



Chateau Chaparral Owners Association

10795 CR 197-A
Nathrop, CO 81236
(719) 395-8282



Vision

Build Chateau Chapparral into a premier riverside community by working together with all residents to offer an inspiring lifestyle and preserve the beauty, safety, and community feeling of the park.

Mission

Preserve and enhance the quality of life and sense of community through effective management of the Owner’s Association, consistent enforcement of the policies and covenants, and support for operational costs and capital improvements that benefit all-owners.

Values

- Appreciation of nature
- Respect for neighbors
- Adherence to Chaffee County regulations and State of Colorado HOA regulations
- Safety
- Frugal - keep costs down, postpone replacement with maintenance funds
- Educate owners on why the infrastructure of the 50-year-old park requires major renovation, rather than maintenance
- Gather data to make informed, transparent, and win-win decisions
- Seek advice and best practices utilizing lawyers, CPAs, water treatment specialists, bonded and insured contractors, and experienced owners.



2022-2023 Board of Managers for the HOA

- President – Joanie McCord lot #143
- Vice President – Jeffrey Kennison lot #97
- Treasurer - Pete Neff lot #99
- Secretary - Jody Juneau lots #96/119/228/229
- At Large – Kay Jenkins lots #40/244/246
- At Large – Ben Althoff lots #153/163/221
- At Large – Marilyn Laverty lot #184



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Strategic Long-Term Goals 5 to 7 years

- Obtain a grant or a loan at 2.75% to:
 - A. Upgrade or replace all water lines and water joints that are galvanized with tuberculation. Water lines are 5 feet deep and expensive to open and test. Sewer systems allow tiny cameras to monitor flow and pipe condition, but no such camera is available for the water lines.
 - B. Drill a new well. Ensure water quantity and quality are our highest asset and value to maintain and preserve.
 - C. Build a custom cover to optimize efficiency and preserve the sewer digester which is part of the Sequencing for the Batch Reactor. The estimated cover would be over 1,400 sq. ft.
- Continue to invest money and time to recertify yearly as a National Fire Protection Association Firewise Community.
- Continue to meet all Chaffee County Building Codes.
- Continue to hire, train and employ experienced and qualified part-time Park Manager, part-time Maintenance staff, and part-time Cleaning staff. Park Manager will continue to streamline and systematize operations, update computers, set up security cameras, back-up computer records, and maintain compliance with State of Colorado HOA regulations. Park Manager obtains contractor bids. The manager coordinates and oversees projects performed by staff, volunteers, and contractors.
- Meet water quality and sewer standards with the assistance of an experienced certified water technician.
- Ask the board to contribute additional time to take on compliance complaints. Ensure that a qualified board of managers volunteers and invests extra time to inform the owners regularly as well as being fiscally responsible and transparent. Continue the sustainability of CCOA as a Condominium Property formed under the Condominium Owners Act of the State of Colorado. Board's responsibility is also to engage owners to take on interesting committee responsibilities.



