

IMPORTANT: MEMBERS WILL BE RECEIVING A CONSENT REQUEST FOR THE UPDATED COVENANT REVISION. PLEASE READ IT AND RESPOND QUICKLY IN ORDER TO SAVE THE COST OF FOLLOW-UP ACTIONS. THESE ARE THE RESULT OF EXTENSIVE EFFORT BY THE MEMBERS COMMITTEE WITH AGREEMENT BY THE BOARD AND ASSOCIATION LEGAL COUNSEL.

Reminder: The gates must be closed at all times per the court order. Members will be fined for any transgressions.

Reminder: In an effort to minimize expenses, the BLE Board distributes minutes electronically for those members who are willing to receive the minutes in such a manner.

You can always view the BLE minutes and financials online at <http://beaverlakes.org/>.

For those members without access to a computer or who still prefer a hard-copy mailing of minutes, please contact Debbie Trewitt at 303-733-3245.

If you have not been receiving BLE minutes via e-mail and would like to, please e-mail Debbie Trewitt at chiolero@comcast.net to be added to the distribution list.

**BLE Board Meeting
October 13, 2012
8:00AM**

Board members present: Bob Dixon, Eric Flora, Tammy Gordon, Dale Halverstadt, Marge Hickman, and Denny Meyer.

Board members absent: Debbie Trewitt (excused)

Lot owners present: Lila Land, Margaret Sjoden, Jeff Anderson, Mitzi Yant, Yvonne Woodward, Stewart Douglass, Al Hoops, and Nancy Ahlcrona.

Caretaker present: Mark Larsen

Agenda

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| 1. Open Meeting | Bob |
| a. Roll call of Board members, BLE members and attendees | |
| 2. Reading of the minutes from proceeding meeting | Eric |
| 3. Treasurer report | Bob |
| 4. Caretakers Report – | Mark |
| a. Progress report | |
| b. Electric fence idea to keep cows out | |
| 5. ACC Report | Bob |
| 6. Election of Board Officers | All |
| 7. Members Committee - Governing Documents update | Committee |
| 8. Other topics | |
| 9. Adjourn | |

1. Open Meeting

Bob Dixon opened the meeting at 8:05AM

2. Reading of the minutes from preceding meeting

Since all previous minutes are posted on the web site and previously sent to the membership, it was agreed to forgo their reading. It was noted that the members meeting minutes noted an "annual retainer" for the attorney, which was clarified that was not "annual", rather an amount paid for support to governing documents members' committee. It was also noted that we need to track actions from previous meetings to make sure items important to BLE don't get dropped.

3. Treasurer Report

Bob reviewed "Balance Sheet" for month-end September 2012 showing \$149,613 in cash, \$34,788 in receivables (about \$4,000 of this is attorney's fees that are recoverable when the debt is collected).

Bob reviewed the "Income and Expense Sheet" as of month-end September 2012. Bob noted the column titled "Budget" is our accountant's estimate of the portion of that item that is expected to this point in the fiscal year. Under the "Income" section, Bob highlighted dues received are \$141,927 with a budgeted amount of \$148,665 (difference is dues not paid for this year). Salaries (which is titled "Cost of Goods Sold") are \$16,992 with a budget of \$13,750. This is over budget \$3,242 due to hiring outside help for road maintenance and accounted for in this item. This type of expense was budgeted in "Contract Labor" which is under budget by \$6,150 so the net is about \$3,000 under budget.

Under the "Expense" section, Bob highlighted the following:

- "Collections/Bad Debt Expenses" \$4,041 that should be recoverable when the bad debt is collected. The overall level of bad debts has been reduced, so collection actions have been successful.
- "Repairs & Maintenance-Vehicles" cost is \$2,817 with a budget of \$4,800, which is approximately \$2K under but more maintenance remains to be done.
- "Professional Fees – Legal" is over budget \$2,992 but some of that should be in the "Collections/Bad Debt Expenses" account, which will reduce item by approximately \$1,200 which result in being over budget by approximately \$1,800. The higher expenses are for support of the Governing Documents Members Committee. There will be some additional attorney expenses for completion of the covenants and by-laws, but expenses should be reduced following that effort.
- "Repairs & Maintenance – Roads" budget is \$10,000 with expenses \$4,344, which includes purchasing road base that has not been used yet.
- "Electricity" is under budget by \$1,162
- "Propane" is under budget by \$1,375 but a bill is expected soon.
- Overall we are \$7,311 over budget as of the month- September

