



East Hatchet Ranch Home
Owners Association, Inc.
P.O. Box 19941
Colorado City, CO 81019

Officers

President

Gil Mosko..... (719) 676-2270
gmosko@ghvalley.net

Vice President

Pat Grau Russell.(719) 676-2872
fossilcreekfoxtrotters@ghvalley.net

Secretary

Edie Kellogg(719) 676-2443
ediekellogg@gmail.com

Treasurer

Kathleen Nilsen..(719) 676-2122
ksnilsen@ghvalley.net

Member at Large

Vacant—TBD

Important dates!

March 1, 2015

Deadline for dues
and assessments

-

May 16, 2015

Volunteer Work Day
Meet at (TBD)

-

July 11, 2015

10:00 AM

Annual Meeting

Mark & Emma Richardsons' Barn
(former Red Creek Sales Office Barn
7600 Hatchet Ranch Road)

Contents

President's Letter..... 1
Road Committee Report..... 2
Treasurer's Report..... 3
Fire Protection Update.....3
Proxy Forms.....3
Declarations Committee Update... 4
Entrance Sign Update..... 4

Visit us on the web at
www.hatcheteast.org for:

- Maps
- Covenants
- By Laws
- Notices
- Minutes
- Resources

East Hatchet Ranch Home Owners Association, Inc.

January 2015

Annual News Letter

Volume 12, Issue 1

President's Letter

Hello to all my neighbors and fellow East Hatchet Ranch community members. Since being elected to this position last summer, my eyes have been opened to the sheer quantity of work it takes to keep this ranch running smoothly.

Our Homeowner's Association has an elected Board of Directors. The Board has several key functions related to upholding our ranch covenants, including collection of dues and assessments, and road care and maintenance. Of course there is a lot of day to day business, but many of the most important tasks have been delegated to committees who report directly to the Board. These committees are staffed by volunteers from our community, and they spend a huge amount of time researching issues pertinent to all of us. No one person is responsible for success or failure. Our structure is handled democratically, with you, the members, having ultimate say on the most important issues.

When I first bought property here in March of 1999, our roads were adequate. Now, however, with much heavier traffic, it only takes a few days from the time of road grading before the washboard surfaces reappear. And with the constantly increasing cost of road care, someday soon we will be facing a financial issue. Our roads are private and receive no money at all from the local government for care and maintenance. We, the property owners, are entirely responsible for the money to fund road repairs. Our fine Road Committee tackles the huge task of maintaining our valuable roads, working with the excavating contractor, Mike Williams, who does grading, gravel

placement, snow plowing, and much more. If our roads were somehow allowed to deteriorate, can you imagine the adverse effect it would have on our property values?

Our Declaration of Covenants was adopted in 1996 for a 20-year period. Therefore, we now have an opportunity to plan for the future when our covenants extend in 2016. Our Declarations Committee will report to you in this newsletter on their research thus far toward proposing a new or changed Declaration.

Your Board of Directors is continuing to work on a variety of issues: building permits, zoning violations, covenant infractions, sales of property, collection of past-due accounts, and wording of the Covenants (including how it pertains to commercial marijuana growers wanting to grow product here on our ranch).

I have never seen this many tasks being done by volunteers. In addition, the intelligence and capability of our volunteers is something of which we can be very proud. At this time, I want to personally thank all of our board, especially Sally Kilpatrick, for her work as Member-at-Large. Sadly, Sally had to vacate her position. Further thanks goes to all committee members and other volunteers for their commitment to making all our lives in this community better. And to everyone of East Hatchet Ranch, I extend a wish for good health and a very Happy New Year.

Sincerely,
Gil Mosko

Address Changes

Colorado law specifies the association secretary maintain records, which include bylaws, articles of incorporation, minutes from meetings, AND AN ADDRESS LIST OF ALL ASSOCIATION MEMBERS.

Keeping an accurate list of all members is challenging. Please be sure to include the association when you change your address.

Remember, it is your responsibility to notify the Pueblo County Assessor's Office of any address change.

The Inside Dirt from Your Road Committee

ROAD COMMITTEE ANNUAL REPORT FOR 2014

By Ted Christakes

One of the primary duties of our home owner's association is to maintain the non-public roads within our development. The Road Committee (RC) was established to administer this duty by maintaining, repairing, and restoring the roads. This will be accomplished to the best of our abilities and through the diligent use of available funds and resources.

The RC currently has 10 active members and five formal meetings were held in 2014. These meetings are open to all HOA property owners, not just RC members, and everyone is welcome and encouraged to participate. If anyone is interested in attending a meeting or joining our committee, please contact Jim Elliott (719) 676-5108 or (helenell@daeo.net) or Ted Christakes (719) 676-2773 or (tchrista@ghvalley.net).

Overview of Road Work & Projects Completed during the 2014 Calendar Year

The majority of this work was handled by our contractor, Mike Williams of All Seasons Excavating, although RC members and other property owners also contributed to the efforts on a volunteer basis. The Road Committee Meeting minutes are posted on our website: www.hatcheteast.org.