2022 -23 Completed Goals - Results

1. Hired Park Manager, Colee Kindall, and the Association is current with projects. Colee arranges volunteers to take on maintenance tasks and attain 3 bids for contractors to ensure projects move forward.
2. Met Colorado water quality and sewer standards. Upgraded Certified Water Technician's contract fee and responsibilities.
3. Staff & volunteers trained new Board of Managers in Condo Declarations and State of Colorado HOA regulations and County Building Codes.
4. Invested \$4,000 plus 649 volunteer hours to earn designation as a Firewise USA site. A dedicated group of volunteers completed the May park-wide clean-up with a roll-off available for free to owners.
5. Hired only insured contractors who work through the County's building inspectors.
6. Converted all electric to Sangre de Cristo for safety and the Association no longer handles electric billing. Paid \$8,100 to professional electricians to convert the Association's buildings to Sangre de Cristo.
7. Cleaned, painted, reorganized, and updated the laundry, lodge, kitchen, office, storeroom, garage, and bathhouses. Installed cameras in strategic locations, including the trash bins, garage, and lodge. Purchased one new commercial washing machine for \$1,800.
8. Water infrastructure map is now 65% accurate and CCOA staff are continuing to maintain and update detailed records of the water system.
9. Experienced so many water leak emergencies that staff had to delay other critical responsibilities.
10. Invested over \$28,000 in the bridge to Browns Canyon since 2016. This is a private owners' only access point available to owners, owner's guests, BLM staff, Forest Service staff, Firefighters, and Search and Rescue Teams. (Includes \$2,718 for new decking planks, Bonsai LLC \$20,206 and Bridge Engineering \$4,350).
11. Maintained a retainer agreement with Altitude Community Law Firm (\$3,600). The association is up to date on legal matters. HOA Association regulations from the State of Colorado need to be continually studied to ensure compliance.
12. Retained Genesis accounting firm in Buena Vista to handle billing and accounting. Hired Erickson, Brown & Kloster, LLC to perform an audit every 3 years. Received a clean audit for 2021. Note that Treasurer has been working for the park for 8 years and is excellent, consistent, and educates the board and owners on processes and procedures. She understands and executes all aspects of CCOA's collection policy and procedures.



One-Year Goals 2023-24:

1. Update the Condominium Association Declarations to incorporate State of Colorado HOA requirements. Also meet with County Building Inspector, Chad Chadwick, in Salida and Pat Green in Buena Vista to build-a relationship.
2. Plan the June clean-up with the owners. Includes fire mitigation steps to remove dead branches, eliminate wood piles, paint older decks, dispose of trash, and remove vehicles not authorized to be in the park.
3. Survey owners and learn more about their views via an online annual survey.
4. Recruit and train new board members and committee chairpersons and volunteers.
5. Hire water and sewer engineers or contractors to estimate costs to replace infrastructure within the next 5 to 10 years. Continue to acquire 3 bids for all bonded and insured contractors. Meet all Chaffee County Building Codes.
6. Write the Capital Improvement Plan. Identify the more expensive well, water distribution, and sewer infrastructure needs. Identify tools, equipment, and replacement requirements within the next 5 to 10 years.
7. Petition owners to approve bylaw changes and a new fee. Add to the bylaws a 1.5% new owner transfer fee. Each new owner pays into the park's assets with a standard fee common industry-wide in RV parks. New owners get immediate shared ownership of \$500,000 in the bank for operations and reserves, the tools, equipment, bridge, lodge, water and sewer infrastructure, shared land, and this special location valued over \$3.5 million.
8. Research grants and low-interest rate government loans to acquire funding for a sewer plant cover, a new well (\$50,000), change out galvanized pipes, and purchase a backup water pump (\$5,000) and a backup sewer pump.
9. Update the Water infrastructure map while handling emergency water line and sewer line leaks. CCOA staff are documenting new Infrastructure Preventive Maintenance Procedures including exercising valves, obtaining backup pumps, winterizing hydrants, and re-opening them each spring. CCOA staff are updating the maps as they go. Water lines are 5 ft. deep.
10. Inventory all tools, furniture, equipment,-infrastructure, and buildings for-government grants. For example, all the commercial washers and dryers will need to be replaced in upcoming years due to their age.
11. Encourage owners to comply so staff and volunteers don't have to bug owners and send owners repeat notices. We want to have fun here, not track down owners to comply with the rules.
12. Read Park Manager's emails, especially PowerPoint presentations presented at HOA meetings,-the newsletter, and of course the financials. We need to all be informed and we will continue to send information, facts, history, and upcoming decisions so owners are informed.



