

**ELK STREAM RANCH PROPERTY OWNERS ASSOCIATION
(ESRPOA)**

ANNUAL MEETING OF THE MEMBERSHIP

August 2, 2014

The Annual Meeting was held at the home of Gem and Steve Boone, 6068 Road 46, Mancos, CO. Gem Boone, President called the meeting to order at 1:00 pm MDT.

ESRPOA lots were represented either in person or by proxy as follows:

- Lot 3: Redies by proxy
- Lot 4: Louise Lawson in person
- Lot 6: Carl Shelburne in person
- Lot 14: Alan Scott and Anne Meininger in person
- Lot 16: Richard and Ann Donaldson in person
- Lot 17: Steve Villano
- Lot 19: Ken and Pam Surabian in person
- Lot 20: Philip and Linda Walters in person
- Lot 21: Keith and Mary Payden in person
- Lot 23: Gem and Steve Boone in person
- Lot 24: Jim and Lynn Fritz by proxy
- Lot 25: Jim and Lynn Fritz by proxy
- Lot 27: Terry (T.D.) Smith and Kathleen Okeefe in person
- Lot 28: J.R. and Candice Baker in person
- Lot 30: George by proxy
- Lot 34: Christensen and Lucas by proxy
- Lot 35: Christensen and Lucas by proxy

With 17 of 35 lots (49 percent) represented a Quorum was established. (ESRPOA bylaws require 20 percent of 35 lots to be represented to constitute a quorum.)

With the full consent of the members present the reading of the previous 2013 Annual Meeting minutes was waived and the minutes accepted as presented.

Treasurer's Report: Philip Walters presented the ESRPOA's Annual Financial Summary for the operating year 8/1/2013 – 7/31/2014 (See Attachment A.) Total income for the year exceeded budget; total expenses were less than budgeted. The end of the year balance as of 8/1/2014 was \$77,291.82.

Non-budgeted contributions to income included a nearly \$8,000 grant from the San Juan Mountain Association recognizing the ESRPOA's wildfire fuel reduction and post-fire reclamation efforts and expenses. Keith Payden was instrumental in obtaining \$3500 from the Montezuma County Weed Program to offset our added post-fire weed spraying costs.

2013-2014 expenses were less than budgeted in part due to an estimated 250 hours of volunteer time and effort provided by members. The volunteer efforts saved the ESRPOA weed spraying labor costs (special thanks were given to Odin Christensen and Phyllis Lucas for spraying weeds) and labor costs for the Drainage Improvement Project. A mild winter combined with effective communications among winter residents reduced snow removal costs as well.

Design Review Committee (DRC): 2013-2014 DRC Committee members include Steve Boone, Chairman, Philip Walters, and Steve Villano. Steve Boone summarized the 2013/2014 projects reviewed by the Committee (See Attachment B). The projects included:

Oct 21, 2013. Ken and Pam Surabian's application was received to construct their house on Lot #19. The project was approved and construction is in process.

April 25, 2014. Steve and Gem Boone applied to create a flagstone patio and add landscaping. The project was approved with Steve Boone recusing himself from the review and approval process. The project is complete.

June 16, 2014. JR Baker, Lot 28, requested approval of a project to build a detached garage. The project was approved and construction is in process.

July 26, 2014. Steve Villano and Chris Groll, Lot #17, submitted a fencing plan. The application is currently under review.

Additional information regarding these projects is available at the ESRPOA website (ElkStreamRanch.org)

Property Management Committee (PMC): The PMC members include Steve Boone, Chairman, Odin Christensen, Keith Payden, and Philip Walters. Steve Boone presented the 2013-2014 Committee report (see Attachment C). Highlighted items included:

Sincere recognition of Odin Christensen and Phyllis Lucas for continuing to spray weeds in the lower canyon. This saves the ESRPOA labor costs and Odin and Phyllis are very conscientious weed sprayers resulting in fewer weeds.

Special thanks were given to Philip Walters for his extensive efforts in researching, preparing, overseeing, coordinating, and participating in the implementation of the post-wildfire road and drainage improvement project this past year.

Identification of cheat grass as a canyon-wide weed problem again. The ESRPOA will be asking the weed sprayer to spray a preventive to keep the

cheat grass from germinating. Individual Lot owners are encouraged to do the same.

Cattle grazed the canyon this summer. The grazer is hauling water for them and moving the herd to avoid overgrazing.

OLD BUSINESS

Road Licensing: Alan Scott gave an update on the road licensing agreements. Agreements have been negotiated with Tony and Ben Daulton for their two in-holdings. Efforts to negotiate an agreement with the Barber's are at a standstill because of a change in attorneys.

