

Crystal Lakes Road & Recreation Association Annual Report 2009-2010



Steve Smalley, President
David Smith, Vice president
Rex Schweers, Secretary
Jim Sidebottom, Treasurer
Helen Koller, Assistant Treasurer
Martin Hongsermeier, Member at Large
Jerry Valko, Member at Large



Crystal Lakes

Road and Recreation Association

300 Tami Road, Red Feather Lakes, Colorado 80545

(970) 881-2250 Fax (970) 881-2085 E-mail crystal-lakes@crystal-lakes.org

ANNUAL ROAD & RECREATION MEMBERSHIP MEETING

JUNE 13, 2009

PAGE 1 OF 7

IN ATTENDANCE: Martin Hongsermeier, Helen Koller, Rex Schweers, Jim Sidebottom, Steve Smalley, Jerry Valko, and Manager Jody Sandquist.

ABSENT: David Smith.

PRESIDENT STEVE SMALLEY CALLED THE JUNE 13, 2009, CRYSTAL LAKES ROAD & RECREATION ANNUAL MEETING TO ORDER AT 2:04 P.M.

- **OPENING & INTRODUCTIONS:** All stood for the playing of the ‘Star Spangled Banner’ and the Pledge of Allegiance. Steve Smalley announced that this year we will be celebrating Road & Recreation’s 40th anniversary. The Board members were then introduced along with their spouses. Steve next introduced Manager Jody Sandquist, commenting on her work ethic and compassion towards members of this community. Jody then introduced staff, i.e. Rick Crewdson, Bev Eddinger, Peggy Reffel, Marian Kelly, Cameron Sagert, David Gentry, and Mike Schrodtt, seasonal part-time for the summer. Hosts are Walter Borra, Bob Nauroth, Steve Shapland and Bob Leaumont. Our restaurant consists of Anthony Orr - lead cook and restaurant manager, and Andrew Pomerleau - prep cook who is starting his fourth year here. Also there are Johnny Pomerleau - working the dish pit, and Milo Smith – working the dish pit. In the front of the house are Helen Bowlin and Diana Ward, managers. Our wait staff consists of Sharon Cooper, Cindy Goodell, Jeanne Hettinger, Kate Kelly, Janet Schrodtt, and Diane Smith
- **APPROVAL OF 2008 MINUTES:**

MOTION: Jim Tiffin (10011A) moved to approve the minutes (Annual Meeting 2008). Bob Ferguson (06054A) seconded the motion, which passed unanimously.

- **WRITTEN REPORTS:** Steve suggested that the members read the reports in the Annual Meeting Report. If there are any questions, Jody or the Board will be happy to answer them.
- **BOARD MEMBER REPORTS:** Steve thanked all the gifted volunteers who are active on committees as well as on the Boards. Steve has received many compliments on the *Wapiti*

Bugle saying that it must be put together by professionals. His response is that they are professional in their volunteerism.

PAGE 2 OF 7

In commenting on the Water & Sewer Board, Steve stated that the two Associations share employees, which in turn saves the membership money. The relationship continues to blossom and be strong. The Road & Rec. Board Members want to thank the Water & Sewer Board for their cooperation and working together with them in making sure staffing needs and membership needs are met.

Last year we painted the interior of The Restaurant and the girls did a lot of work making it very appealing. It has a lot of charm and personality. Our restaurant staff is very friendly and we are providing very good food. Last year we received our liquor license, which the membership had approved. It is working out very well. We had The Restaurant open all winter. Business was sparse but okay. One of the good things about keeping it open year around was it was up and running for the Memorial Day weekend, and we did great business.

The Road Improvement ballot was defeated this year by the membership. Economic times seemed to be the overriding issue. We hope that will be a program that will be re-instated next year as improving our roads is very important. About 22 miles of road have been improved. That includes putting in new culverts and new drainage, as well as applying 4 to 8 inches of road base. There is still \$85,000.00 in the Road Improvement Fund and we will be looking at several different projects this year. We will be looking at smaller projects such as the parking lot drainage. Staff has been out grading roads and will continue to work on road maintenance. We will be working on correcting some of the drainage problems we have.

Thanks to everyone who took the time to fill out the survey. The Board has tabulated the results and will start working on their new Business Plan. An interesting thing was that ten years ago when the former Business Plan was created, the issues of peace and environment were at the top of property owners' lists. These issues were echoed again in the most recent survey.

People appear to be slowing their speed down due to our efforts with the radar gun. We need to keep everyone safe in our community. Our wildlife is very important and we need to keep them safe as well. We appreciate our hosts working the security issues. Remember, they are out there for your benefit, so if they stop you for speeding, thank them and go about your business slowly.

We want to encourage everyone to let us know if you see people fishing without badges. Fish are very expensive and we can't let people steal fish from us. Lou Phillippe will report more on fishing later in the meeting.

We are in the process of working on having paid security. The Fishing Board will be contributing the majority of the money needed in hope of protecting our fisheries. You may see a patrol car and a uniformed security officer on the July 4th weekend. This is an experimental program that will be paid for by fishing passes, ATV license plates, and Water & Sewer will also be contributing to the program. No assessments will be used.

Steve introduced Lou Phillippe, Fishing Board President. This is Lou's first full year as President, and the Fishing Board has kept the Road & Rec. Board well informed as to their activities. Crystal Lakes has the finest fishing program along the Front Range.

PAGE 3 OF 7

Leadership in our Fire Department has changed this year. Mary Duncan (09067) had retired as President of the Fire District Board, and Ray Williams (06017) is now President. We also have a new Fire Chief, Ken May (06133). Be aware of the need to pull off on the side of the road when there is a Fire Department vehicle or a firefighter's vehicle on the road with flashing lights.

The pine beetle threat affects all of us. You are urged to spray, plant seedlings, and anything else you can do to preserve our trees. Join arms with us and fight these little guys until we kill every one of them. Talk to the Greenbelt Management Committee or review the information on our web site.

Thanks to the Bear Aware Team. Last year we had nine break-ins, compared to over a hundred a couple of years ago. This is a volunteer organization that works very hard in educating people so bears don't have to be destroyed.

This year we put the Annual Report on our web site to save money. We used to mail it to every property owner because the Board feels it's very important that everyone knows what is happening, what we are doing and why we are doing it. We did have copies made for those who came to this meeting, as well as anyone who wants us to mail a copy to them.

- **MANAGER'S REPORT:** Jody greeted everyone in the Navaho tongue. She thanked the Board Members for all their efforts and time. The hours they put in for your benefit each year are incredible. They have special meetings; they meet with the Committees, and have their regular meetings each month plus joint meetings each month with Water & Sewer. They are each available for questions from staff, some serve as an advisor on a Committee, and put in a lot of time for your benefit. Solar panels were installed this past year. We are seeing a definite difference in the amount of propane used in the office. There have been no complaints on hot water in the showers since their installation. Communication has been a top priority for the Board. There are now 453 participants on the group e-mail and last year we only had 411. Our next New Owners' Orientation meeting is August 8th. Other communities on the mountain are very envious of the quality of our Newsletter. The Board provides time at each of their meetings for comments and concerns from members. My office is also open to you for your comments. Come in and share your concerns. Right now there are 1,634 total memberships in Road & Rec., and 771 homes/cabins either approved or constructed. Jody referred to two maps on the wall. One showed all the lots with homes/cabins completed or under construction. The other map shows the 110 replatted lots. There is information on the 6th Filing on the east wall. We have scheduled two special trash days this summer, June 27th and August 15th. The containers are available between 9:00 a.m. and 3:00 p.m. There is a fee per cubic foot, but we can take things that are not household trash. We have new maps showing the 31 road name changes at a cost of \$1.00 each. The warning sirens will be demonstrated this afternoon. We have six sirens installed and the AVTech technician is in Crystal Lakes at this time. All six sirens will be sounded at one time using the FEMA alert sound. If you hear the sirens other than this afternoon and tomorrow morning, don't call the office or 911. Please leave the subdivision calmly and carefully. You can go to one of the safety zones and we will fill you in on what is happening. When you registered, you should have received your evacuation route, thanks to George Deaton (12056). George did the revamping for us, incorporating all the new road names.