Strengths

- Part-time staff are well trained, courteous, and have the right experience.
- Location.
- An excellent solution to affordable housing. Annual HOA dues are \$1,355 or \$113 per month.
- The Association is up to date with the State of Colorado Legislature on required policies. In 2012, all policies were reviewed and updated as needed:
 1. Procedures for Records Management
 2. Policy for the Adoption of Rules
 3. Conduct of Meetings Policy
 4. Conflict of Interest Policy
 5. Alternative Resolution of Disputes Policy
 6. Collection Policy
 7. Reserve Study Policy
 8. Water Service Policy
 9. Investment of Reserve Funds Policy
 10. Enforcement of Governing Documents Policy
- The Home Owners Association has always been operated by volunteers. Thanks to the Building and Grounds Committee, these generous and talented owners worked to attain the Firewise USA site designation. Plus, they set up a second exit solution and met with our neighbors for permission to exit over their property in case of fire or other emergency.
- Park Manager has organized volunteers, staff, and contractors and long outstanding less expensive maintenance issues have been resolved. Long-term maintenance needs have been documented.
- Part Time Treasurer has been working 8 years handling administrative, contracts, invoices, audits, bylaws, policy changes, and board coaching. Treasurer is up-to-date and the Association received a clean audit.
- Volunteer appreciation goes out to the Finance Committee. The detailed expense statement they set up is easy to follow and understand for all owners. The owners stepped up and painted, removed tumbleweeds, and completed many more projects. The Architectural Committee kept owners informed on Chaffee County Building Codes and requirements.
- The USDA loan and grant to replace the sewer system was granted August 11, 2014, and completed August 11, 2019. Sewer pipes from each lot to the sewer retention pond are new. The Sewer Assessment to pay the principal, interest, Water Technician, supplies, and sewer maintenance is paid from the dues assessment. 2022 HOA dues were \$760 per year and the sewer assessment was \$595 totaling \$1,355 per year per lot.
- Owners recently paid as much as \$3,000 to have their trenches dug and the electric switched over to Sangre de Cristo in 2022. The community is safer now that it is re-wired. Staff no longer send electric invoices to owners; billing is through Sangre de Cristo.



Weaknesses

- Volunteers are getting older and are not volunteering as much.
- Compliance takes too much of the Park Manager's and Board of Managers' time.
- Many owners do not comply with the shared agreements to remove building materials, vehicles, trailers, and boats during the winter.
- Part-time staff are stretched thin to keep up with water and sewer leaks and emergencies.
- Retired owners living on fixed incomes and owners who use their property intermittently consistently vote down much-needed budget increases. Numerous routine maintenance projects are on hold.
- Condominium Declarations are out of date and do not reflect the reality of the community. The bid for Legal fees to update the documents is \$10,000. For example, the original plat map states that the only structure allowed on the lot is a 48 sq ft storage shed. The property was originally designated as Condominium Property with individual campsite units.
- As the neighborhood experiences water leaks, the Water Technician is digging down 5 feet and checking the maps, updating the maps as he goes, and looking for tuberculation, buildup, or corrosion inside the pipes.
- Board of Managers volunteers change so often that it is hard to get things done. There is so much to learn.
- The part-time Treasurer of 8 years is retiring. Finding her replacement and getting them trained is a priority.



Opportunities

- Lots of younger new owners.
- The Board will be sending out an owner survey to get a better insight as to what are the top 5 priorities for the owners. Low HOA dues have been communicated loudly for years.
- The current trend has been more park models or 400 sq ft RVs.
- Could Chateau create a place for owners to rent and store items in a storage area behind a fence?



- The 7 shares of water in Twin Lakes need to be studied and explained to the owners. The Association has 5 active shares and it is expensive to request the 2 inactive shares be activated and requires a vote of the other users in the water district. The water well flow is monitored and drilling a new well will be scheduled in 2024 or 2025.
- Owners are choosing to live full-time at Chateau Chaparral and we are known as an affordable housing community.
- Owners want more information on where their money goes. The stories of sewer pipes and pumps sitting outside the lodge for an entire season is still in their memories which brings a lack of trust in approving HOA annual dues. Some owners feel the board has dropped the ball on grants since the 2012 sewer loan.
- Researching and applying for Government Grants or low-interest rate loans, 2.75%, is a very high priority for a 50-year-old park with aging infrastructure. The EPA is now requiring neighborhoods like ours to replace galvanized pipes. The oldest street, Washington, is scheduled for replacement of galvanized pipes, but is on hold, due to lack of funding. (one bid was \$100,000).

