

ARROWHEAD IMPROVEMENTS ASSOCIATION, INC
ANNUAL OWNERS' MEETING MINUTES
SATURDAY, AUGUST 15, 2015 2:00 PM
ARROWHEAD FIREHOUSE

Pledge of Allegiance: Veteran Jim Burrichter led the Pledge.

Call to Order:

President Mike Wigent called the Owner's meeting to order at 2:00 PM.

Board Members Present:

President Mike Wigent, Vice President John Moseman, Secretary Kathy Krohn, Treasurer Al Hale, Tim Carlson, and Curt Treichel were present. A quorum was established.

Treasurer's Report:

Al's report is attached to minutes.

President's Report:

Mike's report is attached to minutes.

John Krall Committee Award Announcement:

Bob Hernandez presented John Moseman with the 2015 John Krall award for all his dedication to the community.

Reports:

All reports are attached to minutes.

Fire Department Report:

Jim's report is attached to the minutes

Introduction of 2015 Board of Director's Candidates:

Lindy introduced all the candidates: Dale Breckenridge, Tim Carlson, Bob Hernandez, Bridget Isle, Nick Garreffa and Kathy Krohn

Owner Comments:

Don LaForge encouraged owners as they prepare their cabin for winter and to donate can goods to the Gunnison Food Bank. There is a container at firehouse for these goods.

Volunteers are still needed for the fire department. Whether you are up here even for a few weeks or all summer and winter, help is needed for first responders and fire fighters. Contact Jim Gelsomini if you have any questions.

Clean up day is Saturday the 22nd not the 29th. Lunch will be served at 12:00 PM at firehouse.

Board Announcements:

None

Adjournment:

Mike adjourned the meeting at 2:50. There was a short recess before the Board Meeting started.

Kathy Krohn,
Secretary

ANNUAL PRESIDENTS MESSAGE

2015

Welcome to the Arrowhead Improvements Association Home Owner's annual meeting. I want to thank each and every one of you for taking the time and effort to attend. The Board holds several meetings each year to conduct business but the annual meeting is the only meeting required by state statute.

First, I want to thank the directors sitting before you for their positive attitude, hard work, and dedication to and for our community. Their love of Arrowhead shows in all that they do. As President, whenever I have asked one of the directors to look into a situation, deal with a problem or work on a project they have graciously stepped forward. I am pleased and honored to work with them. I can assure you that as a collective board we have the owner's best interest at heart in all that we do.

There are primary responsibilities and expectations entrusted to a home owner's board of directors. One of these cardinal tasks is that of fiduciary responsibility. I am happy to inform you that your association is on track with our budget for 2015 and should end the year in good financial shape. Our treasurer, Al Hale, will provide you with more information in his report. Additionally, we have begun working on the 2016 budget and Reserve Study. We will address both of these items at the October meeting for adoption. Please check the web site for postings and share your thoughts and comments as we move toward adoption in October.

During the last year a financial area the board has actively addressed through our excellent legal team is that of contacting owners that are

delinquent with their association dues. We currently have (approximately) 13 active cases filed in the court system to obtain financial satisfaction. Some of the filed cases have agreed to a payment plan, which the board appreciates. There are currently two foreclosures being pursued with the remainder in process for resolution. While we do not enjoy pursuing these delinquencies, we would be negligent to do otherwise. This board and our legal counsel have made more gains toward resolution of delinquencies in the last year than ever before.

The board continues to work on bylaws and regulations that are either not in compliance with CCIOA or other state statutes or are in need of modification due to operational experience. This is an ongoing process because at the state level the legislature and regulatory agencies make annual changes. Our HOA attorneys, that specialize in advising HOA's, inform us of needed compliance changes and responds to our questions and/or concerns regarding the functionality of our governing documents.

At this time last year we were in the process of locating and purchasing a groomer to maintain the filing roads during the winter. The board is charged with maintaining the roads in both summer and winter for not only owner convenience and safety but for insurance, fire and EMS purposes, as well. I am happy to report that the groomer functioned very well last year. I want to thank board members John and Al and our groomer operator Ron Corder, for their time and effort in finding and checking out the groomer.