Every property was affected inasmuch Creedmore Lakes Road is now County Road 73C. The Evacuation sheet gives you one way out, however you can follow the blue sign with the white arrows on our road signs. They will take you out also. If an incident occurs, there will be fire department personnel or emergency services directing you to another route. Familiarize yourselves with alternate egresses for your area. Acquaint your guests with those exit routes also. We had a power surge in early May which “killed” the fax machine, tried to kill the copier, and took out two battery back-ups and a whole computer system. It also burned the wiring in the freezer in The Restaurant. We should be getting an insurance settlement on that. It was reported to Poudre Valley REA. If you have any type of electrical event, they have asked that you let them know. Jody encouraged everyone to use our slash pile as long as we still have the rights to it. We don’t know how long we will. Down the road you may have to haul your slash to Larimer County Land Fill. We received a certificate in yesterday’s mail from VFIS verifying that we did not have any workman’s compensation claims for the first quarter of 2009. At the last Fire Protection District Board Meeting, a gentleman came from VFIS to present the Fire Department with a dividend check. He also presented a check for \$1,558.00 for the Road & Rec. Association. Jody invited everyone to come to her office with concerns or just to visit, stating she misses the visiting.

Steve Smalley referred to the 40th Anniversary and asked if anyone in the audience has been here for 40 years. No one responded, however Ray Williams has been a property owner in Crystal Lakes for 39 years.

- FY 2009-2010 BUDGET: The audience as well as Board Members were asked twice if there were objections to the budget. Since there were no objections, the budget was approved.
- INDUCTION OF DIRECTORS: Ray Williams installed Martin Hongsermeier, Steve Smalley, and Jim Sidebottom upon their making the pledge of office.
- ELECTION OF ROAD & REC. BOARD OFFICERS: Steve Smalley turned the meeting over to Rex Schweers, Secretary. Rex opened the nominations of officers to the Board.

Jim Sidebottom nominated Steve Smalley for President. Jerry Valko seconded the nomination, which passed unanimously.

Steve Smalley resumed the Chair.

Martin Hongsermeier nominated David Smith for Vice-President. Jerry Valko seconded the nomination, which passed unanimously.

Helen Koller nominated Rex Schweers for Secretary. Martin Hongsermeier seconded the nomination, which passed unanimously.

Rex Schweers nominated Jim Sidebottom for Treasurer. Helen Koller seconded the nomination, which passed unanimously.

Jim Sidebottom nominated Helen Koller for Assistant Treasurer. Martin Hongsermeier seconded the nomination, which passed unanimously.

- **FISHING BOARD REPORT:** Lou Phillippe thanked the Road & Rec. Board for their incredible support. The Fishing Board has had to make some changes in policy due to the dramatic increase in the cost of fish as well as in the number of people fishing. Thanks to the volunteers, especially Bill Popejoy (08142) and Don Reffel (11018), who are volunteer patrol people. The Fishing Board members are Doug Durica (12078), who is the Vice-President, Lennie Hochnadel (07032), Bob Rogers (09023), Jeff Gutekunst (04052), Mike Girard (13067), Bill Trout (05094). and Judy Randol (13081). There will be a couple of openings on the Fishing Board next year and we hope some of you will be interested in being on this working Committee. Lou also thanked those who helped with the Fishing Derby, namely John and Dorothy Sprackling (08105A), Joanne Rogers (09023), Kathy Durica (12078), and Gail McLean (12044). Thanks also to those who pick up trash at the lakes, as well as those who have adopted stretches of streams. The fishing derbies are on July 4th this year. The kid's derby is from 9:00 a.m. to 11:00 a.m., and the senior's and women's derby is from 1:00 p.m. to 3:00 p.m. Lunch will be provided. Due to input from the membership and the increase in the cost of fish, the Fishing Board, with approval from the Road & Rec. Board, raised the price of guest fishing passes and lowered the limit of fish one could keep. Everyone, please wear your badges and understand that it helps our fishing patrol people. Understand also that members are responsible for the actions of their guests. If the guests commit violations, the sponsoring members will be fined. There is a fly casting clinic hosted by the Red Feather Lakes Library on July 11th. Lou, Bob Strazer (11054A), and a couple of other volunteers from Crystal Lakes will be putting it on. It will be from 9:00 a.m. to 11:00 a.m. and equipment will be supplied.
- **CRYSTAL LAKES COMMUNITY FUND ASSOCIATION:** Winnie Hanson (03075) stated the mission statement for the Community Fund is 'wish fulfillment'. All of the funds available to them is from donations, memberships, and the generosity of others who may not even be members. Some additional projects completed or in progress are the painting and rebuilding of the Panhandle foot bridge, and working with the Boy Scouts to provide benches around Crystal Lakes. They additionally have refurbished three flag poles, bought the sound system we are using here, new fans with lights and new tables for the Wapiti Center, bought a defibrillator (AED) for the Fire Department, and erected a Memory Wall with a bench in front. Their next project is putting together an educational project on the pine beetle. The Committee has a book outside titled 'Roads of Crystal Lakes' by Grace Zach (06103), with proceeds going to the Community Fund Association. Helen Koller acknowledged Grace Zach, who was one of the first members of the CLCFA.

On behalf of the Road & Rec. Board, Steve thanked the Community Fund for everything they do.

A production of the play 'Princess Red Feather' by Mountain Productions has been put on DVD and will be shown in the Wapiti Room during our 40th Anniversary celebration. The play,

performed in the mid 1980's, had a cast of fifty, comprised of people from all the communities on the mountain.

- **CRYSTAL LAKES FIRE PROTECTION DISTRICT:** Ray Williams reported there has been a lot of activity in the Fire Protection District and the Fire Department in the last six months or so. Don Rogers (05063), Mary Duncan (09067), and Maureen Sanford (09067) all resigned, and Joan Rosecrans retired. Harold Alexander (12072) resigned from the Fire District Board because of a conflict of interest, as Sherry is on the Board. Jim Ekberg (09136) and Gary Wiegel (13064A) were appointed to fill the two vacancies. Ken May (06133) was elected Chief of the Fire Department in November. David Gentry (09055) was elected Assistant Chief and Marian Kelly (07007) was re-elected Assistant Chief. Ray stated that they will be asking for an increase in the mill levy within the next couple of years and asked that the membership approve it. Firefighters and auxiliary will be making improvements to the fire barn on June 27th, July 11th, and August 8th. Help will be greatly appreciated. The department appreciates everyone's participation in their bi-annual rummage sale. This year they raised over \$3,000.00. Ken May addressed the gathering and stated the Fire Department would like to put in dry hydrants at all the ponds in the Crystal Lakes area which would allow firefighters to get water at a close location. Please return your evacuation information which is important to the Fire Department. It is Colorado law that you yield the right-of-way to all emergency vehicles, so please do so. Ken would like to see more volunteers join the Fire Department. We can never have too many firefighters.

BEAR AWARE TEAM: Jim Tiffin, leader of the Crystal Lakes Bear Aware Team, reported that they meet every fourth Sunday at 10:00 a.m. in the Wapiti Room from April to November. Everyone is invited to attend. Jax's Farm and Ranch and Gallagher Manufacturing have booths in the Fire Barn with information on the use of electric fencing to protect our properties. The Bear Aware Team was formed in 2005 by the Colorado Division of Wildlife to address the tremendous number of break-ins that were occurring in Crystal Lakes. One researcher told us that we had the worst problem she had ever heard of. At the end of 2005 we were a dismal failure, having had 122 break-ins. Jim emphasized that the team can only teach and advise. It is the property owners who have to make the changes. In 2006, this community turned the problem around. In July, 2006, we had our last break-in and we went almost twenty-four months without one. Last year, we had three young bears, raised in Red Feather, who only knew people as a source of food. Most of their break-ins were not serious ones. August 20th of last year was the last break-in we've had. We have with us today another bear expert who has spoken at many communities and many functions in North America. Linda Masterson is author of the book 'Living with Bears', which Jim believes everyone should have. It's a tremendous resource and easily read. Linda stated she would be in her booth after the conclusion of the meeting to talk about bears or any other wildlife. She really is here today to say thank you to all in this community on behalf of not only Colorado's bears but bears all across North America. Thank you for taking responsibility and ownership of your problems, solving them, and then putting teams in place to prevent them. Thanks for working together as a community and educating your newcomers so they know they are moving into bear and wildlife country. Thanks also to the Road & Rec.