Threats

- The community was established in Chaffee County as a Condominium Association. New, younger planners and building inspectors may have different views of this neighborhood. The past view of the neighborhood was not positive in the community and with the County. The view of Chateau was more of a wild west “you can’t tell me what to do on my property” mentality.
- Many Home Owners Associations have adopted the 10-year rule - no recreation vehicles over 10 years old. The age and lack of maintenance on many lots will be an ongoing challenge.
- The vocal minority regularly discusses their concerns with the staff and volunteers. This distracts staff and volunteers from critical operational tasks when owners repeat their complaints. The majority of complaints, and concerns are answered and available on the website under “Budgets”, expenditures are in detail as are committee minutes and board of managers meeting minutes of all decisions.
- Some of our owners want to see the roads fixed. There is no funding.
- Many of our long-term owners don’t trust the board of managers. The Facebook page for the neighborhood is not a happy place – this is the venting ground for unhappy owners and renters.
- All the owners are not reading the newsletters, emails, or website. Most of the owners come to relax, play and get away. It is challenging to inform all our 306 owners. Maybe the board of managers, who are also volunteers, could more frequently email owners in a more informative way in a short summary form which can be digested.



**History Of Chateau Chaparral
(To be added)**

Financials

	2022 Expenses	
Admin	\$ 7,322	2%
Supplies	\$ 7,349	2%
Insurance	\$ 19,377	5%
Accounting Audit Legal	\$ 23,625	6%
Interest	\$ 41,433	10%
Repairs and Maintenance	\$ 56,712	14%
Utilities	\$ 75,788	18%
Wages	\$ 86,757	21%
Non-Cash - Depreciation	\$ 91,893	22%
Total Expenses	\$ 410,261	100%



**Chateau Chaparral
Financial Statements**

	2022 Expenses
Admin Other	\$ 156.69
Advertising Mt Mail	\$ 530.20
Bank Charges	\$ 8.01
Bath House Supplies	\$ 39.07
Cleaning Supplies	\$ 195.89
Contract Labor	\$ 355.00
Depreciation – non cash	\$ 91,893.00
Dues Fees Subscriptions	\$ 1,448.69
Electric Sangre de Cristo	\$ 53,436.25
Bond Insurance	\$ 485.00
Auto, Fire & Casualty Ins	\$ 18,892.73
Interest Expense	\$ 41,433.43
LP Gas Bailey Propane	\$ 6,168.35
Laundry Equip Repair	\$ 1,036.72
License Fees - Water	\$ 611.00

Lodge Expense Food	\$	219.27
Internet Telephone	\$	492.82
Lodge Cleaning Supplies	\$	516.52
Repairs & Maint	\$	2,228.81
Satellite	\$	40.58
Locksmith	\$	130.00
Mileage Reimbursement	\$	241.05
Miscellaneous	\$	25.00
Office Supplies	\$	1,746.57
Oil Gas Diesel	\$	83.57
Federal Unemploy Taxes	\$	220.79
State Unemploy Taxes	\$	751.16
Payroll Taxes	\$	5,975.95
Permits	\$	75.00
Postage and Shipping	\$	2,310.34
Prof Fees Audit	\$	5,000.00
Accounting Prof Services	\$	12,772.50
Legal Fees	\$	5,853.00
Real Estate Taxes	\$	1,467.46
Bridge Repair	\$	13,133.05
Maintenance Equipment	\$	2,564.59
Maintenance Buildings	\$	2,784.11
Maintenance Grounds	\$	4,920.11
Water System Repairs	\$	13,219.68
Sludge Removal	\$	8,725.00
Repair and Maint - Other	\$	320.42
Training Fees	\$	230.00
Trash Expense	\$	15,650.20
Vehicle Maintenance	\$	292.06
Wages	\$	78,116.94
Water Purification Supply	\$	4,851.72
Water Testing	\$	7,274.86
Workman's Comp Ins	\$	1,338.00
Total Expenses	\$	410,261.16

