

PANORAMA RANCHES

RECORD OF PROCEEDINGS 2010 ANNUAL MEETING

January 23, 2010 Missouri Heights Schoolhouse
Attachment 1 – Roll Call Attachment 2 – Approved Budget

CALL TO ORDER

The 2010 Annual Meeting was called to order at 6:30 p.m., by Board president Ed Brown. He introduced Keith Edquist, owner of Edquist Management and Real Estate to call the roll.

ROLL CALL, NOTICE and QUORUM

Keith Edquist, Association manager, stated that Notice of the meeting had been mailed and that a quorum of owners was present. He then called the roll. (Attachment 1) There were 18 owners present and six (6) proxies, making a total of 26 lot owners represented, of the 56 lots. Those who have more than one vote because of proxies or multiple lots were noted. Keith introduced new owners of Lot 35, Mark Montgomery and Carla Pantalone during the roll call.

OPENING COMMENTS

President Ed Brown thanked Jennifer Lassiter and Patty Heydenberk for arranging tonight's dinner and Joel Holzman for plowing the schoolhouse lot. , He thanked Karen Cox for 5 years of Board service to the Association, and those present enthusiastically showed their appreciation for her work.

Ed then reviewed the Board's 2009 accomplishments, which included revision of the Bylaws, the Covenants and the Design Criteria and Requirements. He said the Board had all the proposed covenant and bylaw changes reviewed by the Association's attorney, and that 41 owners voted in favor of adoption of the revised documents. He said the office of Water Officer was added to the Bylaws, along with the responsibilities for that office. He said that owner Davis Farrar is that officer. These documents have been recorded and will be distributed by mail to all owners next month, as well as being available on the website.

President Brown also stated that Panorama Ranches have adopted Responsible Governance Policies as required by Colorado law. These also will be posted on the Association's website. He said the Board had also retained new management for Panorama Ranches, and had retained an engineering firm to conduct a study of the water system. This in turn prompted the creation of a 5 year plan for capital improvements to the water system. – (a summary of the engineer's recommendations was also included in the pre meeting mailing to owners)—also, a backup water operator has been retained should Mr. Farrar be unavailable for any reason.

He said the Board had worked to expand the trail system on the open space, that the water storage tank had been cleaned by divers, that all the homes now have working backflow prevention devices. Showing a chart of budgeted vs. actual income and expenses for 2009, Mr. Brown said the Board had been able to set aside \$12,500 towards reserves this year by a combination of keeping expenses in check and expected capital expenses lower than anticipated.

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Legal expense was minor, and that surplus, along with lesser expenses in both ditch maintenance and utility expense offset budget line overages in management and water operations. In short, most of the goals set in last year's minutes were met this year. Ed explained that he became president after Karen Cox became Board member-at-large last year. For the sake of continuity, the outgoing president will now become Board member-at-large. Patty Heydenberk will now become the Board president for 2010.

APPROVAL of 2009 MINUTES

Manager Edquist called for a motion to approve the annual meeting minutes from last year's meeting. There was a motion, seconded and approved without further discussion. Note was made that these minutes would be posted on the website, Panorama Ranches.org .

WATER REPORT

Davis Farrar, Water Officer, after thanking the Board for its efforts in regard to the water system this past year, presented a report on the water system, seasonal water use, leaks, the state of the water system, storage tank and chlorinator tank, the well pumps, water costs to owners, and the annual Consumer Confidence Reports posted to the website. Those reports are required by the Environmental Protection Agency, and should be a source of reference for Panorama owners in regard to the water system.

Some other points Mr. Farrar made:

There are no springs at Panorama. When owners see water flowing, it's a leak, and they should notify him as soon as possible. They should also contact him in regard to any work to be done on their homes which might affect the larger water system. He said the water tank is equipped with a horn or buzzer, and should that be heard, there is some malfunction at the tank and Davis, or a Board member, should be contacted. He presented a graph of Panorama's water use in 2009. It shows normal water use over the summer as 21 to 22.5 thousand gallons per day, and winter use in the range of 9.5 to 11 thousand gallons per day. Water is charged to owners, by consumption, quarterly and billed on a tiered rate system. Those owners conservative of use pay less than those who are profligate.