Bob summarized the accounts receivable (i.e. money owed to BLE for past dues, collection fees, etc.). At the August Member's Meeting BLE was owed approximately \$49,000, which has been reduced to approximately \$32,000. There are various difficulties pursuing these debts including difficulty contacting owners resulting in public notification and a sheriff's sale. The majority (87%) is owed by the 6 people whom we are continuing to pursue aggressively (values approximate):

- \$3,600 - BLE received agreement to pay over a period of several months
- \$2,000 and \$3,400 - moving toward foreclosure
- \$1,400 - A lawsuit is being filed
- \$12,000 - exploring the best course of action including a lawsuit and/or foreclosure.
- \$5,700 - progressing toward an agreement.

Please see the following files for all the financial details:

- Operating Income & Expense
- Balance Sheet

4. Caretaker's Report

Mark provided the following summary of progress and future plans:

- Cabins 2 and 3 have been fully winterized to avoid burst pipes that we had last spring which required a month's effort from the new caretaker to repair
- Roads continue to be an issue. Road base has been purchased, but the caretaker taking time to make sure it is effectively used. Mark noted that grading washboard when it's dry does not work well and it returns rapidly. It appears the next couple weeks may be a good time for resolving some of the washboard with some moisture followed by freezing. The possibility was discussed of ground up asphalt but that will probably cause problems later with chunks of asphalt that would make future grading ineffective. Mark has a short section testing magnesium chloride which seems to be working well to hold moisture and keep the road more solid. He will continue to evaluate this section He also noted that he is being very careful not to apply too much in order to avoid runoff and other problems. At this point he is leaning toward using it only on the most critical and difficult sections of road.
- The culverts require a lot of work to clean out. Mark is working with the neighboring rancher to assure this is coordinated. Mark estimates it will require about 2 hours for the culverts plugged on the ends, which is primarily the ones on the lower road. The culverts on the upper road are plugged throughout their entire length due to lack of cleaning by prior caretakers. These will require about 2 days each to clean out.
- Beavers are a significant challenge as they dam up the water flowing through the lakes. They are slowing down as winter approaches but still taking time. Mark is trying deterrents with limited success and will continue to investigate options.
- The front loader is currently partially disassembled to install new injectors and rebuild the injector pump. This effort should avoid major damage and higher expenses later. He noted the remainder of loader is working very well and very useful for snow removal.
- Mark and others have spent quite a bit of time chasing cows out of BLE this year. Mark has, investigated a temporary electric fence to use when the cows are present and in areas where they tend to enter BLE property. For approximately \$700 BLE could purchase ½ mile of fence with a solar powered activator. This will be discussed further for possible implementation when the cows return next spring. Mark is planning of fixing the fence but that will take quite a bit of time. Bob requested we get an estimate for having a fencing company install it rather than taking a great deal of Mark's time. Mark noted he had a meeting with the forest service to get details on the approved grazing area and dates.

5. Architectural Control Committee (ACC) Report

The following applications were addressed since the August Members Meeting:

<u>Name</u>	<u>Location</u>	<u>Description</u>	<u>Action</u>
- Stewart & Vicky Douglass	1:1:5 & 6	Shed	Approved 8/19/2012
- Stewart & Vicky Douglass	1:1:5 & 6	Metal Wainscoat/repaint	Approved 9/2/2012
- Stewart & Vicky Douglass	1:1:5 & 6	Portable Shed	Approved 10/1/2012
- Tim White	1:12:3	Porch entry	Approved 8/19/2012
- Dan Wilkie	1:12:9&10	Metal siding	Approved 8/26/2012
- Lancer Cooke/Lila Land	1:4;7	Shed	Approved 8/28/2012
- Marty Stevenson	1:7:7&8	Shed	Approved 10/5/2012
- Erin Raterman	2:65	Dog run	Approved 10/9/2012
- Erin Raterman	2:65	Driveway relocation	Approved 10/9/2012

New application forms have been posted on the BLE web site.

Special note: the only approval method for building anything, removing trees, painting (if it is a different color), etc. is through the ACC. Any questions or concerns can be directed to the ACC committee. Forms, procedures, and covenants are posted on the BLE web site.