Also, during the past year we reduced our insurance premium by re-naming security, to patrol. We are also working with our insurance carrier to change our classification which may lead to a premium reduction. Recently, we developed a policy regarding common ground trees and we are pursuing a partnership with local realtors and the Lodge to positively promote Arrowhead. The board also revised the employee handbook to bring it into compliance.

Additionally, we are actively working on promoting the community clean-up of common grounds, signage and, thanks to Curt's efforts, improving "curb appeal" throughout the subdivision.

This report would not be complete without mentioning and thanking our volunteers that do so much for our community. Thank you for all that you do.

I would like to conclude with three final points. Please participate in the upcoming board election. We have two seats up for election this year. It is important who you elect so please do your homework. Secondly, this board will continue to be transparent, financially accountable and good stewards of YOUR money. And lastly, I will continue to support and expect that this board will adhere to our governing documents, CCIOA and other state statutes. Thank you.

Respectively submitted,

A handwritten signature in black ink that reads "Michael Wigent". The signature is written in a cursive style with a large, sweeping initial "M".

Michael Wigent, AIA Board President
aia1bod@gmail.com
970-901-4867

Arrowhead Improvements Association, Inc.
Annual Treasurer's Report – August 15th, 2015

The Arrowhead Improvements Association (AIA) ended 2014 with a net income of \$92,143. When the capital expense for the unexpected and not budgeted expense of a groomer is added, the net income dropped to \$36,143 which is still favorable to the planned budget of \$35,841. At the January 2015 board meeting, it was decided to put this money into our Members Contribution reserve fund for future major capital expenditures.

During the September 2014 board meeting, this year's budget was approved with a net income at the end of the year of \$45,449. This money is destined for the Members Contribution reserve fund. Note that the bulk of AIA's income is fixed which mostly comes from owner dues. Given the reality that the cost of many aspects of operating the Association go up year after year, it may become increasingly more difficult to achieve a balanced budgets in the future.

Colorado Common Interest Act requires a reserve study to methodically calculate what money AIA should be setting aside for major future expenses. AIA reviews this study annually prior to budget preparations to keep it current. A copy of the reserve study is available on the AIA website.

In May of this year, a Grand Junction, Colorado CPA firm did an agreed-upon review of AIA's accounting practices and procedures which is done annually. No negative findings were found and a copy of their report is available at the AIA office.

June 2015 financials show \$100,000 in Operations Reserve and \$362,748 in Members Contribution. Since 12/31/2009, AIA's reserves have increased by \$233,475. AIA remains in good financial situation with \$528,752 cash on hand.

Respectfully submitted,

Al Hale
AIA Treasurer

Communications Annual Report
Cappi Castro, AIA Communications Liaison
August 15, 2015

Smoke Signals: We are currently publishing Smoke Signals bimonthly (every two months). The feedback I have gotten is that people enjoy looking at it online or getting it in the mail. I have had requests for more community items. The last issue included a look into the AVFD and an article on Hazel Lake. People also like being able to find businesses that will “work” in Arrowhead. I recommend we continue to publish and continue to include additional articles of interest to our community.

To communicate with Smoke Signals or AIA Communications, email aiasmokesignals@gmail.com.

Arrowhead in Colorado (AIA) Facebook: The AIA facebook page continues to post community events and information as well as area photos. The page itself has 606 “likes”. Thank you to all the community members who have contributed to the page. We try to post items as timely as possible. If you have something you would like posted, message the page or email aiasmokesignals@gmail.com. The “reach” of posts vary, but a recent photo of fox kits on the alpine reached over 530 people and a bear photo had over 1,000 people reached!

AIA Website: We are continuing to update the site to keep information current and access easy. I have a restructure of the site that I will be working with Robb on. This should be completed by the end of September. We are working to make it easier to find what people may be looking for.

I have proposed to our Webmaster that we include the facebook feed on the front. This way, if he is unavailable, things could be posted right away, and it also gives people a look into the community who may not be on facebook. I recommend continuing with Robb’s web service as he gives the community a professional look. (sample of website available)

I also think we should add a “Business Directory” to the website. Advertisers could pay an annual fee for a listing. I would offer basic listings that I would create, or they could use current advertising from Smoke Signals, or provide “camera ready” copy. There would be specific sizes so it looks uniform and is easy to navigate. This would be provided as a service to the community. (sample of past website available.)

