.*
 - e. *Reserve funds moved to Policy.*
2. *Adjust By Laws and Policies to be compliant with new CCIOA law*
 - a. *Meet record keeping rules.*
 - b. *Meet notice rules for fines.*
 - c. *Meet language rules for communications.*
 - d. *Clarify audit procedure.*
 - e. *Clarify steps for dispute resolution.*
 - f. *Meet limitations on fine amounts and frequency.*
3. *Create more interaction and transparency with board and membership meetings.*
 - a. *Increase notice period of annual meeting.*
 - b. *Require annual meeting to occur in the first quarter of the year.*
 - c. *Require 4 board meetings per year.*
 - d. *Require board approval of legal expenses.*
4. *Modernize*
 - a. *Update address*
 - b. *Include information on internet meetings and communications.*

Discussion was held regarding the Bylaws. A homeowner asked for clarification if the Association is required to hold the meeting in the first quarter of the year. He felt the time of year can hinder attendance because of the weather; and asked if the meeting could be held in late spring. Angela responded it is not required by the State. Jeff noted if the annual meeting were held in June, approvals for road work may be too late to schedule the work to be completed. It was noted, the road needs to be examined in May after the snow has melted; to determine what work needs to be complete.

Ray moved to amend the Bylaws Article 3, Section 3.4, first sentence to read "All property owners are obligated to pay Assessments as established by the Membership". Andy seconded the motion. The amendment would change the approval of the annual Assessment from the Board to the homeowners. After further discussion, the vote was taken, and the motion unanimously passed.

Ray moved to amend the Bylaws Article 3, Section 3.5, first sentence to read “All property owners shall be obligated to comply with the Covenants and all Rules and Regulations adopted by the Membership”. Gracie seconded the motion. Discussion was held and Andy noted there may be an instance the Board would need to act quickly regarding a specific rule or regulation; and not have time to assemble the membership. Ray withdrew his original motion and Gracie withdrew her second. Jeff made a motion to amend the Bylaws Article 3, Section 3.5, first sentence to read “All property owners shall be obligated to comply with the Covenants and all Rules and Regulations. The Covenants adopted by the Membership; and the Rules and Regulations adopted by the Board”. Ray seconded the motion. The motion was unanimously passed.

Andy made a motion to amend the Bylaws Article 5, Section 5.2 – to change the notice of Board meetings from 5 days to 10 days’ notice. Ray seconded the motion. Discussion was held and Angela noted the HOA attorney stated there is no timeline for notice of Board meetings. The Board chose 5 days. A vote for the motion was called and 7 members were in favor of the motion; and 21 members opposed. The motion did not pass.

Ray noted in the Bylaws Article 6, Section 6.1 and 6.2 are repetitive. Ray moved to strike Section 6.2 from the Bylaws. Angela seconded the motion and was unanimously passed.

Ray also noted in the Bylaws Article 9, Section 9.2 and 9.3 are repetitive. Ray moved to strike 9.3 from the Bylaws. Andy seconded the motion and was unanimously passed.

Discussion was held regarding Article 10, Section 10.2 of the Bylaws. It was suggested the Bylaws should be approved by the membership and not the Board. Andy moved to strike 10.2 from Bylaws. Jeff seconded the motion, and a vote was taken. One member opposed the motion and the majority approved. The motion passed and 10.2 will be eliminated from the Bylaws.

Section 10.1 – Gary moved, and Ray seconded the motion to change majority of property owners instead of majority at meeting. A vote was taken, and 9 members were in favor; and 19 opposed the motion. The motion did not pass.

The following Policies were presented for review.

- Dispute Resolution Policy
- Adoption and Amendment of Policies, Procedures and Rules
- Board Member and Committee Member Conflicts of Interest
- Collection
- Conduct of Meetings
- Enforcement of the Covenants, Bylaws, Rules and Regulations, and Schedule of Fines
- Record Keeping, Inspection and Copying
- Reserve Funds and Reserve Studies

Regarding the policy for Adoption and Amendment of the Policies, Ray questioned why the Board approves and not the membership. Further discussion was held.