6. Election of Board Officers

- Debbie agreed to continue as secretary which passed unanimously
- Tammy agreed to continue as treasurer which passed unanimously
- Eric agreed to continue as vice president which passed unanimously
- Bob agreed to continue as president which passed unanimously
- Marge agreed to continue as the primary point of contact with our Caretaker, as well as being “on call” when necessary to assist with any BLE matter that may arise in the community

7. Members Committee--Governing Documents Update

Bob expressed great appreciation for their very hard work and many hours volunteered to reach consensus.

Representatives from the members committee summarized final changes to sections 7.15 and 9.6 agreed at a meeting with the attorney on October 12, 2012. Section 7.15 was modified to allow architecture control violations to be assessed a \$1,500 fine. This fine can be assessed every 6 months if not resolved. Section 9.6 was modified to address how amendments to by-laws can be made including what is addressed in the covenants versus what is in the by-laws. The attorney agreed that the final language is in accordance with state law and is appropriate for BLE.

The committee will continue with updates to the by-laws, which they have started. They are anticipated to be easier than the covenants.

The method to conduct consent request from the members was discussed, e.g. can we use volunteers or should we use the attorney's office as was done previously. It was decided to use the attorney's office, as we will be billed at a secretarial rate and will maintain transparency, independence, accountability, and expedience.

It was moved by Denny, seconded by Marge to approve moving forward with the covenants consent request to the members. The motion was passed unanimously.

Marge noted there was an idea from the August Member's Meeting to ask members if they are willing to allow their address and/or phone numbers to be published in a member's directory. Marge will generate a document to be included with covenants consent request. This will be entirely voluntary with members only included if they provide approval.

8. Other Topics

The following topics were raised:

- a. Denny requested to be excused from the next 3 meetings as he will be out of state. Marge noted that in the past he remained actively engaged electronically. This was approved unanimously.
- b. Prior to this meeting, Debbie requested to be excused due to a conflict when this meeting date was moved. This was approved unanimously.
- c. Marge noted that the Caretaker continues to do a great job.
- d. Marge raised the issue that she has witnessed several vehicles speeding on the roads, including service vehicles and members, which endanger everyone on the road. Bob requested name of service providers and he will contact them. When residents are identified, a letter will be sent. It was noted that the sheriff can write tickets for careless driving and we will contact them as needed for the safety of all members. **It is STRONGLY requested all members PLEASE DO NOT EXCEED THE SPEED LIMITS FOR THE SAFETY OF YOURSELVES AND OTHERS.**
- e. A member requested getting a solar panel to charge battery for the water flow recorder in order to save time and effort for the caretaker. Bob moved and Tammy seconded approval to procure a solar panel.
- f. A member requested forming a committee to investigate purchase of an additional backhoe since the current one is in very bad shape. If we get the same model as the current one, then it can be

used for parts. The member will meet with the mechanic and caretaker to generate a recommendation for budget meeting in December.

- g. A member asked about getting a trash receptacle for use by members. Issues discussed include the expense for the Association, the need to be bear-proof, being convenient for members, the location, the need to be enclosed, and the frequency of pick up. A concern is with attracting additional bears. A member suggested building a shed for the dumpster. Bob requested the member to get an estimate for cost of trash service, receptacle sizes, and how often to be picked up.
- h. Bob raised the issue of lake moss, which appeared to be worse this year than previous years. The moss is bad for the fish population and snags fishing gear. Bob is aware of another area that used a small boat to drag an anchor and pull up moss. A member suggested that a solar powered aerator will reduce the problem and help the fish. Bob requested fishing committee investigate options. Bob noted that the lakes and fish are important part of the community and property values
- i. Marge has an oak desk she was about to sell that could be used for the BLE office which currently only has only a small typing stand. Mark felt the desk would make it easier to work in the office and work on the computer. She purchased it for \$300 used, it's still in excellent shape, and she is willing to sell to BLE for \$150. Denny moved and Tammy seconded a motion to purchase the desk. The motion passed unanimously

9. Adjourn

Bob Dixon adjourned the meeting at 10:00am

Other

BLE office contact information:

- e-mail address - beaverlakesestates@gmail.com
- phone - 719-486-0978
- address - 585 Empire Valley Drive, Leadville, CO 80461 (the PO Box is no longer used).

Reminder: The gates must be closed at all times per court order. Members will be fined for any transgressions.

The date of the next board meeting is **December 8th at 8:00AM.**

Remaining meeting dates for 2012:

- December 8th at 8:00AM