

## Update for Members of CORA

The last several years has been a period of rapid change in Federal, State, County, and Water reporting/compliance, big natural events, and changes at CORA. Many owners come to CORA to enjoy their lots and friends but are unaware of all the possible impacts the changes have on them. Many Lot Owners do not even know what they purchased!

This update covers items that are NOT part of the day-to-day operations of CORA.

### **OWNERSHIP**

Lot Owners are owners of lots located in Western Union Ranch RV Park and are Members of CORA with privileges of use outlined in covenants, by-laws, and Rules and Regulations.

CORA is a non-profit corporation that owns the water rights, utilities, all common grounds, facilities, roads, and is the employer for everyone working for CORA. Three Board members are recorded as corporate officers – President, Treasurer, and Secretary. Each office has legal responsibilities to make sure documents are available to Members, finances are in order, and CORA is operating within all laws and restrictions.

Lot Owners are NOT owners of CORA. I went back to my deed and covenants because I believed I had purchased an easement to my lot – NOPE. I can access my lot via CORA property as long as I am a member in good standing with CORA. If I choose to ignore Park County Zoning laws, other Covenants, not pay assessments, or just throw the Rules and Regulations out the window the attorney tells me I can only get to my lot via helicopter!

### **LAWS AND REGULATIONS**

Like any company; CORA must follow all Federal, State, and County laws and regulations. CORA must provide a safe, non-hostile work environment for employees and follow all laws ranging from interviews to termination. As part of CORA's Articles of Incorporation CORA must also enforce the covenants; which are tied directly to Park County Land Use Regulations.

In 2019 the State of Colorado formalized and increased the reporting required from HOA's and complexes like CORA when properties change hands.

Most of the information requested is available to all owners via the Members Only web site or is available in the Office but CORA must still fill out all forms about insurance, assessments, water, sewer, and financial health. (We are doing well)

ONE requirement has made the process very hard for sellers and CORA alike: Is there any covenant violations on the lot?

CORA must truthfully reply to that question or face the legal consequences of not doing so. A standard letter recapping some of items outlined in the covenants and Park County has been created and is included in the reply. Fess up – how many of you have read all the documents you received when you purchased?

In 2020 Banking regulations changed how signature cards and approved signors must be obtained. It took almost 2 months to have CORA accounts changed! As a result; the outgoing Board members will remain as advisors or assistants to the new Board members for 2 months so business can continue.

In 2020 Park County held up a building permit requested by a lot owner. They demanded to examine the water and sewer system at CORA or they would not issue the permit.

No one can create a new tap on any CORA water or sewer main. The answer was no to County inspection.

A meeting was held between CORA, the County Assessor, and the head of Zoning, Planning, Building, and Enforcement.

The County was angry at CORA for placing permanent residences and buildings on properties that should be marked vacant and had plans to review CORA's use. They have felt CORA was always requesting they enforce CORA covenants but are ignoring Park County regulations.

CORA has never approved a building on any lot other than the 1 shed per lot allowed. Lot Owners bypassed CORA and have gone directly to the County for permits to do so. The County issued permits on lots that are not allowed to have buildings per zoning.

We explained the County building permits are allowing building over the registered 20-foot utility easement running through the center of all independent lots and that has nothing to do with covenants. Turns out the County had never noticed the easement!

The agreement reached at the meeting is posted on the Member Only section of the web site. All lots will revert back to vacant land on County Assessor rolls.

The buildings do not have to be torn down but they cannot be modified or they must be removed. See the full explanation on the Park County site regarding non-compliant structures.

Front and back setbacks have been increased in new zoning regulations. The County was told CORA would abide by the old setbacks but would not enforce the new setbacks. The setback changes would make lots in S&N unusable and this would be a legal issue with the Lot Owners and County.

Park County should now deal directly with Lot Owners who are in zoning violation. CORA itself is not in violation and should not be pulled into the legal fallout that may occur. All Lot Owners should not have to pay to defend CORA from the actions of a few Lot Owners.

The flip side is CORA must ensure no lots are used more than 6 months a year and no permanent residences may exist except the Caretaker home.

