



June 24, 2017

Update to Elk Springs Homeowners:

It is close to the half way point of the year and I want to take this opportunity to provide you another update on several projects and initiatives your Board has been working on and update you on the progress.

Transition to new Property Manager

Elk Springs entered into an agreement with Fleisher Property Management (Fleisher) in October 2016 to replace First Choice Properties. Any transition is difficult and this transition has not been without its bumps in the road. To add to the difficulty, in February 2017, Fleisher was acquired by New Age Property Management based in Denver and two of our three property management team members decided not to stay with the new company. As a result, in the span of five months, we had three changes in our designated property manager, the appointment of a new accounting controller who is now based in Denver, a change in accounting system and the introduction of the New Age “portal.”

All of this has added up to the “perfect storm” and has resulted in difficulty in preparing financial statements, billing for our first half and second half 2017 Association dues and water fees, locating complete and accurate Owner information, slow follow up on delinquent and past due accounts, and delayed responsiveness to Owner requests. Your Treasurer, Georgia Boyd has spent numerous hours in working through these issues with Fleisher. We are very fortunate to have someone of Georgia’s skill set and knowledge to ensure that your Board is exercising its fiduciary duty and closely monitoring the receipt and disbursement of your HOA dues all without the aid of timely and accurate financial statements and an accounting system which is still under implementation and in transition from our prior accounting system. If you run into Georgia, please be sure and thank her for her dedication and time she has volunteered for our HOA. I know that when she agreed to serve on the Board that she never knew it would require so much of her time.

As a result of the issues described above and the recent difficulty with billing our second half dues and water fees and the resulting confusion it created, the Board notified Fleisher on June 23rd that we will not be renewing our contract for their services and will immediately begin the search for a new property management company. Although this will create yet another transition, the Board believes that a change is in the best interest of our HOA.

Several of you have inquired as to the possibility of hiring our own staff to perform property management services. The Board has discussed this matter and included the topic on its long-term goals and objectives.

Transition to Owner Control

On October 26, 2016, the HOA Board signed the Global Transition agreement with Elk Springs LLC (our developer) that outlined the terms for the transition of our HOA from developer-controlled to member control. This agreement paved the way for Elk Springs to become compliant with the provisions of CCIOA – the Colorado Community Interest Ownership Act. The HOA ratified the Transition agreement in February 2017 and approved the amended Declaration of Covenants, Conditions and Restrictions (the “Declaration”) and Articles of Incorporation on April 10th, almost a month ahead of the May 8th deadline required by the Transition agreement. Again, your volunteer Board spent many hours in drafting the new documents and contacting you regarding the solicitation of the votes needed to approve the documents. A special thank you to Mary Beth Minion for her efforts in “getting out the vote.” In addition, at its May 8th meeting, the Board approved the new Bylaws for our HOA.

Revision of our Rules, Regulations, Policies and Procedures

These transitions have pointed out the importance of having written policies and procedures for all facets of our community – from maintenance and operation of the front gate, snow removal and water to document retention, billing procedures and financial reporting. Our goal was to have a complete and well documented manual of our policies, procedures and controls by the end of the summer. I am pleased to report that we are well ahead of schedule.

At its June 12th meeting, the Board approved the following new and updated policies and procedures:

- Collection of Unpaid Assessments, Fines and Other Charges
- Board, Committee Members and Managing Agent Conflicts of Interest
- Conduct of Meetings
- Inspection and Copying Association Records
- Investment of Operating, Road and Water Reserve Funds
- Adoption and Amendment of Policies, Procedures and Rules
- Dispute Resolution

- Administration of Reserve Funds
- Holiday Lighting and Decorations
- Registration of E-Mail Address
- Posting of Political Signs
- Display of the American Flag and Service Flag
- Document Retention
- Increases in Assessments

In addition, the Board voted at its January 9th meeting to review and revise the DRGs, the Covenant Enforcement Rules and the Animal Control Rules and Regulations in order to eliminate duplication and inconsistencies within our documents as well as take a “fresh look” at the requirements in each of these documents. Drafts of these documents will be circulated to the membership for input and comments prior to approval by the Board. Each of you are encouraged to contact the Board with your thoughts on these documents and how they can be improved for the betterment of our community.

I would like to point out that in the adoption of the policies and procedures and the upcoming revision of the DRGs, Covenant Enforcement Rules and Animal Control Rules, the Board has been and will be guided by the following criteria:

- Reasonableness and necessity of the proposed policy or rule;
- Immediate impact and long-term implication of adopting the policy or rule;
- That the policy or rule is fair, clear and unambiguous;
- That the policy or rule is enforceable, legal and consistent with our other governing documents; and
- Reasonably related to the preservation, protection and enhancement of Elk Springs.

Communications

I am excited about the launch of our new website in the next few weeks. The website will provide all the documents governing our HOA as well as meeting notices and agendas, minutes of meetings, financial and insurance information, news and activities, member updates, a community calendar, information for realtors as well as “frequently asked questions.” This website will be a “one-stop-shop” for all the information on our HOA

We welcome any ideas and suggestions you may have on our website and its contents and ask that you forward these to Mary Beth Minion.