Association and all the leadership here for the support you have given to the Bear Aware Team, for letting them have web pages, educate new owners and being part of the Board Meeting. When the Team was first formed, there was concern amongst the members and shared by Jim Jackson, District Wildlife Manager, who were a little leery that this idea would even work. Could a team of volunteers actually turn around the situation that had been called the worst bear conflict problem in North America? Thank you for proving that a state agency and a group of citizen volunteers can work together because you have inspired other state agencies and other citizen groups all over the country to do exactly the same thing. In fact, your team is consulting with groups in other states on how to get their own programs going. I tell your story all across North America and tell people if Crystal Lakes can do it, you can do it. There are bears alive because of you in Colorado and across the country. Congratulations and thank you.

- MEMBERS' COMMENTS & AND CONCERNS: Bev Eddinger (08019) reminded everyone about Breakfast At The Lake on Sunday morning and the 40th Anniversary celebration on July 25th.

George Deaton commented on the terrific job our field staff did for full-timers up here with regard to the plowing of snow.

Steve Smalley acknowledged Grace Zach, Road & Rec. Board President for several years. She started the Community Fund and is currently an active member of that group.

- CLOSING: Steve closed by expressing his hope that all present share the same pride and enthusiasm and caring that the Board does for Crystal Lakes. This is a special place and we want everyone to feel special. The sirens will be demonstrated right after adjournment.

MOTION: Jeanette Williams (06017) moved to adjourn. Claudia Sidebottom (06138) seconded the motion, which passed unanimously.

THE JUNE 13, 2009, CRYSTAL LAKES ROAD & RECREATION ASSOCIATION'S ANNUAL MEMBERSHIP MEETING ADJOURNED AT 4:07 P.M.

Respectfully submitted,
Bev Eddinger
Recording Secretary

CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION
Standing Rules for the Annual Meeting

These rules are subject to and further defined in the Association Bylaws.

Definitions:

1. Members of the Crystal lakes Road & Recreation Association shall be persons who currently own property in the Crystal Lakes Subdivision.
2. Voting memberships shall be property owners whose Association dues are not delinquent for primary lots.
3. Each primary lot is allowed one vote.
4. Properties owned by multiple entities are allowed only one vote.
5. Assigned memberships and lessees may not vote.
6. Members are defined as those whose names appear on the deed.
7. Proxy voting is allowed under the rules for proxy voting.

Guidelines for rules of debate:

1. Debate does not commence on any issue until there is a motion with a second on the floor.
2. At the beginning of the meeting the Chair shall announce that we shall enforce debate limitations (no one may speak more than once for a maximum of three (3) minutes on any issue). Repetitive comments will be discouraged.
3. All items to be brought before the Annual Meeting must be presented in writing to the Association Manager or a member of the Board of Directors no later than 4:00 p.m. the day prior to the Annual Meeting for placement on the Agenda.
4. Only voting members may make motions and nominations.
5. The minutes of the previous Annual Meeting shall be posted and copies made available at least three hours prior to the starting time of the Annual Meeting.

Agenda for the Annual Meeting:

1. The order of the Agenda shall be determined by the Board of Directors and distributed prior to the beginning of the meeting.

Annual Meeting Chair:

1. The Chair of the Annual Meeting shall be the President of the Crystal Lakes Road & Recreation Association Board of Directors, or the Vice-president, Secretary, or Treasurer if the President is unavailable.
2. The Chair shall preside at the Annual Meeting.
3. The Chair shall eliminate all out of order discussion.
4. The Chair shall not engage in any discussion brought before the meeting while chairing the meeting. If the Chair wishes to engage in any discussion, the Chair will relinquish the Chair until the issue is resolved, and be subject to the guideline of "Guidelines for Rules of Debate" #2 above.

Procedures for Election of Board of Directors:

1. By Board action and as published in the Association's Bylaws, issues such as assessment increases, special assessments, and balloting for candidates for contested positions on the Board of Directors shall be by written ballot mailed to the entire membership.
2. Candidates must qualify according to the Bylaws and provide resumes prior to the published deadline.

FY 2009-2010 – Annual Report
President, Steve Smalley

Greetings:

I want to start off by thanking our staff. We are fortunate to have trained and dedicated staff members to handle the needs of the Association. The field workers have done an excellent job removing snow this winter to keep the roads open. Not only do they battle the snow that falls but then the wind seems to put all the snow back into the road. The office staff works hard at answering questions and assisting all the property owners. The restaurant staff continues to work hard to provide great service and good meals to the members. Special thanks to our Manager, Jody Sandquist, for all the long hours she puts in to assure the operation runs smoothly.

The road improvement assessment was approved by the members this spring. Special thanks to all the folks that took the time to vote, with 1019 ballots received, it made it the largest number of ballots ever to be received to decide any issue. I guarantee that we will work hard to make sure every penny is well spent and the Association receives the most “bang” for its buck as these improvement projects are done.

Special thanks to all the committees and the volunteers that work so hard on behalf of the Board and the Membership. The association is very lucky to have so many talented people from such a wide background of experience, who are willing to participate in continuing to improve Crystal Lakes. These volunteers save the Association thousands of dollars every year in labor cost. We are always looking for volunteers with varying degrees of commitment and time availability; if you have any interest contact the office.

The approved fire pit program has been very successful; we thank all the members who have

completed their pits and had them approved. If you still need to install yours we have examples of what others have done at the office. After your pit is approved you may call the office during business hours for your fire permit.

The Association’s new covenants seem to be working well, your Policy and Documents Committee has been working hard this year to assure the other Association documents agree with the covenants. Please remember that the Board or the Manager cannot grant variances from the covenants, the total membership must approve any changes or variances from the covenants.

The Board last summer made a goal not to make any new rules for 6 months. I’m happy to report we made it! We do want to remind everyone that, with summer here, we all need to follow the Association rules that make us a community. No one likes rules, but they are a necessity to assure everyone can enjoy their experience at Crystal Lakes.

Your Board will be working hard this year regarding road improvements, better drainage on the road system, communication with Members, and improving the facilities. We will begin working on a professional reserve study for the Association which will help us in the future to determine what projects need to be done and when, in addition to the financial requirements to avoid shortfalls of revenue in the future. We hope to have this accomplished this year and will share the study with all of you.

On behalf of the entire Board we would like to thank you for the trust you have placed in us as Board Members and wish you the very best. We hope you have many opportunities to enjoy Crystal Lakes

**FY 2009-1010 – ANNUAL REPORT
TREASURER**

INDEPENDENT AUDITOR'S REPORT

Again the Finance Committee has provided, and the Association Board approved, a tight and conservative budget. It is basically a status quo budget with few funds available for improvements or upgrades.

This year an important funding measure was authorized by the Association membership which will fund specific future improvements. The Equipment Reserve & Replacement Fund will receive \$15 per lot per year and the Special Road Fund will receive \$60 per lot per year.

The Equipment Reserve and Replacement Fund will be used only to fund the major repair and replacement of major assets, such as vehicles and the heavy equipment used to maintain the roads. For example, the grader in current use is wearing and will need replacement soon. The heavy use of this equipment during the last several winters has increased the costs of maintenance and repair.

The Special Road Fund will be used only to upgrade and improve some of the 86.5 miles of roads within Crystal Lakes. Normal dues allow only for routine grading, but not the costs of upgrading the drainage or application of road base to improve the ride. The projects will be determined by the Road Committee and must include projects in each filing. The revenue generated by this assessment generally allows for accomplishment of major projects every other year given the high cost of hauling road base and the costs of fuel for the equipment used.

The revenue from this assessment will be strictly budgeted only for these types of expenses, and separated in the budget for accountability.

Jim Sidebottom
CLRRA Treasurer

To the Board of Directors
Crystal Lakes Road and Recreation Association
Red Feather Lakes, Colorado

We have audited the accompanying balance sheets of Crystal Lakes Road and Recreation Association as of May 31, 2009, and 2008, and the related statements of revenues and expenses, changes in members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crystal Lakes Road and Recreation Association as of May 31, 2009, and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The supplemental information on future repairs and replacements on pages 11 and 12 is not a required part of the basic financial statements of Crystal Lakes Road and Recreation Association but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of activity in members' equity on page 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

RICKARDS LONG & RULON, LLP
Fort Collins, Colorado
Date: October 17, 2009

STANDING COMMITTEE & AGENCY REPORTS

The Charters of all Standing Committees include the following:

“The (Name of Committee) serves at the pleasure of the Crystal Lakes Road & Recreation Association Board of Directors. All final decisions are the responsibility of the CLRRRA Board of Directors.”

