

PANORAMA RANCHES

RECORD OF PROCEEDINGS 2010 ANNUAL MEETING

January 22, 2011 Missouri Heights Schoolhouse
Attachment 1 – Roll Call Attachment 2 – Approved Budget

CALL TO ORDER

The 2010 Annual Meeting was called to order at 6:00 p.m., by Board president Patty Heydenberk. Patty announced that the 3rd Annual Full Moon Snowshoe event would be held Saturday February 19th. She then 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 thanked Jennifer Lassiter and Patty Heydenberk for arranging tonight's dinner and Joel Holzman for plowing the schoolhouse lot. He then called the roll. There were 14 owners present and eleven (11) proxies, making a total of 25 lot owners represented, of the 56 lots. Those who have more than one vote because of proxies or multiple lots are noted. Keith asked for a motion to approve the minutes from the last annual meeting held January 23, 2010. So moved, seconded and approved. These approved minutes will be posted to the website. Keith then thanked the Board for its work over the last year on behalf of Panorama Ranches. (Attachment 1-Roll Call)

OPENING COMMENTS

President Patty Heydenberk reviewed the Board's accomplishments in 2010, stating the Responsible Governance Policies were formulated, reviewed and now in place, as required of Panorama by state legislation. She said the 2nd Annual Snowshoe event was successfully organized last February. The Board also formulated procedures for charging owners for water leaks not of their creation or due to misuse, and that such charges are now based on the cost of water production to the Association. She noted that curb stop locations were marked for ease of handling water leaks or other water system maintenance. New signs for the open space were placed, and all the Panorama roadways were paved by the County, which brought cheers. She said that well #2 was successfully drilled to a larger diameter, and that the Association has a new and operational website.

WATER REPORT

Patty then introduced Water Officer Davis Farrar to present the water report. This was done by means of a PowerPoint presentation, in which Davis reported on his activities in respect of routine maintenance and testing of the wells, pumps, storage, treatment and delivery systems for domestic water. He noted that Consumer Confidence Reports on the water system are published each July, and are posted on the website for users review. 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. He said there were regular systemic tests required, including this year a test for nitrates. He said there is monthly testing for coli form bacteria

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required and that in 2011 he would also be testing for fluoride and inorganic chemicals, along with lead and copper. There have been no issues with Panorama's water quality.

Davis said the drilling on Lot 21 was completed, which increased the #2 well diameter from 4 inches to 8 inches, and that the well had just been pump tested. The well is 436 feet deep and pumped 36 gallons per minute over the 36 hour test period. This well should go on line shortly. This news was well received by those present. He then displayed a map of the water system overlaid on the subdivision map. This helped clarify the location of wells, pumps, storage tanks, and water lines. The pump house will need to be rebuilt for the new well, along with a concrete footing. There is a 1200 gallon chlorination tank, and the storage tank is 100,000 gallons in capacity.

Davis said typical system loss of water produced is 10 to 15 percent. More than this indicates a leak on the system somewhere, generally found by water coming to the ground surface. 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. If leaks do not come to the surface, they may be evidenced by reduced water pressure in a home, and can sometimes be found by listening at the curbstop with earphones. He thanked Tony Merkel and Joel Holzman for their work in locating, marking and mapping, curb stops this summer.

Mr. Farrar displayed a chart showing water use over the year, showing high summer and lower winter usage, and explained that conservation is "rewarded" in view of the tiered water rates in place. The chart 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. Davis stated that last year's study of the water system determined that there is enough capacity in the system when the homes are completely built out. While a fire would stress the system, adequate fire protection is afforded by the system pressures and hydrants. Here, Mr. Edquist added that owners should advise their insurance carriers of the presence of the fire station on Missouri Heights, as this may reduce their insurance premiums.

ARCHITECTURAL CONTROL AUTHORITY (ACA) REPORT

Chairman Joel Holzman said it had been a quiet year in 2010 in respect of architectural review. He noted that owner Schuss built a garage, the Lassiters a fence and loafing shed, and that weed control on vacant lots continues to be a concern. (Garfield County offers a weed cost share program for property owners, see <http://www.garfield-county.com/vegetation-management/index.aspx>, or google Garfield County weed cost share).