Colorado minimum wage continues to go up each year with certain cities requiring a higher rate. If minimum wage goes up to \$15 this will have an impact on assessments as other employer related expenses will also go up.

COVID response payments will increase several employers paid programs - CORA expects the rates paid for the Federal and State unemployment insurance fund to increase this year. Worker compensation rates have already increased.

Federal law changes in 2022 for mandated sick leave will impose tracking responsibilities on employers.

## **UNEXPECTED EVENTS**

In 2018 we escaped the wildfire that raged around us but are still dealing with the damage it caused.

Sue Shaw worked with a small group to create an emergency excavation plan where the Office is the center of communication and volunteers from each area of the complex are key players. The Safety Committee needs to be a standing committee and meet to keep volunteer lists and methods updated

Mark Wiseman worked with the County and an excavator on a project to disperse the water in 2019. It kept HWY 285 from flooding again but demonstrated damage is occurring in the canyon as well.

In 2020 Littlehorn Engineering was contracted to come up with a method to keep flooding down and reduce more damage to the canyon. They should have plans submitted soon so work can begin in spring 2021.

Randall Wisenhunt researched for grants to assist CORA in Fire Mitigation; discovering a 2-year matching grant program for which CORA was approved. Ten acres has been cleaned up over the 2020-2021 winter with an additional ten acres scheduled for 2021-2022 winter. The last cleanup concentrated around S&N and occurred over 20 years ago. This project should have an annual review.

CORA applied to become a Fire Wise Community in 2020 and was approved. This brings us the benefit of lower insurance cost, local awareness to firefighters in the area, and reduces the fuel

for fires. There is a lot of work involved for our Caretakers as grounds must be kept to no more than 4 inches high and growth kept down

Neighbors Helping Neighbors cleaned up several lots in 2020. Please reach out to your neighbors who might need assistance in keeping their lots clean.

Several inhabitable rigs were removed from lots. Several others will be addressed this spring.

A wood chipper was brought in by the fire department to assist owners who are cleaning up their lots. Hopefully we can schedule the chipper again this summer.

In the winter of 2019, a fire occurred in the sewer plant. Review of costs showed we could refurbish the entire plant for what we had spent on repairs in a 3-year window.

The entire plant from supports to wiring was replaced. The banks on the field were also built up.

It was discovered the old electrician had not made repairs up to code and was charging CORA handsomely to make the service trip. Sewer plants cannot just be serviced by a certified electrician – there are other skills needed. A new electrician for the sewer plant has been retained.

In the summer of 2019, the pool started peeling and calls to repair the boiler were frequent. No one was certain when the pool had last been updated as no paperwork could be found. It was discovered the boiler was well past its life expectancy. Inadequate ventilation was found to be a culprit and was damaging other machinery in the boiler room

Improved ventilation was installed. No more black soot covered machinery!

During inspections by various companies, it was discovered the water lines had not been fully drained and the pipes had broken.

The project grew from replastering the pool to a major overhaul. CORA has refurbished pool, tile, decking, plumbing, water pipes, filter, and boiler which should be good for another 20 years.

## **BUILDING THE BUSINESS INFRASTRUCTURE**

The computer system crashed in 2014 or 2015. All information stored on it was lost and much had to be recreated.

- Backup drive has been purchased
- Cloud account has been obtained to hold all contracts and long-term documents

- File folders for major systems were created so Sewer, Water, Pool, etc. can be stored on-line for searching
- All invoices and related documents are scanned and stored by year
- Many legal documents have been loaded to the Members Only portion of the web-site
- A cloud account for the Board was established as was a group email account so all future Boards have access

#### Employment Documents:

- Job Application
- Standard interview questions for each position
- Background check as permitted by Colorado Law CRS 12-14-.3-105.3(1)(e)
- Job Descriptions for each position
- Employee Manual
- Performance Review Forms
- Safety Manual
- Contracts
- Volunteer Liability Waiver