Overall system use is monitored, and significant variations will signal a leak in the system. He said that leak detection work is done about every 5 years on the overall system. He said there were some homes at present with non-functioning remotes, or water meters themselves, but that all homes are now believed to have backflow prevention devices installed. All irrigation systems must have a vacuum breaker in addition to the backflow preventer on the house. The vacuum breaker and backflow preventer are devices that keep water that might be contaminated from flowing back into the home and contaminating the domestic water supply

There was a question regarding new Colorado legislation allowing homeowners in associations to gather and use rainwater, and whether such a use would need to be reviewed by the homeowners association. This engendered a long discussion regarding the Panorama Ranches Augmentation Plan, a legal document filed with the state of Colorado, which addresses recharging of sub-surface aquifers. It was undetermined whether gathering rainwater in Panorama would negatively affect augmentation of the groundwater supplies and consequently the wells. Mr. Edquist felt this legislation probably applied to associations using municipal water

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supplies, versus those with a private water system. The Board determined to take this issue under advisement, and to report to the owners at a later time.

At this time, Mr. Farrar began an explanation of the water system study undertaken by Zancanella Associates for Panorama, and briefly touched on its recommendations, which President Brown was to elaborate upon a little later, and concluded by saying that the water supply is adequate for Panorama Ranches under the original Augmentation Plan. There is currently no long-term downward trend of the aquifer supplying water to the homes. 43 of 56 residences have been constructed (77%), with one home currently under construction. The Zancanella study addressed both the legal and physical water supply, and the distribution system.

ARCHITECTURAL CONTROL AUTHORITY (ACA) REPORT

Joel Holzman stated that he, David Zamansky, Janver Derrington and Hans Brucker were members of the ACA. He said Jodi Provost will be stepping down from this position shortly. He said it had been a busy summer, with 9 or 10 small projects, and the construction of the new home for Desugny on Lot 3. He said the issues regarding the fence between Bendixen/Merkel had been resolved to the best of his knowledge. He mentioned that Damke was installing a fence and that Schuss was about to construct a garage.

He reminded owners that the ACA should be notified, in advance of the work, of changes, remodels and upgrades to homes in the community. He said compliance is really pretty simple and complimented the newly revised Guidelines. The Board made motion to approve Doug Lassiter to replace Jodi Provost on the ACA.

BUDGET REVIEW AND APPROVAL

Treasurer Jennifer Lassiter presented the year to date actual expenses of the 2009 budget and the proposed 2010 budget. She said the proposed 2010 budget did not raise dues, or the capital expense contribution. After review of the line items and overall changes, there was a motion, seconded and approved without opposition, to approve the 2010 budget as proposed.

CAPITAL EXPENDITURE PLANS, WATER SYSTEMS

President Brown undertook an explanation of the 5 year plan for capital improvements to be made to the water system, funds for which are being collected again in 2010 via the capital reserve assessment on the quarterly owners' statements. This year, well # 2 will be reconstructed, at an estimated cost of \$21, 450. This work will reduce the capital reserve account by the end of the year, but continued collections will refund the account for continuing work on the water system through 2014.

In 2011, the #2 well pump will be replaced with a 3 phase pump for increased power and reliability. In 2012 the same work will be done to the #1 pump, and a new 3 phase booster pump will replace the old booster pump. In 2013, the Chlorine tank will be replaced to increase water safety via chlorination, and in 2014 the pump house controls will be upgraded along with the transducer in the storage tank to provide more reliable monitoring of the overall system.

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Owner Joel Holzman suggested the Board have a survey done this year to be certain the work is done within the easement, and the Board agreed this was a good suggestion. Finally, there was a brief discussion of the need to physically locate and mark all curb stops serving individual homes.

APPROVAL OF BOARD ACTIONS

Jack O'Neill made a motion that the owners approve the proposed 5 year capital expenditures for the water system. This was seconded and passed without opposition.

OLD BUSINESS

None

NEW BUSINESS

Jim Bendixen introduced an idea for a general 50 foot setback of all open space trails from homes and lot lines. This led to a prolonged discussion regarding pedestrian, bike and horse traffic on the trails, the covenants regarding such trails and various owners advocating their particular views on the matter. At length, the Board determined to address this matter at its next meeting. Those interested in the issue are invited to attend.

BOARD of DIRECTORS

Current President Ed Brown thanked Karen Cox for serving on the Board for 5 years. Karen now leaves the Board. This leaves an open position. Tony Merkel had volunteered to serve on the Board in 2010. As there were no other volunteers or nominations from the floor, there was a motion to appoint Tony Merkel, seconded and passed without opposition. The new Board consists of Patty Heydenberk (president), Ed Brown Tony Merkel, Tim Moore, and Jennifer Lassiter.

ADJOURNMENT

The Annual Meeting was adjourned at 9 p.m.

Respectfully submitted

Keith Edquist, EMRE LLC, Association Manager

PANORAMA RANCHES OWNERS ASSOCIATION, INC.