Joel said that he, Janver Derrington, David Zamansky, Doug Lassiter and Hans Brucker were members of the ACA, and that owner Ben Desugny had been added recently. The ACA should be notified, in advance of the work, of changes, remodels and upgrades to homes in the community.

CAPITAL EXPENDITURE PLANS, WATER SYSTEMS

Director Tim Moore 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 2011

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via the capital reserve assessment on the quarterly owners' statements. He said the #2 well pump will be replaced in 2011 with a 3 phase pump for increased power and reliability. This year, well # 2 was reconstructed and tested as discussed above. \$21, 550 was allowed for this year's improvement to the system, of which \$12,900 had been spent by meeting time. This allows about \$8650 towards the yet to be completed new pump house, pump house foundation, insulation and painting, and the removal of the old well pad. 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. Tim said the improvements contemplated in the 5 year capital expenditure study were on schedule, and that funds will continue to be collected and expended on the water system infrastructure.

BUDGET REVIEW AND APPROVAL

Treasurer Tony Merkel reviewed the proposed 2011 budget for Panorama Ranches, noting that dues and capital expense contributions will remain the same this year as last. Owner Robert Tobias inquired about the current level of reserves, and the association's liabilities. Mr. Edquist responded with the figures from the current balance sheet. Tony presented the year to date actual expenses of the 2010 budget and the proposed 2011 budget by means of a spreadsheet previously mailed to all owners. The proposed 2011 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 2011 budget as proposed. Owners holding proxies were polled and voted those proxies as directed. Davis Farrar abstained from voting in respect of his two votes for his lots. (Attachment 2, Approved 2011 Budget)

OLD BUSINESS

Patty thanked Mr. Edquist for his work with the Board and for the Association, then encouraged owners to review the new website at panoramaranches.org

NEW BUSINESS

Mr. Edquist congratulated the Board on the new website, and said he would shortly be taking action to register Panorama with the Colorado Real Estate Division, in respect of HB 1278 recently passed by the legislature, which will establish an "HOA Information and Resource Center". He urged anyone knowing others in self managed associations to register, as severe operational penalties will result for associations failing to do so.

David Zamansky asked if owners could buy shares in the Mountain Meadows Irrigation Company, water from which is leased by Panorama to the Strang Ranch annually. Mr. Merkel thought it would be difficult to do so. Mr. Edquist and President Heydenberk will try to advise owners of the next annual meeting of that ditch company, typically held in February.

BOARD of DIRECTORS

Current President Patty Heydenberk thanked Ed Brown (who was unable to attend the meeting) for service on the Board for 5 years. Ed now leaves the Board after serving as Director at Large this past year. Patty called for nominations for replacement Board members to supplement those owners who had already indicated a wish to serve, Judy Brown, Jonathon

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Schuss, and Susan Burr. There were no other volunteers or nominations from the floor. There being more candidates than openings, a secret ballot was then held, with the end result being the election of Judy Brown to the Board. The new Board consists of Patty Heydenberk (president), Judy Brown Tony Merkel, Tim Moore, and Jennifer Lassiter. There followed a motion by Farrar, seconded by Derrington, to elect the standing Board, which was passed unanimously.

ADJOURNMENT

The Annual Meeting was adjourned at 9 p.m.

Respectfully submitted

Keith Edquist, EMRE LLC, Association Manager

PANORAMA RANCHES OWNERS ASSOCIATION, INC.

