

ELK FALLS PROPERTY OWNERS BOARD OF DIRECTORS MEETING 1/7/09

The meeting was held at Suzy Nelson's house. The Board of Directors was present: David Crespo – President, Suzy Nelson - Secretary, Vicki Beacom – Vice President/Architectural, Ken Flemingloss – Roads and Renae Braun – Treasurer.

Also present were Carolyn Hartshorn, Greg McNamara, Pat Brummett, Angela and Drayton Dunwody, Greg and Rachelle Rausch, Rod Herring, John Patzner, Bill and Brenda Neyman, Daniel Richmeir, Fred Wolf, Bonnie Borkowski, Nita Drolet-Johnson, Jake Johnson, Sam Shapiro, Robert Wallace, Glenn Goodrum, Fred D. Wells, Nancy Geiss, Mark McKnight, Katy Wells, Christine Groves, Lee and Vanessa Acree

D. Crespo motioned to begin the meeting S. Nelson seconded and motion carried. The meeting convened at 7:10 PM. All board members were present. D. Crespo introduced board to attendees. He thanked everyone who attended the EFPOA Christmas pizza party. 25 people attended.

WEST GATE MAILBOXES

At our last board meeting in November K. Flemingloss stated that he wanted the west gate mailboxes moved from to a new location on Elk Creek Road. D. Crespo wanted to see the plat map showing that the current location was on private property. K. Flemingloss was the only board member to see the Dunwody's plat map. The board wanted three things to occur prior to moving the mailboxes. 1. Needed to obtain a written easement 2. A snowplowing agreement and 3. That knowledge of paving would be provided. The easement needed to be arranged prior to relocation to allow for homeowners to enter the new private property legally to retrieve their mail. K. Flemingloss called David Crespo and said he was going ahead and moving the mailboxes. Mr. Crespo asked him to not act alone, but provide for the board requests first. The old location had been in use for over 18 years, which would provide for a prescriptive easement. D. Crespo called the membership attorney for advice. There was no pressing reason to move the mailboxes either from the attorneys' statement or the Pine Postmasters. Yesterday D. Crespo received a copy of a rental agreement from the postmaster. The Postmaster said he had received the copy of the rental agreement signed only by Ken Flemingloss and that he would have to send it to his manager. K. Flemingloss had told the Postmaster he did not have Board approval. But, he was going to move the mailboxes anyway. Ken hired Drayton Dunwody and together they moved the mailboxes. The Postmaster told David his manager told him to stop mail delivery because there no board approval for the agreement and we did not have an easement. K. Flemingloss had told D. Crespo that the post office would move the mailboxes for free. He spoke to treasurer R. Braun about having road base applied in front of the new mailbox location. She asked him to call her and let her know what the estimated costs would be. He did have the road base delivered and applied. K. Flemingloss stated, " He did not think he needed board approval to move the mailboxes. He was acting on the safety and well being of the community."

The following was information concerning the document Ken Flemingloss presented to the Postmaster.

MAILBOX LOCATION RENTAL AGREEMENT

D. Crespo – This was a rental agreement not an easement. The ending date was 2019 – "Landlord may assign rental agreement to assignee." Only allows for people living in Blocks 1 and 3 in Park County to get their mail. Any Jefferson County residents using the Park County located mailboxes would be required to move their mailbox to the east gate mailbox location. The board did not object to moving the mailboxes, only wanted the snow plowing agreement, easement for homeowners and knowledge of paving prior to a relocation.

- K. Wells – Cost to move everything? K. Flemingloss - \$700 for the concrete slab. And Ken was going to charge David Crespo \$375 for labor to move the mailboxes.
- D. Crespo – Confirmed that the Postmaster said a postal crew would have moved the mailboxes for free.
- R. Braun – Confirmed that on more than one occasion she told Ken it was a good idea to move the mailboxes but that we need an easement.
- S. Nelson – Why couldn't we get an easement from the Dunwody's?
- K. Flemingloss – Maybe he could get one. Didn't know he needed an easement.
- V. Beacom – Why does Ken make these decisions on his own? Is there a misunderstanding?
- K. Flemingloss – Thought that was what I was supposed to do.
- D. Crespo – The majority vote rules with board decisions. If you want to spend more than \$50 a majority vote by the board is required.