#### Financial Controls:

- Full-service accounting firm has been retained
  - Ledger information going back to 2014 has been reviewed and corrected
  - Reserve Account has been moved to a second accounting class to improve reporting
  - No payments or fund transfers may be made without approval of the Treasurer. If the Treasurer is unavailable the President approves a transfer. Caretakers may not request fund transfers from the Accountant.
  - A bank account has been established to hold funds in excess of \$250,000.
  - All accounts are balanced monthly by Accountant
  - Primary contact is the Treasurer with President as backup.
- Office
  - Petty Cash cannot go over \$500. Excess must be deposited in Operating Account each week and a report provided to the Treasurer for all financial activities in the Office.
  - All credit card charges must be approved by Treasurer
  - Automatic transfer of funds from the Operating Account to Office Account was halted and should not be reactivated.
  - A laptop was purchased for the Treasurer position to access CORA bookkeeping system.
  - Passwords to all accounts are changed on a quarterly basis or when employees/Board changes

- The Board is recommending an annual audit of the Office to examine systems, file cabinets, backup procedures, etc. A check list will be developed to aide future Boards.

#### Facility Audit

- Larry Chiuppi and Alex De Le Cova worked to create a master file of all mechanical systems at CORA using the 2010 audit as a template
- Alex is creating a recording system to plan and record maintenance on them
- As each item is maintained a procedure is written up
- The Audit includes aging so the system can be used to create a budget for the Reserve Account.

#### Insurance

- Ric Jefferies located an insurance broker who offers many more services than just locating insurance plans
- CORA was able to obtain more coverage at a 16% savings in premiums
- The policies were updated to fully cover the Caretaker house and drop items not owned by CORA in many years
- Flood insurance was purchased for the area around the clubhouse
- Volunteer Insurance was obtained for Lot Owners willing to operate under the direction of Caretakers or Facility Board member to perform tasks.
- Training programs are provided free of charge. The Safety Department assisted Patricia in creating the Safety Manual
- An annual meeting with the broker and CORA will occur each October to update replacement dates or expand coverage

#### Attorney

- OCH remains the agent of record
- Tobey and Johnston have been retained to do collections and Annual Meeting education.
  - This move reduces the cost to Lot Owners if they go into the collection process.
  - The cost of the education portion of the meeting is reduced and is presented by an attorney active in the process of defining the education requirements for an organization like CORA
- The President can contact the Attorney for legal advice after obtaining majority Board approval. The Treasurer contacts the Attorney for Collections as needed.
- CORA has had 2 charges of harassment lodged in the last 2 years. An employment attorney has been hired to assist in dealing with them. There is no retainer; fees only occur if services are required. Fees in both cases were minimal as it just required verification correct action was planned. Both cases were settled without additional cost to CORA.

CORA can face legal action for not protecting employee rights. **Individual Lot Owners can also face legal action for harassment.** Any charges of harassment or hostile work environment must be investigated and action taken to remedy the situation.

Employees' wages include housing or lot usage with utilities included. CORA members must respect the occupants of those facilities just as they would someone's home. You do not hook up to their utilities or 'borrow' items off the lots any more than you would your next-door neighbors at home.

#### Faculties

- Lots in S&N have been mapped to the electric meter servicing them. This will allow electric charges for each meter to be divided up only among the lots they serve.
- Maintenance barn has been divided into CORA Only area and an area Lot Owners can access. This will secure all CORA tools, equipment, and allow for a heated work area/office.
- A major lightning strike this past summer impacted the gate, Office, Caretaker house, and water system.
  - The strike was a blessing in disguise as it identified areas where no electric ground existed or wiring was a problem, required old wiring and many GFI switches to be upgraded, and weak sensors to be replaced.

#### THEFT AND ILLEGAL DUMPING

- Each year tools and equipment are stolen from the Maintenance Barn. Approximately \$5,000 worth was stolen in one incident this past summer. You should have heard Joyce yell when she found out CORA had to replace the brand-new power washer!
- Each winter and spring owners report thefts of items from their property and damage caused by break-ins
- Fake for-sale signs have been reported and other fake ads exist as people have paid fees to come view properties not for sale.
- Non-household trash in the dumpsters incurs a \$1,500 fine per dumpster each occurrence.
- Mattresses cost CORA \$150 each to dispose of unless a company can locate an area outside of Park or Chaffee Counties to accept them
- Household remodeling materials are not accepted in Park County landfills. Last year aluminum siding, windows, refrigerators, and furniture was dumped in the metal pile. It did not come from just an RV or trailer!
- Volunteers have to climb in the dumpsters to repack so more items could be hauled and separate items into correct dumpsters.
- A chain has been put up on the road to the maintenance barn. The chain is only put up at night to discourage dumping violators.