Patty Heydenberk, President

ATTACHMENT 1

PANORAMA RANCHES Roll Call for Annual Meeting, January 22, 2011

[names in bold are new since last year's meeting]		<u>PRESENT or PROXY</u>
Dale Ahrens	lot 34	present
Lance & Pamela Allee	lot 48	
Richard Allen / Mary Roland	lot 15	
Jim Bendixen	lot 22, 28	(2 votes)
Hank & Barb Borkowski	lot 14	
Ed Brown (board) & Judy Brown	lot 16, 17	(2 votes)
Hans Brucker	lot 53 D	
Harry & Susan Burr	lot 13	present
Lance Burwell	lot 4	proxy/Heydenberk
Judy H. Caldaron	lot 47	
Raquel Cortina / Mary Ann Bulla	lot 44	
Karen Cox & Wayne Hall	lot 39	present
Leilani K. Damke	lot 24	present
Janver & Khaila Derrington	lot 42	present
Benjamin & Diane Desugny	lot 3	present
Frank & Sandra Dusza	lot 33	
Shaine Ebrahimi	lots 36, 37, 40	(3 votes) proxy/Holzman
Don & Susan Edmonds	lots 45, 46	(2 votes) proxies/Farrar
Brian & Lynda Edwards	lot 7	
Davis & Cathie Farrar	lots 20, 21	present (2 votes)

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Peter Ferrara	lot 49		
Gordon & Greta Forbes	lot 9		
Paul & Wendy Gatzke	lot 24		
Glenn & Candace Gazley	lot 43		
Kim Stoddard Gerringer	lot 53 C		
Chris Gilberti	lot 5		
Jennifer Given	lot 19		
Patty (board) & Craig Heydenberk	lot 2	present	
Kirby Yee Ho	lot 11		
Joe Holzman	lot 25	present	
Carolyn Jackson-James	lot 10		
Nancy Kuhn	lot 53 A		
Douglass & Jennifer Lassiter (board)	lot 29		
Kim Lyon / Karen Olsen	lot 12		
Tony Merkel (board) & Sheryl Merkel	lot 27	present	
Mark Montgomery & Carla Pantalone	lot 35		proxy/Moore
Tom (board) & Jane Moore	lot 41	present	
Frank Mouffe	lot 6		
Grady & Cynthia Olson	lot 8		
Jack & Doris O'Neill	lot 1		proxy/Heydenberk
Marie Phillips	lot 32		proxy/Heydenberk
Patrice Plunkett	lot 30		
Thomas & Jodi Provost	lot 53 B		
Lance & Lisa Quint	lot 31		proxy/Heydenberk
John & Rachel Salapatas	lot 51		proxy/Heydenberk
Jonathon Schuss	lot 38		proxy/Cox
Holly Springer	lot 50		proxy/Cox
Willy & Claudia St John	lot 18		
Walter & Linda Stoeckl	lot 26	present	
Rob Tobias	lot 52	present	
David & Diane Zamansky	lot 23	present	

ATTACHMENT 2 Approved 2011 Budget

	Actuals Jan - Dec 2010	Approved Jan - Dec 2011
<i>Income</i>		
ACA Review Fees	50	50
Interest /Late fees	609	500
Operating Assessment	27,950	29,400
Water Lease – Strang	1,700	1,700
Water Use	5,800	10,500
Total Income	36,109	42,150
<i>Expense</i>		
<u>Administration</u>		
Annual Meeting	984	1,000

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Insurance	625	675
Legal Fees	2,991	2,500
Management Fees	7,500	8,100
Miscellaneous	400	500
Office Supplies	193	300
Postage	230	200
Tax Preparation	395	400
Web Site Maintenance	1,185	700
Total Administration	14,503	14,375
<u>Maintenance</u>		
Ditch Maintenance-Missouri Hts	1,658	1700
Weed Control*	370	750
Repairs	1,653	1250
Back Up Water Operator*	228	200
Water Contract - Basalt WCD	1,618	1750
Water Operation - Davis Farrar	7,500	6000
Water Rights - Carb. Land Dev.	6,640	6750
Total Maintenance	19,667	18,400
<u>Utilities</u>		
Electricity	3,140	3,200
Total Utilities	3,140	3,200
Total Expense	37,310	35,975
Net Ordinary Income	-1,201	6,175
Other Income/Expense		
Capital Assessment	16,800	16,800
Total Other Income	16,800	16,800
Other Expense		
Water System Upgrades	22,729	21550
Total Other Expense	22,729	21,550
Net Other Income	-5,929	-4,750
 Net Income	 -7,130	 1,425