Regarding the Enforcement of Covenants, Bylaws and Rules and Regulations Policy, Ray asked about number 11. Unresolved Violations subsection a. suspension of rights. He asked if this included the common area; and would this include the road. Andy asked if the HOA attorney should be consulted. Ray moved to eliminate 11 a. completely from the Policy. Gary seconded the motion. A vote was taken, and 9 members were in favor of the motion, and 19 members were opposed. The motion did not pass.

Crystal River Country Estates Property Owners Association

January through December 2020, 2021, 2022 and 2023 Proposed

	Actual Jan - Dec 2020	Actual Jan - Dec 2021	Actual Jan - Dec 2022	Budget Approved Jan- Dec 2023 (\$1,000 assessment)
Income				
POA Assessment Income	\$ 33,600.00	\$ 37,091.49	\$ 40,797.32	\$ 33,570.00
Late Fees	\$ 194.84	\$ -	\$ -	\$ -
Total Income	\$ 33,794.84	\$ 37,091.49	\$ 40,797.32	\$ 33,570.00
Gross Profit	\$ 33,794.84	\$ 37,091.49	\$ 40,797.32	\$ 33,570.00
Expense				
Insurance Expense	\$ 1,703.00	\$ 1,703.00	\$ 1,946.00	\$ 5,000.00
Maintenance				
Wildfire Prevention	\$ -	\$ -	\$ -	\$ 1,500.00
Flood Recovery Cost	\$ -	\$ -	\$ -	\$ -
Snow Removal	\$ 3,000.00	\$ 1,250.00	\$ 4,500.00	\$ 6,000.00
Roads	\$ 13,239.49	\$ 12,995.00	\$ -	\$ 13,430.00
Repairs and Maintenance -	\$ -	\$ 1,332.90		
Repairs and Maintenance - Bridge	\$ -	\$ -	\$ 429.00	
Package Shed				\$ 3,000.00
Total Maintenance	\$ 16,239.49	\$ 15,577.90	\$ 4,929.00	\$ 23,930.00
Office Supplies/Postage		\$ 511.06	\$ -	\$ 200.00
Professional Fees				
Management and Accounting Services	\$ 7,925.82	\$ 4,352.00	\$ 6,528.00	\$ 5,000.00
Accounting and Tax Prep	\$ -	\$ 2,850.88	\$ -	
Legal Fees	\$ 6,911.30	\$ 935.00	\$ 4,016.41	\$ 3,000.00
Professional Fees - Other	\$ -	\$ 10.00		
Total Professional Fees	\$ 14,837.12	\$ 8,147.88	\$ 10,544.41	\$ 8,000.00
Utilities-Trash	\$ 8,310.33	\$ 6,219.84	\$ 5,876.24	\$ 6,845.00
Property Tax			\$ 250.00	\$ 250.00
	\$ 41,089.94	\$ 32,159.68	\$ 23,545.65	\$ 44,225.00
Gross Expenses				
Net Ordinary Income	\$ (7,295.10)	\$ 4,931.81	\$ 17,251.67	\$ (10,655.00)
Other Income				
Addition to Reserve fund	\$ -	\$ -		\$ 15,000.00
Reserve Fund Interest	\$ -	\$ -	\$ -	\$ 400.00
Total Other Income	\$ -	\$ -	\$ -	\$ 15,400.00
Other Expense				
Withdrawals from Reserve Fund	\$ -	\$ -	\$ -	
Total Other Expense	\$ -	\$ -	\$ -	
Net Other Income	\$ -	\$ -	\$ -	\$ 15,400.00
Total income all types	\$ (7,295.10)	\$ 4,931.81	\$ 17,251.67	\$ 4,745.00

32 lots at full assesment

2 lots (crystal flats and pitkin county at assessment minus trash) trash for 2023 is \$214 for the year

Bank Balance 2-28-23

\$36,195.71

Jeff moved to strike the wording from 11 a. “suspend the rights or privileges of the owner relating to use of any common area and/or common elements within the Association”. To keep “suspend voting rights of the owner”. Sherman seconded the motion. A vote was taken, and 24 members were in favor of the motion; and 4 were opposed. The motion passed.