Routine Maintenance

Routine maintenance included regular grading throughout the year, weed mowing, one snow removal in March and one in November, and road base placement.

Road Repairs

This past summer the ranch experienced very heavy and repeated rain falls – possibly the worst in the history

of our ranch. Following each episode many of our ditches and culverts were eroded and had washouts. Debris and mud were littered on several roads and around the concrete entrance bridge. It seemed that as soon as an area was cleaned up, it was hit again with another downpour and the cleanup process started all over again. The bad news was that these repeated repairs consumed much of our budget allocations that would normally be used to replenish road gravel. The good news was that if it wasn't for the continuous road improvements that built up our roads over the previous years such as paving and re-sloping certain hills, upgrading low water crossings, deepening road base, etc., the damage would have been much worse.

New Road Base

Approximately two and a half miles of new gravel was applied to various sections of road. This was about a mile less than in previous years as more of our road budget had to be used to offset unforeseen costs.

Projects & Improvements

- Reduced the angle of slope going into the low water crossing on Wild Horse Drive to improve vehicle access and travel.
- Volunteer work day was held in May – culverts cleaned and installed or replaced approximately 100 reflective T-posts.
- Area surrounding the front entrance on Pine Bluff Drive was cleared of heavy undergrowth and the cattle guard was removed in preparation for the new entrance archway.
- Additional concrete “dead-man” blocks were placed along the bank of Muddy Creek to counter erosion moving toward the west shoulder of Greenhorn Creek Drive.
- The roadway was widened at the

crest of the hill on north Pine Bluff Drive West to improve driving safety.

- A new layer of asphalt was applied to two of the paved hills and an asphalt sealant was applied to all three paved hills.
- Large rocks were added to reduce erosion along the sides of Pine Bluff Drive leading into the concrete bridge over Greenhorn Creek.

Future Planning

As the Common Assessment barely covers routine maintenance, the RC has requested, and the Board has approved, the full Special Assessment of \$150 for 2015. This Special Assessment will primarily cover new road base material as well as the frequent unforeseen expenses that run in excess of the base funding allocated from the Common Assessment Budget.

In 2015 the Road Committee will be reviewing the short- and long-term plans that had been developed in recent years. The committee will be refining and developing new plans. Consideration for the future will be the priority.

Road Committee

Chairman

Jim Elliott (PH V).....676-5108

Secretary

Ted Christakes (Ph III)...676-2773

Phase II

Jack Helm

Andrew Arnold

Phase III

Ray Merrell

Dan Warren

Phase IV

Jon Josephson

Phase V

Dan McCraw

Pat Grau-Russell

Sikes Annex

Warren Lau

If you have questions or concerns with our roads, please contact a Road Committee member. Please do not contact Mike Williams with All Seasons directly.

Treasurer’s Report As of December 31, 2014

Current Assets:	
Checking	\$ 3,513.65
Savings	23,626.74
Reserve CD	41,521.01
Accounts Receivable	21,500.76
 Total Current Assets:	 \$ 90,162.16
 Current Liabilities:	
Road Work-in-Progress	- 5,835.00
 Net Equity	 \$ 84,327.16

In 2014 we collected current assessments of \$100,800; \$210 in earned interest; \$600 in access fees; \$5,954 in prior years’ delinquencies—for a total of \$107,564 in inflows. We paid current overhead expenses of \$2,001; current road expenses of \$94,367; set aside \$5,835 for road work-in-progress (to be finished in 2015)—for a total of \$102,203 in outflows. We had excess inflows over outflows of \$5,361 for the calendar year 2014. We had no need to use the money in the reserve certificate of deposit which is set aside for road emergencies. For the road improvements and many repairs in 2014 (98% of outflows) see the detail in the Road Committee report (page 2) and the minutes posted on our website.

The accounts receivable total consists of 15 properties—12 delinquent with liens (11 of those also have liens for prior years and one is liened for 2014 only). One property is paid ahead for 2014, one property is making payments, and one prorated assessment may be uncollectible.

We begin collection in January for 2015. We will invoice 348 properties for the annual dues of \$150 plus the special assessment of \$150, for a total billing of \$104,400. In 16 years of filing liens on delinquent accounts, the average per year is 4% delinquencies. That is 12 properties with \$3,600 likely not collected in the current year of the total billed and planned for that year.

Kathleen Nilsen, Treasurer

Activities and Contacts

- Book Club
- Jeanette Bogren.....404-4090
- Quilting Group
- Kathleen Helm.....676-2331
- Friendship Get-Together
- Sandie Jacobs.....676-2174
- Garden Club
- Sandie Jacobs.....676-2174

Hatchet Fire Protection

By Jim Elliott, Fire Committee Chairperson

We are elated that we have finally installed three tanks with approximately 39,000 gallons of water. The Rye Fire District is currently working on the fourth and final installation of the very large 33,000 gallon tank, which has been quite an undertaking to say the least.