FY 2009-2010 – ANNUAL REPORT ARCHITECTURAL CONTROL COMMITTEE

Applications Approved June 6, 2009 to May 1, 2010

Homes	17
Additions	1
Sheds	22
Garages	9
Driveways	9
Decks	2
Fences	3
Gazebos	
Fire Pits (over 36")	1
Porch Enclosures	
Platforms	
Landscape	
Dog Runs	
Paint Colors	2
Picnic Pavilion	1
RV Pad	1
Lattice Under Deck	1
Loafing Shed	1
Roof color	2
Denials:	2

Committee Members:

Claudia Sidebottom
Barbara Groves
Doug Race

Rick Crewdson, Staff Liaison

FY 2009-2010 – ANNUAL REPORT POLICY & DOCUMENTS COMMITTEE

Our goal is to make revisions and update the documents governing Crystal Lakes to better serve the community.

The major effort of the committee this year has been to completely revise the Crystal Lakes Road & Recreation Association Property Owners’ Handbook, the Crystal Lakes Water & Sewer Association Property Owners’ Handbook, and the Crystal Lakes Employee Handbook. The formats of these documents are now similar and stand alone policies were incorporated into the documents.

The committee also developed a Document Revision Worksheet to help track changes made to all documents. This has become a valuable tool to the office and to the committee.

The committee wishes to thank Dan Defibaugh for his commitment and contributions to our efforts while he served on this committee. We wish him well as he has moved on to his elected position on the Crystal Lakes Fire Protection District Board of Directors.

We hope to have new members join us this year.

Policy and Documents Committee Members:

Ardie Yowell
Jerry Valko
Jeanette Williams, Chairperson

**FY 2009-2010 – ANNUAL REPORT
BEAR AWARE TEAM**

"Thanks to you it's working!" best describes the Crystal Lakes Bear Aware program.

In the spring of 2006 a bear researcher with 20 years experience described Crystal Lakes as "the worst problem I've ever heard of". Now thanks to the effort of this community we have gained national attention on leading the effort of "living with bears". By making simple adjustments in lifestyle, and continuing those changes, we are still enjoying outstanding success. Our last confirmed break-in was in August 2008.

The Sow who gave us the triplets who could open car doors had three more cubs last year. She will likely abandon them sometime this year and there is the chance they will select Crystal Lakes as their home.

One of the team goals this year is to get formal training on coyotes. Coyotes are a growing problem in urban areas state-wide and the Colorado Division of Wildlife is expanding efforts to educate people in dealing with the problem.

Let's continue to "keep a clean camp," leaving nothing out overnight (such as bird feeders, dog food, or trash) that will attract a bear to your neighborhood. 2009 brought the death of a Telluride woman who took a broom to one of the many bears she had been feeding.

Moose remain the principal threat to public safety, followed by coyotes.

The only reported death last year was a dog who died from injuries in an encounter with a bobcat.

Bear Aware team members:

Kate Kelly	Jerry Kalkman	Susan Vance.
Alice Schiel	Jim Tiffin	Doug Blunt
Bob Strazer	Jim Ward	Sherry Alexander
Curt Livingston	Judy Dodero	Harold Alexander
Ron Yowell	Artie Yowell	Jane Tiffin
Diana Ward	Steve Ault	Ray Williams
Dolores Williams	Marian Kelly	Jeanette Williams

**FY 2009-2010 – ANNUAL REPORT
FINANCE COMMITTEE**

As you all probably know by now, the \$75.00 per year special assessment was passed: \$60.00 of the \$75.00 will go to the (much needed) road improvement dedicated fund and the other \$15.00 is earmarked for major repair and replacement for road equipment. This increase will last for only three years, then in my opinion we will have to come back to the membership and ask to do it again.

The reason I suspect it will need to happen again is fairly simple. Crystal Lakes' roads, as everyone knows, are all dirt and/or packed gravel, and need constant maintenance with the association's heavy equipment. Collecting \$60.00 per year for only three years just won't cut it. The same holds true for the \$15.00 per year (for only three years) for major repair and replacement for road equipment. These are full time on-going expenses that need to have an annual income (annual – every year). Otherwise the roads and the equipment needed to maintain them will certainly fall into disrepair.

Of the 1019 ballots counted, “yes” received 539 votes and “no” got 480. A lot of us are extremely happy this measure passed, but I am personally a little disappointed that 480 property owners didn't see a need to keep our roads and equipment in good condition.

The Finance Committee, together with our Manager and Bookkeeper, was able to present a balanced budget to the CLR&RA Board in spite of the fact we received no COLA increase in our \$304.00 annual dues

I feel the main reason we were able to accomplish this is because of more income from the restaurant and better accountability in the restaurant's revenue and expense columns. The food is excellent and so is the service. So come on down and join us for a meal at our restaurant.

In closing I'd like to thank the Finance Committee, our Manager, and our Bookkeeper for all their time and effort in putting this balanced budget together.

Ray Williams

Finance Committee Members:
George Deaton
Helen Koller
Bob Rogers
Jim Sidebottom
Ray Williams, Chair



“We're stretching every dollar!”

**FY 2009-2010 – ANNUAL REPORT
CRYSTAL LAKES FIRE PROTECTION DISTRICT**

Effective January 1, 2010 your Crystal Lakes Volunteer Fire Department consists of the following community members: Marian Kelly, Chief; John Lang, Assistant Chief; Doug Blunt, Assistant Chief; Jody Sandquist, Safety Officer; Harold Alexander, Training Officer; Helen Bowlin, Secretary; and our Firefighters are:, Marian Kelly, John Lang, Doug Blunt, Harold Alexander, Chuck Glanz, Rene Patterson, Tom Patterson, Doug Race, Shirla Race, Jody Sandquist, Janet Schrodt, and Mike Schrodt. The following are Responding Auxiliary: Rick Bowlin, Helen Bowlin, Herb Cooper (Head of Auxiliary), Sharon Copper, Kate Kelly, Curt Livingston, Bob Nauroth, Bob Schiel, Alice Schiel, Jane Tiffin, Jim Tiffin, Diana Ward, Jeanette Williams, and Ray Williams.

The Department has six newly trained First Responders: Marian Kelly, Doug Blunt, Chuck Glanz, Mike Schrodt, Janet Schrodt, and Kate Kelly.

The Supporting Auxiliary includes: Sherry Alexander, Helen Koller and Lyle Koller.

Effective May 5, 2010, your Crystal Lakes Fire Protection District Board of Directors are: Ray Williams, President; Sherry Alexander, Vice President; Herb Cooper, Secretary; Shirla Race, Treasurer; and Daniel Defibaugh, Member-At-Large. The next time you see one of these folks, you might want to say “Thanks for all you do”!

The following is friendly reminder:

MOVE OVER

Colorado adopted a MOVE OVER Law in 2008. The law applies to emergency response vehicles such as: police cars, fire trucks, ambulances, tow trucks and Department of Transportation vehicles.

The law requires motorists to change lanes and/or slow down when approaching an emergency vehicle that is stopped on the side of the road with its lights flashing. This provides a margin of safety for emergency responders. Working on the side of a road while traffic passes only feet (sometimes inches) away is extremely dangerous.

Nationwide, an average of two emergency responders are struck each day while doing their job. Not to mention numerous other workers and vehicle occupants that have been injured or killed by traffic.

If you see an emergency vehicle ahead with lights flashing – immediately slow down. If you’re on a multi-lane highway, you must move over (when you can do so safely) by changing lanes away from the emergency vehicle. If you are unable to move over (i.e., two lane road) you must slow down to at least 20 MPH below the posted speed limit.

The more the MOVE OVER message is spread, the safer our emergency responders will be. Also, keep this in mind, while the law refers to emergency responders, it’s a good idea to apply the same rule to ANY vehicle stopped at the side of the road.

And please remember – if you see flashing lights in either direction and/or hear a siren, pull over to the right and stop as soon as you can do so safely. Resume speed after the vehicle or vehicles have passed you. IT’S THE LAW!

This reminder is provided by the Crystal Lakes Fire Protection District Board and your Crystal Lakes Volunteer Fire Department for everyone’s safety.