Ed Brown, President

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ATTACHMENT 1 – Roll Call for Panorama Ranches Annual Meeting (1/24/09)

(28 owners present / 8 proxies = 36 of 56 lots represented at annual meeting)

[names in bold – new since last year’s meeting]		<u>PRESENT or PROXY</u>
Dale Ahrens	lot 34	YES
Lance & Pamela Allee	lot 48	
Richard Allen / Mary Roland	lot 15	
Jim Bendixen	lot 22, 28	YES YES
Hank & Barb Borkowski	lot 14	
Ed Brown (board) & Judy Brown	lot 16, 17	YES YES
Hans Brucker	lot 53-D	YES
Harry & Susan Burr	lot 13	YES
Lance Burwell	lot 4	proxy to Davis Farrar
Judy H. Caldaron	lot 47	
Raquel Cortina / Mary Ann Bulla	lot 44	
Karen Cox & Wayne Hall	lot 39	YES
Leilani K. Damke (bought from Gatzke)	lot 24	YES
Janver & Khaila Derrington	lot 42	YES
Ben / Diane Desugny (bought from O’Neill)	lot 3	
Frank & Sandra Dusza	lot 33	YES
Shaine Ebrahimi	lots 36, 37, 40	YES YES YES
Don & Susan Edmonds	lots 45, 46	proxy to Davis Farrar / proxy to Davis Farrar
Brian & Lynda Edwards	lot 7	
Davis & Cathie Farrar	lots 20, 21	YES YES
Peter Ferrara	lot 49	
Gordon & Greta Forbes	lot 9	
Glenn & Candace Gazley	lot 43	
Kim Stoddard Gerringer	lot 53-C	
Chris Gilberti	lot 5	
Jim Guthens / Valerie Gilliam	lot 35	YES
Jennifer Given	lot 19	
Patty & Craig Heydenberk	lot 2	YES
Kirby Yee Ho	lot 11	
Joel Holzman	lot 25	proxy to David Zamansky
Carolyn Jackson-James	lot 10	
Nancy Kuhn	lot 53-A	
Douglass & Jennifer Lassiter	lot 29	YES
Kim Lyon / Karen Olsen	lot 12	proxy to Karen Cox
Tony & Sheryl Merkel	lot 27	YES
Tom & Jane Moore	lot 41	YES
Frank Mouffe	lot 6	proxy to Karen Cox
Grady & Cynthia Olson	lot 8	
Jack & Doris O’Neill	lots 1	YES
Marie Phillips	lot 32	proxy to Karen Cox
Patrice Plunkett	lot 30	
Thomas & Jodi Provost	lot 53-B	
Lance & Lisa Quint	lot 31	proxy to Patty Heydenberk
John & Rachel Salapatas	lot 51	proxy to Karen Cox
Cynthia Searight	lot 38	YES
Holly Springer	lot 50	YES
Willy & Claudia St John	lot 18	
Walter & Linda Stoeckl	lot 26	YES
Rob Tobias	lot 52	YES
David & Diane Zamansky	lot 23	YES

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	Jan - Dec 2009
Ordinary Income/Expense	
Income	
INCOME	
ACA Review Fees	100.00
Interest /Late fees	2,000.00
Operating Assessment	27,620.00
Water Lease - Strang	2,200.00
Water Use	11,000.00
Total INCOME	42,920.00
Total Income	42,920.00
Expense	
ADMINISTRATION	
Annual Meeting	1,000.00
Bookkeeping	500.00
Insurance	650.00
Legal Fees	6,000.00
Management Fees	5,400.00
Miscellaneous	300.00
Office Supplies	65.00
Postage	60.00
Subscriptions & Mbrship dues	100.00
Tax Preparation	650.00
Web Site Hosting/Maintenance	500.00
Total ADMINISTRATION	15,225.00
MAINTENANCE	
Backup Water Operator	250.00
Ditch Maintenance-Missouri Hts	2,200.00
Repairs	1,000.00
Water Contract - Basalt WCD	1,600.00
Water Operation - Davis Farrar	5,000.00
Water Rights - Carb. Land Dev.	6,600.00
Total MAINTENANCE	16,650.00
UTILITIES	
Electricity	4,000.00
Total UTILITIES	4,000.00
Total Expense	35,875.00
Net Ordinary Income	7,045.00
Other Income/Expense	
Other Income	
CAPITAL INCOME	
Capital Assessment	16,800.00
Total CAPITAL INCOME	16,800.00
Total Other Income	16,800.00
Other Expense	
CAPITAL EXPENDITURES	
Other Capital Expense	13,500.00
Water System Analysis/Tank Cleaning	9,000.00
Total CAPITAL EXPENDITURES	22,500.00
Total Other Expense	22,500.00
Net Other Income	-5,700.00
Net Income	1,345.00