REVISING RENTAL AGREEMENT

- F. Wolf – Would like to have the mailboxes on the west side that are for residents in Jefferson County not required to be moved to the east gate. Also, make sure the rental agreement doesn't end in 10 years. K. Flemingloss did not have authority to sign the rental agreement alone. He did not know about a rental agreement prior to moving the boxes.
- D. Richmeir – How much has this board spent on attorney fees?
- D. Crespo – Thirty minutes on the phone.
- K. Flemingloss – The maintenance agreement terms are tied to pricing structure for Black Bear contract. The Dunwody's said they would pave the road in front of the mailboxes in the spring. Road plowing will be done by Jefferson County after the paving is complete. Jeffco would provide this because it is a school bus route.
- D. Crespo – This is the first the board has heard any of this information.
- K. Flemingloss – Hired Drayton Dunwody to plow the snow in front of the mailboxes for this winter. The Dunwody's will do maintenance on the asphalt after they pave it. The board asked for a copy of the snowplowing agreement with the Dunwody's.
- Greg and Rachelle Rausch would like to be included in the directory and on the email list to keep up with meetings and road activities. Their property borders HOA property off of Circle Drive.
- C. Daily wants meeting minutes to be updated on the website.
- D. Crespo moved we talk to Joe the postmaster at 8AM to see if we can get the mail started again. A meeting will be set with the Dunwody's to tomorrow morning at 9AM at D. Crespo's. K. Flemingloss seconded. Motion carried. We would like to have the formal document to the post office by Friday. The easement will be posted on the website.

NEW BUSINESS – D. Richmeir has requested that he be able to pay his 2008 POA dues directly to the road maintenance and snow plowing companies. Not the HOA for attorney fees usage.

- D. Crespo motioned that we allow D. Richmeir to pay his dues as a one-time deal to the road maintenance companies. If other property owners wanted to do this it would be stopped. K. Flemingloss seconded. Motion did not carry. S. Shapiro – Owns home at the south end of Upper Ranch Road where the east gate mailboxes, paper boxes and street light reside. He would like liability insurance, \$1 rent per year and have the streetlight turned off. D. Crespo – Motioned we add his property to the liability insurance pay the \$1 rent per year and look for a better location for the light or find a directional light with Mr. Shapiro's approval. K. Flemingloss seconded.

Motion carried. Moving the west gate newspaper rack will be discussed at the Dunwoody meeting with the board.

- D. Crespo – Several months ago C. Hartshorn stated that based on her research EFPOA was not a legal POA. C. Hartshorn presented a document to the board. This document is attached. K. Flemingloss also did research and had not found a single bit of proof that we were a legitimate HOA. The EFPOA was not listed on the subdivision plat maps.
- D. Crespo - Thanked Carolyn for presenting the information. The board needs to have time and legal opinion to make an appropriate evaluation of the document. D. Crespo motioned to have Ken Flemingloss provide his package of information on what he found plus the document given to us tonight, and have our attorney review with a 2 hour or \$500 maximum to see if this warrants further attention. Then we would schedule a special membership meeting to present what the attorney finds. The membership would decide depending on the findings if they want further information, dissolve the membership or in what manner they want to proceed. Vicki Beacom seconded. Motion carries.
- D. Crespo – Motioned that because EFPOA has over \$40, 000 in the bank that we have a one time reduction of the dues by 50% for 2009. K. Flemingloss seconded. Motion carried.
The newsletter is postponed. Vicki Sparer will do the directory. Invoices for dues will be sent in January. At the next BOD meeting we will finalize the newsletter and invoices. We will review information from the attorney concerning EFPOA legal status and review board positions. The next board meeting is scheduled for Thursday, January 29, 2009 7PM at Suzy Nelson's house.
- D. Crespo motioned to adjourn meeting and Vicki Beacom seconded. The meeting adjourned at 9:30 PM.