Ray Williams, President CLFPD

FY 2009-2010 – ANNUAL REPORT FISHING BOARD

The popularity of the Crystal Lakes fishery continues to grow. Following a study of guest fishing fees and policies of other Front Range private trout fisheries, the Fishing Board recommended modest guest fee increases to the Road and Recreation Board, which were adopted. The increases were intended to compensate for the rising cost of stocked trout, along with the goal of slightly reducing non-member fishing pressure. In addition, the daily limit was reduced to three fish per day, from four fish previously. This, too, was in response to the rising price of fish, which now cost \$3.60 per pound, or approximately \$5.20 per fish. Thus, a limit of four fish costs more than the previous \$20 per day guest fee. The \$12 annual per-lot contribution toward the fishing program now pays for less than three fish PER YEAR, so the majority of the stocking budget comes from guest fishing fees and sale of the very popular Guest-with-Member badges. While the increase in daily fees did not result in an appreciable reduction in guest fishing participation, it produced enough added revenue to permit the Fishing Board to stock more pounds of fish, which will help compensate for the added fishing pressure we've experienced during the past few years. Stocking total for the 2009-2010 FY is 14,000 pounds of catchable-sized trout. This is the most poundage ever stocked in a fiscal year in Crystal Lakes, according to available records. We plan to increase that slightly in 2010-2011 if guest revenues continue at the current pace.

The presence of Anlance Security this summer helped significantly reduce common violations such as unauthorized non-member fishermen, members not wearing badges, abuse of the daily limits, and other rule violations. The response by members to the security presence was positive, and the fishing patrol volunteers welcomed the assistance. The biggest complaints came from people who were repeatedly checked for badges, which could have been easily avoided by simply following the rule of wearing a visible badge.

Based upon member feedback, we began stocking more of the nice, catchable 12-16" trout, with fewer of the "lunkers." This put more numbers of fish into the water, which improved the catch rate. Fishing was excellent in Crystal Lake all year, with more large fish caught than in recent memory.

Fishing on the ponds was good at times, and slow at other times, even though many fish were seen rising and swimming around in the water. This was likely due to two factors: One is the extremely prolific supply of natural food in the ponds, to which the stocked fish become dependent within a few days after stocking. This makes fishing difficult for all but the most skilled anglers. Also, because the ponds receive heavy pressure all year round, the fish that aren't immediately harvested become quickly "educated," and are reluctant to strike anything that does not exactly mimic natural food. The Fishing Board plans to adjust the pond stocking in 2010 to place fish into the ponds with more frequency, thereby providing a regular supply of "uneducated" fish for the recreational anglers to catch. Several of the ponds have growing populations of small brook trout, which are excellent table fare. Anglers are encouraged to keep brook trout from Otter Pond and Beaver Lake to eat, which will also help keep them from becoming overpopulated and stunted.

The growth rate of fish in Crystal Lake appears to be exceptional. Fish stocked in 2008 at 12-15" were a fat 16-20" by the summer of 2009. Many fish of that size, and some larger, were caught during the ice fishing season, and we hope some of those fish survive another summer to produce the opportunity to catch a true trophy trout.

Reports from stream fishermen indicate that the catch-and-release policy on the streams is aiding with the long-term goal of improving the fishery after several decades of allowing wild, breeding-sized trout to be

removed and eaten. However, most stretches of our streams are well below carrying capacity, meaning there are significantly fewer fish present than the habitat can and should support. Not only has the gene pool been badly damaged from historical over-fishing, but the abundance of interlocking beaver dams in some areas prevents adult fish from migrating to spawning habitat and finding suitable spawning mates. Besides the constant predation from herons, kingfishers, ospreys, and mink, there are still a few people who insist on poaching and removing our remaining wild trout. So recovery of the streams will be a long, slow process.

We no longer stock the small streams with hatchery trout, due to the extremely low survival rate (only 5-10%, according to most published studies) and their competition with and stress on the wild trout during the short time the hatchery trout are in the water. A study on the North Fork of the Poudre by Kurt Faust from C.S.U. determined that hatchery trout are not suited to the habitat and high-low water flow regimes found there. From our last stream stocking of 600 lbs of small brown trout in 2008, it appears that virtually none of them survived to the next spring. The majority simply “disappeared” within a week or two, which is consistent with Colorado Division of Wildlife data for other stocked streams. Most Western states have stopped stocking small streams altogether for these reasons. It will take many years, possibly decades, of careful wild trout management to restore our streams to the high quality fishery of other managed small streams in the area. We appreciate the cooperation by all stream fishermen in helping to pursue that goal.

The July Fishing Derbies once again attracted many participants, with more than 95 anglers in the children’s and youth Derby alone. The winning fish in the children’s division was 22” long, and weighed nearly 6 pounds!

We appreciate the support of the membership in reporting violations, picking up trash and discarded fishing line around the lakes, and carefully handling and releasing trout that are not needed for a meal. We also welcome members who offer friendly reminders to other members about wearing visible badges. Anyone interested in helping to patrol, even if periodically checking one pond on weekends, would be greatly appreciated. If you are interested in helping, please contact the Fishing Board or the Crystal Lakes office.

2009-2010 Fishing Board Members:

- Lou Phillippe, President
- Doug Durica, Vice President
- Len Hochnadel, Treasurer
- Judy Randol, Secretary
- Jeff Gutekunst
- Bob Rogers
- Bill Trout
- Mike Girard

Volunteers :

- Bill Popejoy
- Don Rieffel
- Bryon Fessler

**FY 2009-2010 – ANNUAL REPORT
GREENBELT MANAGEMENT
COMMITTEE**

The Greenbelt Management Committee suffered a great loss on June 17, 2009, when our Chairman, Gary Poage, passed away unexpectedly. This occurred less than one month into our 2009-2010 budget year with many projects ongoing and with all of our members missing the dynamic leadership that Gary provided. By the end of June, Ronnie Owens assumed the chairmanship with the first priority to finish Phase III of the Forest Management Demonstration Project.

Alpine Forest Management, LLC was the contractor charged with finishing the project and work progressed at the site on the greenbelt area in the 15th and 12th filings slowly. It became apparent by the end of July 2009, that the goals that Gary set for the contractor were overly ambitious. In addition, the contractor was injured at the site at the end of July in a fall from a bulldozer, and required surgery. In August the scope of the project was scaled back to its original 7.9 acres and in spite of some bad weather in September was finally wrapped up Sept. 25th.

All the paperwork was filed with the Colorado State Forest Service on September 28th for matching funds reimbursement under the terms of our original grant, initiated in 2005. The final reimbursement amount was \$6,629.29. More importantly, Crystal Lakes was able to maintain its good standing with the State Forest Service, meaning that future grant money will remain available to us.

The Phase III project suffered from multiple changes in leadership, shifting and somewhat nebulous goals, overly optimistic assessments on the part of contractors and management regarding the difficult nature of the work. In addition, some 200 piles of slash have been left behind, necessitating further expenditures to complete the clean up. This work has been tentatively scheduled to be completed by the end of May 2010.

The Greenbelt Committee is also running the seedling program again this year. Kathy Dillon-Durica has spent many hours compiling and ordering the seedlings. In addition, the Greenbelt Committee has ordered 300 seedlings for planting in select Greenbelt

areas. An Eagle Scout candidate, Jay Paul Schippers, will organize the planting of the trees as part of the fulfillment for his Eagle badge. Currently, that work is scheduled to be completed by the end of June.

The Greenbelt Committee also sponsored a series of classes last year on various topics including fire-wise practices, forest management, tree diseases, etc., which were taught by foresters with the CSFS. At first, the classes were poorly attended, but, with improved publicity, the classes were deemed to be successful enough that Diana White of CSFS was willing to consider sponsoring more this year. The classes have yet to be scheduled.

We are also informally organizing a group discounted purchase of Verbenone, the anti-aggregant synthetic pheromone used to repel mountain pine beetles. The group purchase will occur at the end of May to provide lot owners with sufficient time to deploy on their lots.

Finally, I would like to thank the GMC members for their ideas, hard work, and countless volunteer hours. Even though 2009-2010 has been a challenging year, we have accomplished a great deal. The next year will also be difficult as the mountain pine beetle epidemic continues, but I am looking forward to working with the committee and with the Board.