## LEGAL ISSUES

As many of you are aware; 3 lot owners have attempted to make CORA their permanent home since at least 2018. CORA has tried one on one communication, Board meeting, a professional mediator, and has had the law explained at several annual meetings. All to no avail.

After the annual meeting on September 5<sup>th</sup>, it was decided a formal letter from the attorney would be sent to 2 remaining violators. This occurred after much discussion with both old and new Board and attorney. Past efforts were discussed along with actions that occurred. The meeting with Park County and the obligation the Board has to keep CORA registered as a campground was the deciding factor. Please read the CORA documents for the process, fines, and other conditions that may be imposed on violators.

This letter provided:

- A 20-day period for the Lot Owners to protest the letter via a Board hearing
- Provided over 30 days for the violators to leave the lots
- Explained Park County Regulation
- Explained the fine schedule if violations continued
- Provided a return date of May 1 with unlimited day use before that date.

No request for a hearing was received.

One Lot Owners did not leave the property until well after the notice period.

The other lot owner allowed a guest on his property after the notice period. This person insisted they were an authorized guest. The guest was observed at 2:00 AM driving around shining a spot light on lots. The police were involved to get this person off CORA. The Lot Owner protested he did not authorize the person to be there but the guest had the gate code.

Once the violations existed past the notice period the attorney handled all communications with the Lot Owners. **Until that notice period passed there were no fines or legal fees.**

Unlike the Board, Attorneys **CHARGE** to be yelled at or argued with. A court ordered settlement was final in December with one Lot Owner while the other dragged on until January. The situation was so severe the court also ordered a **3-year protection order for all employees**. A workcamper couple was kept on-site during the winter to allow Caretakers to work in pairs as well as get major projects completed.

CORA Board did not want to impose a financial hardship on the Lot Owners. They were offered a 3-year period to pay the fines and legal fees, with forgiveness of half the fines if they obeyed the court orders.



Posts have been made on Facebook, travel review sites, local group sites, and at County offices defaming Caretakers and Board alike by one of the Lot Owners.

The Board, or individual members, have received over 50 emails from one of the Lot Owners. Many were of such a nature the attorney called to encourage protection orders for Board members. We have lost 2 Board members but they will also be part of the protection order.

## RECAP

The Board consists of 7 people. There is no staff to assist with many of the tasks so each member should be a working member. The Office and Facility have full plates with their contracted work.

Supervision of Facilities and Office has been divided between Treasurer and Facility Board Members.

The new gate system has already stopped many local people from coming into CORA to dump as they cannot get in the gate. No one has reported a theft so far this year. No Lot Owners have complained their relatives have been on their lots without permission since last summer.

The separation of the Maintenance Barn was recommended by a CORA committee. Everyone wanted to keep a work area available for Lot Owners while protecting CORA property.

The Facility Audit will allow the aging of all equipment so costs can be planned out. Unplanned expenses will always occur but they should be greatly reduced with good planning and tracking.

The Board recommends the following new committees:

- Reserve Budget – Reserve Account review, long term planning and budgeting
  - Annual audit of Facility information and procedures
- Compliance - to ensure all lots comply with Fire Wise conditions
- Water – RORA owns the Reservoir which is a required part of the water decree for CORA. CORA's contract with them expires in 2030. RORA has a very active 8-member committee that focuses on maintaining **their** water rights.
- County Regulation – track proposed regulations that will impact CORA and Lot Owners. The Board must act to protect both CORA and Western Union Ranch RV Park Lot Owners **before** they become law.

**Future Boards will face reduced time and work demands if they can keep procedures in place and get assistance from Lot Owners. Please consider joining the Board if you have business or accounting knowledge. Join a Committee if you do not have time to serve on the Board. Listen in on Board meetings and offer advice at a minimum. Educate yourselves – this is your investment.**