Ray noted under the Policy for Inspection and Copying of Association Records, the purpose is missing. Discussion was held and agreed to discuss it later.

The changes that were passed will be updated and signed by the Board.

Covenants.

Angela asked if anyone had questions regarding the proposed Covenant changes. There are only two proposed changes. 1) rental changes for Block 1 and Block 2; and 2) change regarding chickens in Block 2. Ray made a motion for clarification that Block 1 owners only vote for Block 1 change; and Block 2 owners vote only for Block 2 changes. Mike seconded the motion and was unanimously passed.

Angela reminded everyone, the vote for the covenant changes needs to be submitted or mailed by March 29, 2023.

Discussion was held regarding indemnification of the Association regarding the renters and liability exposure for the Association. After further discussion, the Board will clarify with the HOA attorney.

Discussion on the chicken amendment was held. Clarification the amendment only states chickens; no roosters or other poultry are allowed. One owner expressed their concern of attracting coyotes, mountain lions and bears if chickens are allowed. It was noted that chickens are already permitted in Block 1.

Trash Service.

Angela provided an update. The Association is currently under a 3-year contract with the current trash company, that expires in December 2023. They have been problematic and difficult to deal with; and have missed pickup of the trash in the past. Angela suggested the Board research a new trash company. Ray asked if the compost pickup is worth the cost, as sometimes it gets emptied every two weeks. There are owners that utilize the compost service. Angela moved for the Board to obtain proposals for a new trash service company. Andy seconded the motion and was unanimously passed.

NEW BUSINESS:

Package Box.

Discussion was held regarding the installation of a new package box for postal deliveries. The Tuff Shed proposal was \$2,000; and \$3,200 for the larger size. Angela noted the door for the existing box is broken, too small and needs other repairs. Other costs may be incurred with a new box, such as a camera, lighting, and a lock. A suggestion was made to install an owner built box. Several different boxes were discussed.

Andy moved to spend a maximum amount of \$3,000 and to keep the box at the current location. Jeff seconded the motion. The motion passed by the majority of the owners that voted and 3 owners abstained from the voting.

Wildfire Mitigation.

Andy completed the renewal application for Firewise to maintain the membership for

the Association. Angela asked if the membership would like to work on fire mitigation for the Community. A suggestion was to rent a chipper and perform a general cleanup. Angela moved to spend a maximum of \$1,500 to organize a community workday and rent a chipper for fire mitigation along the road. Jeff seconded the motion. The motion passed by the majority of the owners that voted and 3 owners abstained from the voting.

2023 ANNUAL BUDGET:

Jeff presented the 2023 proposed budget which reflects a \$1,000 annual assessment per owner. In the past the annual assessment has steadily increased. The 2023 budget reduces the amount to \$1,000 per owner. Jeff noted there is a 2022 surplus of \$6,000 that carried over into the 2023 budget. He stated the \$1,500 amount just approved for the Wildfire Mitigation will need to be added to the budget.

Jeff explained he would like to establish a reserve fund and it is included in the 2023 budget. The reserve fund will be for bridge improvements.

Discussion of the budget was held. Ray noted his disapproval of a reserve fund. Ray moved to reduce annual dues to \$500 and not establish reserve fund. Mike seconded the motion. A vote was taken, and 8 members were in favor of the motion; 20 members were opposed to the motion. The motion did not pass.

Angela discussed the current insurance policy. The current policy only covers \$10,000 for the bridge at a rate of \$1,867. To raise the coverage amount to \$500,000, the premium would increase to \$5,085. Discussion was held.

Andy moved to adopt the 2023 budget as presented with an increase to the insurance coverage. Angela seconded the motion. A vote was taken, and 23 members were in favor of the motion; and 5 opposed. The motion passed and the 2023 budget was approved.

ELECTION OF OFFICERS: The membership approved the following owners to the Board of Directors:

Crane, Jeff
Hamlin, Jim
Loughry, Angela
Orf, Gracie
Pintar, Jennifer

Angela moved to approve the Board members and was seconded by Ruth. The Board members were unanimously approved.

ADJOURNMENT:

Ruth moved to adjourn the meeting and was seconded by Angela. The meeting adjourned at 8:53 pm.