Ronnie Owens
Chairman

Members:
Kathy Dillon-Durica
Melody Jobman
Wally Jobman
Carol Jackson
Johanna Prinkey
Dick DeGoede

**FY 2009-2010 – ANNUAL REPORT
HEARING PANEL**

The panel was established as a standing committee by the Crystal Lakes Road and Recreation Board of Directors to provide opportunity for Crystal Lakes Road & Recreation members to appeal officially filed complaints brought forth by any CLRRRA Committee, Association staff member, or another CLRRRA member.

The panel has authority granted by the Board of Directors to carry forward with the administrative actions of the committee filing a complaint and to impose fines. The Hearing Panel serves as the entity for final appeal. **The Hearing Panel does not set policy.**

The Hearing Panel consists of three volunteers, and one alternate, selected and appointed by the Board of Directors. Each Panel member's term shall be three years in duration and shall be renewed or a new member appointed at the CLRRRA Board's discretion.

The Hearing Panel will meet each month as needed on the Sunday following the regularly scheduled the regularly scheduled meeting of the Road and Recreation Board of Directors at 1:00 p.m. in the Wapiti Center.

- Any property owner who has been cited with a violation has the opportunity to respond to the complaint and present a defense at a hearing. A written defense may be presented and written permission is required to conduct the hearing without the property owner being present.
- Appeals must be submitted by the member cited in writing to the office along with any pertinent documentation.
- Submission of response must be mailed within seven (7) days of the mailing of the citation, and a minimum of one week prior to a scheduled meeting of the Hearing Panel. Failure to file a response within the allowed time period will forfeit the right of appeal.

- The filing of a response will delay a committee-set deadline until the panel convenes to hear the matter.
- Upon receipt of a response, the CLRRRA office will notify the committee involved to request appropriate documentation. The office will schedule the hearing and notify the member in writing.
- The citing committee member, and witnesses, will attend the hearing.
- Failure to correct a complaint or to file a response or failure to appear for a scheduled hearing before the panel without filing written permission to conduct the hearing will result in administrative action being taken according to the Association rules and regulations.

Hearing Panel Members:

Jim Tiffin
Susan Vance
Jim Ward

Alternate:
Doug Blunt

FY 2009-2010 – ANNUAL REPORT NEWSLETTER COMMITTEE

The *Wapiti Bugle*, the official voice of Crystal Lakes Road and Recreation Board and Crystal Lakes Water and Sewer Board, provides valuable information to all Crystal Lakes property owners. It is an important communication link between the Crystal Lakes (CL) staff, boards, volunteers, committees and the CL property owners. The *Wapiti Bugle* Committee strives to make the *Bugle* an informative, positive and professional publication. The *Bugle's* success results from the hard-working committee members and all who contribute articles.

Six bi-monthly issues are published and mailed, in a timely manner, to over 1600 property owners. Each issue contains 12-16 pages of copy and four color pages. Articles and photographs are contributed by *Wapiti Bugle* Committee members and others including: staff, board members, other committees and Crystal Lakes members. Articles and photographs focus on Crystal Lakes and the greater area's activities and concerns. We contract with Mountain Media for design and layout, printing and mailing the six issues each year. Advertisements are included to support local businesses and defray some of the publication's printing and mailing costs.

The *Wapiti Bugle* Committee meets at least twice per issue to make writing assignments, plan lay-out, select photographs and other art work, proof copy and make policy decisions. All decisions are made by a consensus vote of the newsletter committee. Newsletter charter and policies have been updated and Standards of Behavior have been included in the policies.

The cost to produce and mail each of the six issues in 2009 was \$2890. The estimated total expenses for six publications of the *Wapiti Bugle* for fiscal year 2009 – 2010 would be \$17,340. We have been able to maintain the same production costs by utilizing our volunteers for some of the design work. We estimate advertising income to be \$6,680, which leaves a net cost to the association of \$10,660.

All committee members operate on a voluntary basis. The *Wapiti Bugle* Newsletter Committee recommends that the CL Road and Recreation and the CL Water and Sewer Boards approve the submitted Budget FY 2009 - 2010 and continue to provide a small subsidy to maintain this important communication to the CL property owners.

Our thanks to the following 2009 – 2010 *Wapiti Bugle* Committee Members: Sharon Cooper, Kathy DeMint, Helen Bowlin, Kay Hunter, Jana Mills, John Sprackling, Carol Strazer, Ann Watson.



**FY 2009-2010 – ANNUAL REPORT
RECREATION COMMITTEE**

The goal of the committee is to provide recreational opportunities, other than fishing, to all property owners and their guests. Members come together to get to know their neighbors, and to participate in and enjoy their mountain community.

Events that we have already had this year include our Valentine's dessert potluck and our St. Patty's Day potluck.

Upcoming events for 2010-2011 include:

Breakfast at the Lake	June 13 th
Picnic Concert	July 2 nd
4X4 Backwoods Cookout	August 14 th
Arts & Crafts Fair	September 5 th
Oktoberfest	October 9 th
Christmas Party	December 11 th
New Year's Eve games	December 31 st

Look for the times in the *Wapiti Bugle*. All events have been well attended and fun is always had by all. We would like to thank all those volunteers who have helped us with these events.

Chair:

Helen Bowlin

Committee Members:

Diana Ward	Helen Norton
Alice Schiel	Sue Gessert
Helen Koller	Cindy Goodell

**FY 2009-2010 – ANNUAL REPORT
HIKING COMMITTEE**

We had a successful and fun hiking season with a total of 162 hikers from the second Tuesday in June 'til mid-September, going on 14 hikes with one working hike. We hiked a total of 79 miles. Most of our hikes were in Crystal Lakes and surrounding Forest Service areas; however we did three hikes in the Poudre. I have made up a tentative plan for the 2010 season with 15 hikes scheduled and trying to get in some new trails.

We had a work day on Saturday, Aug. 8, to clear an outlet to Midgard Trail. Thanks to the workers: John Sprackling, Alice and Bob Schiel, Kevin and Helain Steele, we cleared a path from the Greenbelt up the hill to Shoshoni, which was no small task, clearing away trees and brambles and carrying them up the hill. Kevin made steps up the bank to the road. We have made a clear path and it is well marked.

We added a new thing this year—a snowshoe event. Available members of the hiking group met on 4 occasions January through March and went to different homes afterward for a potluck. We had a total of 19 for the snowshoeing with spouses joining afterward for dinner.

We look forward to the coming hiking season and invite new hikers to join us. Our schedule will be listed in the *Bugle* and posters will be posted in the office as well as the mail box area. We meet on Tuesdays at 8:45 a.m. at the postal drop unless otherwise posted.

Helain Steele
Chair

FY 2009-2010 – ANNUAL REPORT ROAD IMPROVEMENT COMMITTEE

The Road Committee was created to advise the Road and Recreation Board on road related items. That includes road improvements, drainage, materials used and equipment needed to perform these duties.

In 2009 two projects were presented to the Road and Recreation Board. The funds for these projects were collected in the 07-08 year. One project that was completed was the installation of a new concrete cross pan near the mail shed at base camp. Some minor grading still needs to be done. Rains and spring runoff had made this section of road rutted to where grading was required often. The second project was to improve a section of MicMac and Osage. There have gotten to be several year round residences on that road, and rain and snow have at times made some sections nearly impassable. Only a few culverts were installed before the snows started and delayed further work till this spring. The remainder of the culverts and grading will be completed prior to placement of the gravel surfacing.

In February, the Road Committee along with the Joint Boards held a Town Meeting, which was open to the membership. Over twenty property owners were present. This meeting was to inform the membership of the past projects completed with the special road assessment funds from the past, and to present the ballot issue which was mailed out to the membership for approval or denial, and would be in effect for three years. The proposal is for \$75.00 total, \$60.00 of which will be used for improvements on special projects for existing roads. There are 86.5 miles of road; 21 miles have had improvements which have cut down on the amount of maintenance in these areas. There is a map in the office and also available on the web showing the roads where work has been accomplished.

We encourage you to view these areas. The other \$15.00 of the proposal will be for major replace and repair the equipment used on the roads. Due to the age and use of the equipment it is going to be necessary to look at updating our equipment, and this special assessment will help with this.

This spring, the Road Committee along with others, will be driving and accessing the condition of the roads in Crystal Lakes. It will be noted where culverts might be missing, plugged or damaged and these areas will be reported back to the Road and Recreation Board. The policy of the Association is that the driveway culverts are the responsibility of property owners to install and maintain, then those property owners will be notified of the work that needs to be done. Drainage issues are probably the largest factor attributing to road damage and therefore it is crucial that these issues be addressed. If every one pitches in it will make Crystal Lakes a better place to live and play.