Notes submitted by Suzy Nelson

To: Elk Falls POA Board of Directors
From: Concerned Property Owners of Elk Falls Subdivision
Date: January 7, 2009

Page one

There has been a concern that past and continued requests for information from the EFPO board has not been provided as requested. The Board responded, "the documents requested are in public domain and public records." Because property owners had been denied access to EFPOA documents, several owners have gone to Jefferson & Park Counties Clerk and Recorder, IRS Codes, EFPOA Web page, computer research and Secretary of State records in search of information.

Facts:

Jefferson County Records

1. Elk Falls Block 1, platted and recorded with covenants by Alice Berg on 15 December 1959, covenants expired in 1979
2. Elk Falls Block 2, platted and recorded with covenants by Alice Berg on 11 June 1963, covenants expired in 1983. Reception #84113953 - "Elk Falls Subdivision voted on October 30, 1984, said proposed covenants had been rejected by Block 2 home owners and is of no force and effect whatsoever."
3. No records found that EFPOA, Inc. ever bought or developed any land in Jefferson County

Park County Records:

1. Elk Falls Block 3, founded and developed by Elk Falls Ranch Development Company, Inc. On 2 November 1966 was platted and recorded with covenants, the covenants expired in 1986.
2. No records found that EFPOA Inc. ever bought or developed any land in Park County.

Secretary of State Records:

1. Elk Falls Property Owners Association, Inc. filed Articles of Incorporation on 7 September 1965. EFPOA was founded as a nonprofit business entity under IRS 501(c)6 — to buy land or manage the Sportsmen's Club from Alice Berg. The EFPOA filed Certificate of Incorporation reads, "Promotion of and control of riding horses by members of the Association, including improvements, maintenance and repairs of barns, stables and corrals used in connection therewith." "Lease, purchase, lands, lakes, creeks and other hunting and fishing facilities." No records found that this Corporation ever bought land from anyone including Alice Berg. Or did this Corporation ever manage the Sportsmen's Club. No records found that this corporation was founded for a homeowners association.

IRS Records:

1. Shows that the EFPOA is a business entity under IRC 501(c)6 non profit status. The IRC 501(c)6 organization laws states, "provides for exemption of business leagues, chamber of Commerce, real estate boards, boards of trade and professional football leagues."
2. A business entity under IRC 501(c)6 CAN NOT lobby, change name, change a classification or have a mandatory membership.

Is the EFPOA legal?

1. From 1986 to current - Property Owners in Elk Falls Subdivision have been told that there is a Mandatory Homeowners Association. According to the State of Colorado, HOA/POA information requirements: "to create a Mandatory HOA/POA, there must be 100% agreement for membership or the HOA/POA must have been formed by the Subdivision Developer prior to the development being sold. This was not done by Alice Berg or the Elk Falls Ranch Development Company.

Therefore:

Based upon reviewing recorded documents and records it appears that Elk Falls Property Owners Association is not a legal entity, POA or HOA. And does not have a mandatory membership.

Page two

We respectfully request the Board to answer the following in writing no later than 12 calendar days. Which would be on January 19, 2009

1. Why does the Board insist that the EFPOA exist when clearly it does not under either the State Statutes or IRS? If the Board still insists that EFPOA is legal can you submit written proof?
2. Would the Board be willing to revert back to the original covenants for Block 1,2 & 3?
3. Would the Board be willing to revert back to just caring for the roads as originally intended?
4. Would the Board agree to eliminating all past and present bylaws?
5. Would the Board agree that all meetings be open to all residents in Elk Falls subdivision, and no more behind closed doors?
6. Would the Board agree to bring all issues before the entire membership?
7. Would the Board agree to the fact that the membership is voluntary?
8. Would the Board agree to stop interfering with neighbors property rights as has been practiced recently?
9. All voluntary dues from property owners should be based the previous years expenditures on road maintenance. Would the Board agree to this even though it means that excess funds must be returned to the membership?!
10. Does the Board agree to stop all dealings with attorneys and paying fees?

CC: to all Elk Falls Subdivision property owners