I would also like to add a section that promotes Arrowhead. It would include photos and videos of our community. These should be “professional” quality. They would provide prospective residents a good view of what our community is in each of the seasons. It would show that we are indeed, a year round community. It also would allow current residents to see the community year round, even if they are unable to be here.

Calendar needs updating and to be current with ALL changes.

Email Blast: The email blast list is up to 250 addresses. To receive important information that needs to be out in a hurry, email your address to arrowheadblast@gmail.com to be added to the blast list. We do not share this list.

Design Review

Annual Report for the AIA Board

August 15, 2015

New owners are always excited to get on their lot and start using the property. I have to break the news that it is usually Memorial day before the ground has dried out enough to use heavy construction equipment. I love the enthusiasm of new owners and the conversations shows that they have read the regulations.

Any new or old owner that is planning any improvement or construction on their lot should check with Design Review for approval of plans. Please call or email me at **970 862-8449** or **joyce.boulter@gmail.com**. I will answer questions or meet with you on your lot to discuss your project.

Any owner that has a driveway should have an address sign at the filing road and and if the drive goes to more than one lot, and another one if the road forks. This is for the fire and rescue workers to identify your lot. Sign guidelines are in the regulations. The drive should have a Y or T to allow for the fire truck or emergency vehicle to turn around.

Activity	2011	2012	2013	2014	2015
House	2	1	4	2	5
Garage	2	1		4	3
Shed	7	5	4	3	7
Remodel/deck	3	1	6	2	2
Driveway/RV pad	5		6	4	
Utilities	3	4	3	4	5
Fees	\$3250	\$2000	\$2950	\$1650	\$1825

ARROWHEAD IMPROVEMENTS ASSOCIATION, INC.
ARROWHEAD PATROL
ANNUAL REPORT
AUGUST 15, 2015

The 2015 year began cold has most years in Colorado do. This past winter we saw crowded parking, excessive snowmobile trails on private land and more snowmobile activity than in years past. We are always excited to see the winter time activities. We began the year dealing with our newly acquired name "Arrowhead Patrol". Meetings were held to determine what services we could provide, while at the same time reducing our liability exposure. As we begin to approach the fall, we still are trying to finish our upgrade in our uniforms and documents. Thanks to each of you for your patience.

As we entered spring, we began to get earlier than expected requests to open driveways. We want to encourage owners to allow nature to exercise her right of spring. Pre-mature opening may be waste of time and money if she is determined to make a comeback. Will is very experienced and can make decisions on current and projected conditions.

Finally after many years we retired the old check-in boxes on Ute and Lake Road entrances, and replaced with totally new stations. Patrol was donated a new computer to organize work and documents.

Summer is here and the mountain is buzzing once again, we find our usual occurrences of ATV's, motorcycles and OHTV's on the filing roads. Each year there are more of these units. Our focus still remains on courteous operators and respect for our neighbors, along with safety. Please slow down and watch for pedestrians and wildlife. The Patrol had no incidents reported on the 4th of July while over 500 folks came out to have fun.

Once again, Patrol has managed the stocking of fish this year. There now have been two stockings of fish. We should see a small number of winter carry over for early fishing next spring. For two years we have only been able to stock one time because of hatchery issues. So we were excited when told there would be availability for two stockings events this season. The stocking of the upper Flint remains a challenge because of access. The task is always very involved and begins in January of each year when we must contact the hatchery to begin sorting and reserving fingerlings for us. We must remain in contact with the hatchery to ensure our reservation of fish are doing well until early May, it is then when the hatchery determines the population has made the projected supply.

Patrol would like all owners to realize this is a covenanted protected community, and rules do apply. Make certain to follow the rules and regulations to protect our mountain community. The patrol is asking anyone interested in joining our Reserve Officer program to contact the board for more information. Patrol would like to thank the Lodge for their on-going support in educating and reminding both guests and owners of our rules. Also, owners have responded very positively to their 14-day 2nd RV use. We wish to thank all owners for their efforts.