We have had a great year because no large fires were reported. We have had, however, several emergency medical service related trips on the ranch.

We did have a rather unfortunate incident occur in November. The District received a call regarding an open fire on the ranch without a burn permit. **It is necessary** that anyone needing to have an open fire must file a burn permit **several days in advance** in accordance with Pueblo County ordinance number 2011-23. The burn permit can be obtained by notifying the Pueblo Sheriff’s office or logging into the Rye Fire Protection District website – www.ryefiredistrict.us.

The Rye Fire District is always willing to work with property owners’ mitigation or other concerns that will make your property and our community safer. If you should need to talk with our Fire Chief, Steve Bennett, he can be reached at 719-676-5322.

We are certainly wishing for a safe and healthful community in 2015.

If any members would like articles in future newsletters or if you have any items that you would like presented at the annual meeting, please contact any board member.

Proxy Forms

The Annual Meeting is still months away, but it is not too early to emphasize the need for proxy forms. A quorum is needed to have a valid business meeting. A quorum is defined as 20 percent representation of the properties. We have 348 voting properties, so we need 70 lots represented at the meeting.

Proxy forms will be mailed with the proposed budget in May. Also, the form may be downloaded and printed from the hatchet web site (www.hatcheteast.org). Complete **and sign** the form and mail to the association at our P. O. Box or to the person specified as your representative in the proxy form.

**If you cannot attend the Annual Meeting,
please delegate your proxy.
Make SURE to assign your proxy vote
to any property owner in good standing.**

EHRHOA Declarations Committee Update

Your Community, Your Future

For several years now, your Road Committee and Board of Directors have been diligent and creative in maintaining and repairing the roads for our community. Our very dedicated and competent contractor, Mike Williams, charges us less than market rates for his work and has found ways to lower our costs. A small band of owner-volunteers contributes their time, labor, materials, and gas for monitoring road conditions and making repairs. Together, they have managed to maintain and improve our roads while adhering to our declaration’s \$300 cap on assessments—without using up our association’s savings.

Our assessment cap—which was a selling point for the developer—now represents the HOA’s biggest long-term challenge for sustaining the quality of our roads. As inflation and Mother Nature continue to take their toll on our road budget, \$300 per parcel will accomplish less and less every year. Future work will have to be prioritized more than ever, and absolute necessities such as snow plowing or emergency repairs will have to take precedence over additional gravel or grading.

At the last annual meeting in July 2014, a committee was formed to identify and evaluate options for meeting our community’s future financial needs for road maintenance and repair. Owner-volunteers have been meeting since August to evaluate the options for increasing association funding. Our declaration requires that owners of 75% of lots (261 votes) must approve an increase to the \$300 assessment cap. Any such change to our association’s governing documents (declaration, bylaws, and articles of incorporation) must reflect the controlling sections of two state statutes—the Colorado Revised Non-Profit Corporation Act and the Colorado Common Interest Ownership Act (CCIOA). These statutes

are complex and our association will need legal guidance to fully understand and evaluate our options, because a vote to increase the cap could change our status under CCIOA—adding rights and responsibilities for owners and the association that are not currently required.

This committee is working to gather information from the law, state officials, local homeowner associations, and other sources to ensure that our owners and Board of Directors have the facts and perspectives they need to make wise decisions for our future. The committee has made several recommendations to the Board. The Board will consider next steps and communicate with owners by the 2015 annual meeting.

The minutes and supporting information for each of the committee’s meetings are available on our East Hatchet Ranch web site: (<http://www.hatcheteast.org/committees/declarations-proposal-committee>).

Please share any ideas or insights you have to keep our community fiscally viable for the long term with any of the committee members listed below.

Committee Members:

Chairman

Ted Christakes.....719-676-2773

Secretary

Connie Lowe.....719-676-2603

Andrew Arnold... ..agmarnold@yahoo.com

Jack Helm.....fabricnut@msn.com

Mike Lowe..... ..mikeconnielowe@aol.com

Mick Luxner.....bluxner@gmail.com

Paula Moore.....pamoore@ghvalley.net

Stan Nilsen.....senilsen@ghvalley.net

Front Entrance Replacement

by Edie Kellogg, Sign Committee Chairperson

After over two years of meetings, plan ideas and drawings, presenting the options to the voting members at our 2013 Annual Meeting, plus the somewhat arduous permit process with Pueblo County, our new East Hatchet Ranch front entrance construction was completed in early June 2014. We are grateful for the many wonderful neighbors in our community who volunteered for the committee, doing countless hours of research for several options being presented; and many dedicated and talented volunteers who worked the better part of a week with the pre-construction and the final construction. Pueblo County has been out and approved the final inspection. There have been suggestions of placing several native boulders near each side of the entrance poles, which is still in the planning stages.