Operations

Gary McElwee has been handling maintenance matters within our community. To date, the main projects have been snow plowing, dead tree removal, cleaning of ditches and culverts, inspection of fireboxes and installation of a new camera at the front gate. In addition, Brandon Watson packed down the hiking trails for our use in the winter. The

Board will be looking at finalizing the trails in Filings 8 and 9 as well as an additional loop trail in the open space.

Gary also recently completed an examination of our roads and made a recommendation for the 2017 road repair and maintenance plan at the June 12th Board meeting. He is working on securing bids which will be reviewed by the Board at its August 14th meeting and a final decision will be made on the plan and contractor at that time.

Gary has spent many hours, at all times of the day, in coordinating our maintenance activities as well as serving as the Board liaison to the ARC. I know that at times he feels more like an employee but his knowledge and history is invaluable to our HOA and its Board and all of his efforts are greatly appreciated. Gary and Brandon both are to be thanked for their help with maintaining our common areas and roads.

Committees:

Architectural Review Committee (ARC)

The approval of the ARC is required for the initial construction of any improvement to a lot. All decisions concerning the approval or denial of a Unit Owner's application are made in accordance with written standards and procedures set forth in the Design Requirements and Guidelines (DRGs). We want to be known as a community that cultivates rather than alienates our homeowners and the role of the ARC is to assist and guide homeowners in the construction of their home and property in a manner that preserves, protects and enhances the value of Elk Springs.

The Committee is comprised of the following members:

- Will Vannice, Chairman
- Jack Boyd
- Paul Burbidge
- Doug Gurley

Contact email: elk.springs.arc@gmail.com

Rules Committee

The purpose of the Rules Committee is to promote community awareness and support the Elk Springs covenants, policies and rules. If you observe a violation of our rules, please contact Brandon Watson as chairman of the Committee. He will ensure that the violation is investigated by the Committee and that our written processes are followed. After all, as a community we respect the fact that we have rules and want to follow those rules; however, we all want fair and consistent enforcement of those rules and that is the Committee's utmost responsibility.

- Brandon Watson, Chairman
- Bruce Cole
- Rory Millard

Contact email: elkspringshoasecretary@gmail.com

Elk Springs Homeowners Association Water Facilities Management Committee

Effective December 31, 2015, the HOA assumed responsibility for the operation, maintenance, repair and replacement of the water facilities owned by the HOA. At its June 12th meeting, the Board discussed and approved the establishment of a Water Facilities Management Committee to assist the Board in the oversight of the Association's water rights and water facilities necessary to provide water service within the Elk Springs planned unit development. The purpose of the Water Facilities Management Committee is to oversee the HOA's water rights and water facilities, review and update the Water Operations Financial Model on a biennial basis and provide recommendations to the Board regarding the adequacy of the water reserve fund and need for rate increases, and develop a plan for the repair, maintenance and replacement of the water facility assets. The members of the Committee are as follows:

- Mike McDill, Chairman
- Evelyn Cole
- Jonathan Kelly
- Bob Sweikert

Each of these committees would welcome additional members so please contact the Committee chairperson and express your interest in serving your community.

Upcoming Events:

Several residents expressed an interest in having a community-wide garage sale. The sale is currently scheduled for Saturday, August 12th from 9:00 a.m. – 2:00 pm. If you are interested in selling your past treasures or need to clean out the garage or attic, please contact me at evelyncole@yahoo.com to express your interest in participating. We are asking for a donation of \$20 to cover the costs of advertising the sale, printing of maps and signs. If there is a sufficient level of interest, then we will proceed with the sale.

With the approach of Fourth of July, I would like to remind everyone that no explosive or aerial fireworks or exterior fires of any kind, except gas or charcoal grills, are allowed. In addition, no noxious or offensive activity of any type shall be conducted upon any lot or the Common Area that could become an annoyance or nuisance to the occupants of other homes. Owners and occupants are asked to exercise reasonable care to avoid making loud, disturbing or objectionable noises, and in using or playing musical instruments, radios, audio/visual systems and any other instruments or devices that may disturb your neighbors.

The use of fireworks of any type in Elk Springs is taken extremely seriously given our arid climate and typical high fire danger. At this time of year, it doesn't take much of a

spark to cause a fire and, with the typical winds in Elk Springs, any fire will move rapidly and cause a great deal of destruction to our neighborhood.

Contact information for your Board Members:

The Board recently set up new e-mail addresses for communications with the HOA as follows:

Evelyn Cole	elkspringshoapresident@gmail.com
Gary McElwee	elkspringshoavicepresident@gmail.com
Brandon Watson	elkspringshoasecretary@gmail.com
Georgia Boyd	elkspringshoatreasurer@gmail.com
Mary Beth Minion	elkspringshoaboard@gmail.com

Future Board and Member meetings:

Future meetings of the Board are as follows:

August 14, 2017

October 16, 2017 – Semiannual Member Meeting

All meetings are currently scheduled to begin at 6:30 at the Spring Valley Campus of CMC. Every homeowner is encouraged to attend. We are always interested in hearing ideas on how to improve Elk Springs and welcome your comments and suggestions.

Evelyn Cole
President, Elk Springs Homeowners Association, Inc.