The Patrol recognizes there are dramatic seasons at Arrowhead winter and summer. Each of these seasons bring old and new challenges for all of us. We ask owners to respect and enjoy those seasons and the rules that apply to each.

We extend our heartfelt gratitude for those who are willing to serve our community, and the many volunteers that give us so much of themselves.

Please take time to meet your neighbors and build a lifetime of friendships.

Respectfully Submitted
John L. Moseman
Co-Chairman to the AIA Patrol

ANNUAL ARROWHEAD FOREST MANAGEMENT REPORT

August 2014 to August 2015

The Arrowhead forest has numerous challenges including being overstocked with trees, bark beetles in Douglas fir, spruce and subalpine fir, several diseases in aspen, and the spruce bud worm that continues to effect the new growth on conifers. However, in comparison to other forests in Colorado and around the west the Arrowhead forest is healthier than most. There are many aspects to the Arrowhead forest management program that have occurred in the last year and are summarized below.

Insects and Disease

Douglas fir and spruce beetles are both at epidemic levels in western Colorado. The Arrowhead community put up over 11,000 MCH (beetle repellent packs) on 165 lots and portions of community property. The MCH packs continue to be our primary defense against the Douglas fir beetle. The number of trees killed by Douglas fir beetle has remained about the same the last three years, although the problem has moved to some new locations. The number of trees killed by spruce beetles has increased this year. Generally these are scattered individual trees and would still be considered at endemic levels at Arrowhead.

Subalpine fir are attacked by several insects and diseases. They are generally a shorter lived tree and will continue to die in fairly high numbers.

There are several areas of Sudden Aspen Decline in the community the number of those areas appear to be increasing. Because aspen also have several different types of rot, that makes them very susceptible blowing over. These are by far the most common trees that green tree removal permits are written for.

In addition to trees removed from private lots there have been 37 beetle infested trees removed from community property and an additional 60 dead and hazardous trees removed along roads so far in 2015 at a total cost of \$650. The list of people that accomplish this work is too long to mention here but some need special mention. There are the 30 or more people that participate in the community clean up days and also help with other special situations. The contractors that not only do work on private lots but frequently donate their time and equipment for work on common land. These include a Son and His Dad Landscaping (Jerry Fresques and son), Gary Moore, Tree Specialist (Ken Doss and Will Hobson), Nick Garraffa and Eric Johnson. Donny Squirrell has equipment that can handle very large trees and donates his time to remove trees that the average person can not handle. Will Hobson frequently runs the end loader while I cut trees along roads.

Spruce Bud Worm

Although the effects from spruce bud worm are less than last year, they continue to effect the new growth on conifers. Although a few small trees may be killed the primary effect is deformed tops on larger trees. Time will tell, but the spruce bud worm should taper off the next few years.

Mitigation and Defensible Space

While many people have done an excellent job in this area, the community as a whole has a lot of work to do. While thinning the forest and removing dead and down material is very important for fire

protection, this work is equally important for maintaining a healthy forest that can more readily withstand the effects of insects and disease.

Forest Refuse Site

Use of the site continues to go well with only a few exceptions. Although the size of the pile is down somewhat from a couple years ago, the pile appears to be headed for the 80,000 cubic foot size that was reached last year.

Will Hobson continues to push up the pile every few weeks and the Arrowhead Volunteer Fire Department will again burn the pile this winter.

Grants

Defensible space has been completed on one lot so far this year using a grant from the Western Region Wildfire Council. An additional 4 projects are expected to be completed by the end of the year using this program.

One of the grant contractors has a self-loading logging truck that may be utilized to remove additional dead trees along filing roads.

Fire Wise Community

Because of the overall work of the Arrowhead community with Forest Management, Design Review and the Arrowhead Volunteer Fire Department, Arrowhead achieved recognition in 2015 as a Fire Wise Community.

The Future

While Arrowhead continues to hold its own against bark beetle attacks on Douglas fir and spruce, the forestry experts with the State and Federal agencies are all very pessimistic about the near future of these tree species in Southwest Colorado. The detailed tree by tree management of the Arrowhead forest has been successful so far in preventing wide spread effects but the cost of that detailed management can be expected to increase over the next few years.

Bill Conway

AIA Forest Representative