Road Committee:
Jack Goodell, Chairman
Jerry Valko
George Deaton
Gary Wiegel



FY 2009-2010 – ANNUAL REPORT CRYSTAL LAKES WEBSITE

After weeks of redesign planning and behind-the-scenes work, the new Crystal Lakes website (www.crystal-lakes.org) went live on October 13, 2009. The website is maintained by Mountain Web Design, a local business owned and operated by property owner Sharon Fessler. Within the first 30 days, over 650 members had visited the new website, which featured a fresh look and feel, improved usability, and a greater focus on community and communication. In addition to improved navigation, members noticed a wider use of photography and color across the new website. Special sections were created for the Board of Directors and the Staff, complete with pictures so members could easily put a face to a name. Additionally, individual websites were created for all of our Committees to help facilitate communication and to recognize the time and talent of our many volunteers.

For members looking to find documents, a special section was created that included our governing, financial, and general documents as well as all of the agendas and minutes of the various meetings that take place up here at Crystal Lakes. For our photo enthusiasts, special photo galleries were set up that allowed members to submit their own photos for inclusion on the Crystal Lakes website. To help further our communication, a web contact form was added that allowed members to share their questions and suggestions with the Office. In the past six months, 78 members and non-members have used the web contact form for such things as volunteer opportunities, questions from new property owners, weather information, etc.

Since going live six months ago, Mountain Web Design has made nearly 1,200 updates to the Crystal Lakes website, the majority of which occurred within the first 60 days as documents, pictures, new text, etc. were loaded on the website. All of the updates were accomplished within 24 hours of receipt. Three new and exciting features were added to the website within the past few months. The first addition was a local weather section that included a seven-day forecast and a link to property owner Terry Zrust's weather station complete with a webcam pointed at Black Mountain. The second addition was a special notices section on the front page that allowed Staff to inform members about late-breaking news and weather advisories. The third and most recent addition was a calendar of events that included Board and Committee meetings as well as Fire Department and community events. Once submitted to the Office for publication on the website, events can be viewed on a weekly or monthly basis.

In the past six months, Mountain Web Design has maintained a 99.99 percent up-time rate for the Crystal Lakes website. New software was also acquired to reduce the size of the numerous documents posted on the website to make them easier and faster to download than ever before. Finally, switching to Mountain Web Design saved the Associations about \$400 per year. So, if you have not had a chance to check out the new website, we encourage you to do so. Thanks to everyone who has contributed their time, treasure, and talent to making the new Crystal Lakes website the "go to" resource for news, events, Board and Committee happenings, points of contact, and much, much more. Your input and suggestions are always welcome. Please continue to submit your photos and look forward to a photo contest over the summer.

FY 2009-2010 – ANNUAL REPORT MANAGER

Wow! Crystal Lakes is a busy community, proven by the reports of activities and issues which you have the chance to learn about in the previous Board, Committee and Agency reports. I expect you will be impressed with the number and variety of events and purposeful activities undertaken here at Crystal Lakes, and the experience and knowledge held by those serving on the many committees.

As you see, Crystal Lakes offers a wide variety of communication opportunities including a newsletter and the web site. Also available is the group email, where those who sign up will receive notices from the office or me of events, weather and road conditions, Board plans, etc. We currently have 491 participants in the group email. If you are interested in being included on the group email, contact the office.

We currently have several physically active groups ranging from the Greenbelt Management Committee and the Bear Aware Team to life saving volunteers such as the CLVFD First Responders and firefighters, and on to recreational opportunities that are widely known for the quality of good times, such as the Fishing Board's efforts towards an excellent fishing experience in Crystal Lakes, and the Recreation Committee's sponsorship of events like Breakfast at the Lake and holiday parties, and the Hiking Committee's weekly adventures hiking in the area.

Other committees focus on how to preserve and protect the Crystal Lakes experience with important work on Security, Policy & Documents, the Hearing Panel and Finance. And, in order to get around, the Road Improvement Committee will evaluate every proposed/needed road improvement in order to stretch each penny of the member-approved special assessment funding as far as possible. There are opportunities for every volunteer, and every volunteer makes an important contribution to Crystal Lakes. Join in the experience.

A special celebration honoring the 40th Anniversary of Crystal Lakes was held last July 29th, when some of the earliest owners were recognized, as was the Developer and an early Manager who attended the gathering. The Crystal Room was designated as the "Historic Collections Room" with a bulletin board and several photo displays. Cabinets were donated and will be used to house memorabilia as that is collected for the Association. Many previous owners also attended the celebration as well, so attendees did lots of reminiscing about "the early days" at Crystal Lakes – dirt roads, deep snow, wind, fire and friends. Sounds like some things stay the same, doesn't it?

One of the most innovative achievements at Crystal Lakes was demonstrated following the Road & Recreation Association Annual Meeting in 2009, when the warning sirens were sounded for the first official demonstration. Crystal Lakes is on the cutting edge promoting members' safety by installing the six sirens to warn the members if there is need for an emergency evacuation. Other communities are exploring this option after hearing of the Crystal Lakes program. The sirens will again be sounded after the CLRRRA Annual Meeting in 2010, followed by a 10:00 a.m. repeat sounding on June 13th.

Safety continues to be an important focus, and we have again been recognized for another quarter without any losses reported to Workmen's Compensation. Accidents do happen, icicles do fall off the roof, but the staff tries very hard to work safely. That is a savings to you, the members of the Association, as dividends

are returned and fees lowered when there are no claims. The certificate is posted in the glass case in the Wapiti Center for those who are interested. Thought you might like to know.

Rather than spend the large sum for further maintenance on our oldest pickup plow, the CLRRRA Board agreed to use the old pickup for down payment towards a new pickup plow. That wise decision immediately was put to work as deep spring snow after deep spring snow fell throughout March, April and May. The cold weather delayed other spring projects, but the maintenance staff worked hard to complete their scheduled assignments in a timely manner. One of the biggest challenges due to the weather was the frozen water lines serving the office. Although water supply mains falls to the sister organization, the Water & Sewer Association, there remains decisions to be made by Road & Rec. regarding how best to cope with freezing lines where those are in the CLRRRA's property. Staff was able to run water backwards through the potable water heated by the solar system in order to keep water available at the showers and office. Several options for improvement will be examined to repair this ongoing problem.

The Restaurant continued to operate through this second winter, and thanks to the efforts of the Restaurant staff it ran smoothly. The experience and knowledge gained through the quieter months made the transition into the longer and busier summer hours much less traumatic for the Restaurant staff. The new menu delighted many customers, and the staffing challenges did not seem quite as big since the Front of the House Manager, Carrie Manley, and the Back of the House Manager, Anthony Orr, were prepared to handle questions as they came up. You may have noticed the county signage at the curve to CR 73C for The Restaurant, as well as the Trailblazer sign before the intersection of CR 73C and Tiny Bob Road. Hopefully those signs will encourage visitors to come sample the good food and beautiful setting at the Restaurant. A special thanks to all the owners who are Restaurant patrons. Your business is important, and your comments are appreciated and valued.

As important as the volunteers are to Crystal Lakes, the full-time and part-time staff members make this a functional and uniquely welcoming community. With the limited number of employees, we continue to do the best we can to meet your expectations and needs. Above and beyond their daily duties, the maintenance workers often go out of their way to assist someone who has a flat tire or needs a washer fitting, the office staff stay late on Christmas Eve so packages can be picked up to tuck under the tree or help with explanations of tree spraying or campfire pits, and the Restaurant folks do their best to get the egg soft or the burger well done. These staff members all make Crystal Lakes special and have my sincere thanks and respect. Some folks are surprised when they phone and get to speak with a "real person" during office hours; some folks are surprised that the office is open on weekends; some folks are amazed that our roads are open and can be traveled in less than a week's time after snowfall of a foot or more; and some folks are enchanted to just watch the chipmunks, turkeys, coyotes, bobcats, eagles and osprey while here on the mountain. We are each blessed to have this opportunity to be in the place called Crystal Lakes. Enjoy.