Cash on Hand	May 2023 Balances	
Contingency or Construction Fund	\$64,549	Needs to be increased to \$250,000 over time
Debt Service Reserve - Required by USDA Loan Agreement	\$77,920	Required by USDA to grow the fund to be equal to one year of loan payments for 4 year old sewer system, or \$79,242 for \$1.5 M loan balance.
Money Market Emergency Reserve Account	\$86,489	Not touched – only for emergencies
Total Reserves	\$228,958	
 Kitchen/Social Fund	 \$2,651	
 Sewer Operating Fund	 \$122,794	 Includes sewer assessment and fund is used for the March sewer loan payment.
Asset Replacement Fund	\$43,330	\$4,333 Required annual contribution
General Fund for Operating Expenses	\$139,333	HOA dues minus operating expenses
Total Cash in Bank	\$537,066	

		Per Month:
Annual HOA Dues	\$ 760	
Sewer Assessment	\$ 595	
Total Income From Owners HOA	\$ 1,355	\$ 113
Number of lots	306	
Total Income From Owners HOA	\$ 414,630	



ASSETS	Chateau Chaparral Owners' Association	Balance Sheet 3/31/23
CURRENT ASSETS – Cash in Bank		
CASH IN BANK-CPB-CHECKING	243,763	
CASH IN BANK-CPB-MONEY MARKET	86,383	
CCOA CONSTRUCTION ACCT	52,368	
ASSET REPLACEMENT RESERVE	43,330	
DEBT SERVICE RESERVE	77,920	
CONTINGENCY FUNDS ESCROW	49,760	
SOCIAL / KITCHEN ACCOUNT	<u>2,651</u>	
TOTAL CHECKING/SAVINGS	556,176	
TOTAL CURRENT ASSETS	556,176	
FIXED ASSETS		
APPLIANCES	5,015	
BATHROOM CAPITAL IMPROVEMENT	2,861	
EQUIPMENT	97,263	
IMPROVEMENTS BATHHOUSE	8,103	
IMPROVEMENTS – OTHER	<u>19,158</u>	
LODGE BUILDING	135,367	
ROAD GRADER/OVERHAUL TRACTOR	2,009	
ROAD IMPROVEMENTS	6,005	
SEWER/WATER /ELECTRIC PROJECTS	3,395,978	
SHOP SHED	4,923	
UTILITY BUILDING	14,912	
VEHICLE	2,000	
ACCUMULATED DEPRECIATION	<u>-791,852</u>	
TOTAL FIXED ASSETS	<u>2,901,740</u>	
LONG TERM ASSET – LAND	<u>21,000</u>	
TOTAL ASSETS	3,478,916	
LIABILITIES & FUND BALANCE		
LIABILITIES- CURRENT LIABILITIES		
DEPOSITS - OWNERS	8,161	
EMPLOYEE PAYABLE		
FEDERAL WITHHOLDING	562	
MEDICARE WITHHOLDING	139	
SOCIAL SECURITY WITHHOLDING	594	
STATE WITHHOLDING	803	
LIABILITIES- DEFFERRED SEWER	<u>1,106,656</u>	
TOTAL CURRENT LIABILITIES	1,116,915	
LONG TERM LIABILITIES		
US RURAL UTILITY. LOAN	1,542,021	
TOTAL LONG-TERM LIABILITIES	1,542,021	
TOTAL LIABILITIES	2,658,936	
FUND BALANCE		
UNRESTRICTED	571,552	
NET INCOME	<u>248,428</u>	
TOTAL FUND BALANCE	<u>819,979</u>	
TOTAL LIABILITIES & FUND BAL	3,478,916	