Philip Walters reported that the ESRPOA is negotiating an access easement with the State of Colorado for its continued use of a portion of G3 when servicing the public safety microwave tower on LaMonte Mountain.

Revised Electric Fence Policy: Philip Walters noted that the Board of Directors reviewed, revised, and adopted Policy #10-2010: Temporary/Electric Fence Policy. The updated Policy can be viewed on the ESRPOA website.

Lien: Gem Boone reported that full payment has been received from Julia Bennett, Lot 29, to resolve an outstanding lien. The lien was filed in conjunction with the removal of waste from her house site following a house fire.

Pond Reclamation: Gem Boone continues to pursue pond reclamation funding via the Habitat Partnership Program (HPP). (The ponds on the Boone and Willsey properties were silted-in during post-wildfire flash flooding.) It is anticipated the HPP will provide matching funds to cover 50 percent of the cost of cleaning out the ponds. Gem is continuing to follow up with the HPP.

Community Wildfire Protection Plan (CWPP): Linda Walters, one of our ESRPOA Firewise Ambassadors (the others are Odin Christensen, Gem Boone, Keith Payden, and Ken and Pam Surabian with Philip Walters as "Ambassador Emeritus") presented the East Canyon Community Wildfire Protection Plan (see Attachment D). Odin, Linda, and Philip served on the core CWPP development team for Elk Stream. The CWPP has been coordinated and developed with the input of Colorado State Forest Service, Southwest Colorado Firewise, local and federal fire agencies, Elk Springs Ranch POA representatives, and two adjacent neighbors. This plan revises and expands the original Elk Stream Ranch CWPP adopted in 2008 and has been approved by the CSFS District Ranger Kent Grant.

Linda noted two corrections to the plan. Partner participants included representatives from the Colorado Forest Service (not the US Forest Service) and the Southern Ute Mountain Tribe (not the Ute Mountain Tribe).

NEW BUSINESS

2014-2015 Adopted Operating Budget: Philip Walters presented the 2014-2015 Adopted Operating Budget (see Attachment E). Excess cash from the 2013-2014 operating budget is being forwarded to the 2014-2015 operating budget. Explanations of changes in income and expenses are noted on Attachment E. Annual dues remain at \$1200 per lot.

Road Reserve Fund: The PMC reviewed and updated the Road Reserve Study this past year. The Board of Directors adopted the PMC's recommendations on May 22, 2014. The PMC recommended that the Reserve Road minimum fund balance be increased from approximately \$10,000 to \$30,000 to insure adequate funds in the event of another road disaster. Excess cash transfers from the 2013-2014 budget combined with the expected income of \$10,947.50 (\$290 per lot plus two licensing fees) provide an expected balance in the Road Reserve fund of \$40,987.25. Given this amount is within the newly prescribed Road Reserve Fund range, the 2014-2015 Road Reserve fee per lot remains at \$290 per lot.

G3 Repairs: The PMC plans to authorize that postponed repairs to Road G3 be completed this fall (the repairs were postponed to allow funds to be used to repair Road 46 post-wildfire).

ESRPOA Collection Policy and Practices: Philip Walters noted that ESRPOA's Policy #6-1210: Collection of Unpaid Assessments was revised consistent with Colorado statutory requirements and adopted December 10, 2013. The Policy governs delinquent assessments, collections, liens, and late fees and also specifies the notification process.

Community Wildfire Protection Plan (CWPP) Funding Resolution: Philip Walters summarized the need for a specific resolution to allow the ESRPOA to separate decisions to fund the CWPP without having to amend the CWPP. (See Attachment E.)

J.R. Baker moved to adopt the proposed Resolution as presented in Attachment F. Linda Walters seconded the motion. The resolution passed unanimously.

HOA Membership Directory Authorization: Per HB14-1125 HOA Membership Directory Publication, signed into law by the Colorado State Governor, requires homeowner associations to obtain written consent from its owners or residents to publish their telephone and email addresses in membership directories. Consent forms were distributed with the annual meeting notice. Members are reminded to sign and return the forms.

Election of Board Director: Steve Villano was nominated by the Board of Directors to fill the Director seat being vacated by outgoing Director, Gem Boone. There were no other nominations for the Director position from the Floor. Steve Villano was

elected to the Board by a vote of 17-0. Gem Boone was acknowledged and applauded for her service as a Board Director.

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The meeting was adjourned at 3:15 pm MDT.

Respectfully submitted,
Louise T. Lawson, Secretary