Jodean G. Sandquist, CMCA, AMS
General Manager

Crystal Lakes Full-time Staff:

Jay Adams
Rick Crewdson, CMCA
Beverly Eddinger
Marian Kelly
Anthony Orr
Peggy Reffel
Cameron Sagert
Jodean G. Sandquist, CMCA, AMS

Part-time Staff:

Mike Schrod

Hosts:

Cheryl Borra
Walter Borra
Bob Leaumont
Bob Nauroth
Steve Shapland

Restaurant Staff:

Amanda Baker
Michael Chadwick
Kate Kelly
Alyssa Leonard
Carrie Manley
John Pomerleau
Carlos Rodriguez
Janet Schrod



Revenues

Assessments

40010	<i>General Assessments (1,629)</i>	\$	495,216
40015	<i>Multi Owner Memberships</i>	\$	1,000
40030	<i>Major R&R (Reserve Fund)</i>	\$	16,290
40035	<i>Major R&R (Road Equipment)</i>	\$	24,435
40040	<i>Road Improvement Assessment</i>	\$	97,740
40045	<i>Road Use Assessment</i>	\$	2,500
40100	<i>Basecamp Assessment</i>	\$	16,290

Operating Revenues

41010	<i>ACC Fines</i>	\$	600
41100	<i>Fishing Revenue</i>	\$	50,000
41200	<i>Greenbelt Revenue (Grant)</i>	\$	-
41300	<i>Newsletter Advertising</i>	\$	6,000
41301	<i>Newsletter Subscriptions</i>	\$	80
41400	<i>Recreation Revenue</i>	\$	2,500
41450	<i>Security Revenue</i>	\$	4,000
415XX	<i>Basecamp Revenue</i>	\$	94,000
41600	<i>Snow Plowing Driveways</i>	\$	3,000
41700	<i>Culvert Sales</i>	\$	7,000
41900	<i>Transfer Fee</i>	\$	10,000

Rental Revenues

43575	<i>Office/Wapiti Rental</i>	\$	6,100
43700	<i>Shop Rental</i>	\$	1,200
43725	<i>Trailer Pad Rental</i>	\$	3,000
41730	<i>Trailer Storage Space Rental</i>	\$	6,500
43735	<i>Port-A-Potty Rental</i>	\$	1,000

Sales Revenues

44060	<i>Fuel Sales</i>	\$	5,000
44100	<i>P.O. Box Sales</i>	\$	1,250
44200	<i>Map Sales</i>	\$	750
Interest Revenues			
45400	<i>Finance Charge Income</i>	\$	10,000
45410	<i>Bank/Other Interest</i>	\$	2,000
45420	<i>N/R Interest</i>	\$	-
Miscellaneous Revenues			
49000	<i>Miscellaneous Revenue</i>	\$	2,000
49010	<i>Fines</i>	\$	750
49855	<i>Recovery of Collection Costs</i>	\$	2,000
49990	<i>Gain on Sale of Assets</i>	\$	-
49991	<i>Gain on Sales of Lots</i>	\$	-
	<i>Total Available</i>	\$	<u>872,201</u>

Expenses

57100	<i>COGS P.O. Boxes</i>	\$	1,250
Administrative Expenses			
60110	<i>*Auditing & Tax Accounting</i>	\$	12,000
60120	<i>Bad Debt</i>	\$	4,000
60130	<i>Bank Charges</i>	\$	4,000
60145	<i>Cash (Over) or Short</i>	\$	100
60150	<i>*Collection Expense</i>	\$	8,000
60165	<i>Communications-Newsletter</i>	\$	18,000
60169	<i>*Communications-Webpage</i>	\$	1,200
60245	<i>Insurance</i>	\$	34,000
60250	<i>Interest Expense</i>	\$	2,000
60275	<i>Legal & Professional</i>	\$	8,000

60325	<i>Meetings</i>	\$	1,000
60330	<i>Memberships</i>	\$	2,000
60375	<i>*Office Equipment Repair</i>	\$	2,000
60400	<i>*Office Supplies</i>	\$	5,000
60410	<i>Computer Expenses</i>	\$	4,500
60425	<i>Penalties & Fines</i>	\$	500
60435	<i>*Postage</i>	\$	6,000
60500	<i>Printing</i>	\$	5,000
60525	<i>Recording Deed & Lien Releases</i>	\$	100
60810	<i>Wapiti & Office Maintenance Labor</i>	\$	1,000
60811	<i>Wapiti & Office Maintenance Materials</i>	\$	3,000
60812	<i>Grounds Maintenance</i>	\$	500
60814	<i>Slash Pile Maintenance</i>	\$	2,000
60815	<i>Office & Wapiti Cleaning</i>	\$	10,000
609XX	<i>Office Utilities</i>	\$	10,000
Operating Expenses			
61025	<i>Beetle Control</i>	\$	1,000
61225	<i>*Professional Licenses</i>	\$	1,000
61230	<i>Outside Toilets</i>	\$	2,000
61275	<i>Security Services</i>	\$	1,500
61280	<i>Security Supplies</i>	\$	1,000
61350	<i>Trash Removal</i>	\$	20,000
Restaurant Expenses			
65075	<i>Restaurant Labor</i>	\$	60,000
65080	<i>Restaurant Food</i>	\$	60,000
65085	<i>Restaurant Supplies</i>	\$	15,000
658XX	<i>Basecamp General Expenses</i>	\$	30,000
Committee Expenses			
66003	<i>ATV Supplies</i>	\$	1,500

66010	<i>Architectural Control</i>	\$	300
66095	<i>Firewise</i>	\$	500
661XX	<i>Fishing Expense</i>	\$	66,000
66200	<i>Greenbelt Maintenance</i>	\$	10,000
66400	<i>Recreation</i>	\$	2,000
66500	<i>Security Committee</i>	\$	100
Road Expenses			
702XX	<i>Road Improvement</i>	\$	97,740
703XX	<i>Road Maintenance</i>	\$	10,000
709XX	<i>Other Road Costs</i>	\$	10,000
Employee Expenses			
75110	<i>*Bookkeeper</i>	\$	17,536
75130	<i>*Secretary</i>	\$	13,165
75140	<i>*Manager</i>	\$	27,783
75150	<i>*Office Coordinator</i>	\$	10,700
75199	<i>*Admin Overtime</i>	\$	1,500
75200	<i>Wages</i>	\$	18,450
75201	<i>*Facilities & Ops. Supv.</i>	\$	22,226
75202	<i>*Equip. & Grounds Maint. Tech.</i>	\$	14,390
75203	<i>*Facilities & Grounds Maint. Tech.</i>	\$	13,838
75299	<i>*Field Overtime</i>	\$	8,300
75310	<i>*Holiday Pay</i>	\$	4,500
75320	<i>*Incentive Fund</i>	\$	2,000
75910	<i>*Employee Insurance</i>	\$	20,000
75911	<i>*H.S.A. Contribution</i>	\$	4,500
75920	<i>*Pension Contribution</i>	\$	5,000
75950	<i>*Protective Clothing/Uniforms</i>	\$	2,000
75960	<i>*Training</i>	\$	1,500
75990	<i>Worker's Comp Insurance</i>	\$	4,100

75999	<i>Payroll Taxes</i>	\$	20,000
Equipment & Shop Expenses			
760XX	<i>Fuel</i>	\$	22,000
763XX	<i>Equip Maint. & Repair</i>	\$	30,000
76990	<i>Equip Rental Expense</i>	\$	500
79100	<i>Shop Bldg Maint. & Repair</i>	\$	8,000
79125	<i>*Shop Supplies</i>	\$	2,000
79150	<i>*Shop Tools</i>	\$	800
799XX	<i>*Shop Utilities</i>	\$	5,000
Miscellaneous Expenses			
99120	<i>Reserve Study</i>	\$	3,500
99125	<i>Miscellaneous</i>	\$	2,000
99910	<i>Income Tax</i>	\$	3,000
99920	<i>Property Taxes</i>	\$	500
99950	<i>Other Taxes</i>	\$	500
99990	<i>Loss on Sale of Assets</i>	\$	-
	<i>Total Expenses</i>	\$	824,078
	<i>Major R&R (Road Equipment)</i>	\$	24,435
	<i>Proposed funds available for Major R&R</i>	\$	23,688
		\$	872,201

*** (Asterisk) *Indicates an expense shared with CLWSA
Line item reflects Road & Rec.'s budgeted amount.***