

A Loan Application For: **RAW WATER STORAGE RECONSTRUCTION**

***BIG ELK MEADOWS
Lyons, Colorado***



Submitted To:

Colorado Water Conservation Board, Finance Section

Att: Kirk Russell, P.E. & Anna Mauss, P.E.

1580 Logan Street, Suite 600

Denver, CO 80203

Submitted By:

**The Big Elk Meadows Association &
The Big Elk Meadows Water Association**

PO Box 440

Lyons, CO 80540

FEASIBILITY STUDY APPROVAL

Pursuant to Colorado Revised Statutes 37-60-121 & 122, and in accordance with policies adopted by the Board, the CWCB staff has determined the Feasibility Study meets all applicable requirements for approval.

Signed  Date 1/17/2014

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November 29, 2013

Colorado Water Conservation Board
Finance Section
1580 Logan, Suite 600
Denver, CO 80203
Anna Mauss

RE: Big Elk Meadows Flood Loan

Dear Anna,

Attached you will find a loan request for \$1,500,000 (phased) from Big Elk Meadows and Big Elk Water Associations. The catastrophic flooding that began on September 11, 2013, virtually destroyed all of our water retention, roads, and domestic water distribution systems.

In order to start the reconstruction of these critical systems, Big Elk Water Association desires to borrow funds to allow us to start immediate reconstruction. This need is critical, as it affects the occupancy of private homes, the effectiveness of our Fire Department, the protection of our water rights, and the gainful employment of our members.

The loan is structured to borrow immediate funds to allow reconstruction of our most critical water control facilities.

Loan Priority

Priority 1:	\$692,000
A Upper Flow Measuring	
C Rainbow Lake Reconstruction	
E Mirror Lake Reconstruction	
G Lower Flow Measuring	
Priority 2:	\$563,290
F Meadow Lake Dam	
Priority 3:	\$358,500 *
D Willow Lake	
Priority 4:	\$283,450 *
B Sunset Lake	

*Drawn after Priority 1 and 2 are reduced with FEMA funds

Priorities 2, 3, and 4 would be drawn when specific FEMA commitments have been received. Priority 1 items would be drawn regardless of FEMA and would be repaid either by a special assessment of our members or increases in HOA dues.

The initial funding by CWCB would allow a devastated community to begin the recovery process. Please contact me with questions, and thank you so very much for your help with this urgent matter.

Best regards,



Leonard Arnold

Colorado Water Conservation Board
Emergency Funding for Damaged River Diversions/Dams
from the September 2013 Flood Event

Emergency Loan Application and Feasibility Study

Prepared for:

[Big Elk Meadows Association]
[P.O. Box 440]
[Lyons, CO 80540]
970-480-0733

Prepared by:

[Elk Ridge Consulting – Leonard Arnold]
[1995 E. Coalton Rd., Apt. 84-202]
[Superior, CO 80027]
[970-215-3567]

Signature	
	Return a signed hard copy <u>and an electronic copy</u> to: CWCB Finance Section 1580 Logan, Suite 600 Denver, CO 80203 Attn: Anna Mauss Ph. 303.866.3441x 3224 e-mail: anna.mauss@state.co.us
Completed By/Title (Print) Roger Vesely, President Big Elk Meadows Association	
Signature/Date	

Application Deadlines:
October 16, 2013(noon)
November 1, 2013(noon)

Agency/Company Information	
Name: Big Elk Meadows Association / Big Elk Water Association	
Address: P.O. Box 440, Lyons, CO 80540	
Phone: (970) 215-3567	Email: larnold@elkridgeconsulting.com
Organization Type: ☐ Ditch Co, ☐ Irrigation District, or HOA	Incorporated: YES
Incorporation Date: April 30, 1976 (Amendment)	In good standing with the Secretary of State: YES 2
Number of acres irrigated	Number of ☐ Shares/ ☒ Taps 205
Avg. Water/Yr <u>108</u> acre-feet stored	
Number of Shareholders? 160 Members	Current Assessment \$ 2744 /share
(Please see attachment)	Projected Assessment \$ 10,000 /share
Contact Information	
Contact/Title: Leonard Arnold, Construction Manager	
Address: 1995 E. Coalton Rd., Apt. 84-202, Superior, CO 80027	
Phone: (970) 215-3567	Email: larnold@elkridgeconsulting.com
Engineer: Park Engineering Consultants, 420 21 st Ave., Ste. 101, Longmont, CO 80501	
Phone: (303) 651-6626	Email: don@parkengineering.net
Attorney: Jerry Orten / Orten, Cavanagh, & Holmes, LLC	
Phone: (720) 221-9760	Email: jorten@ochhoalaw.com
Project Location Information	
County: Larimer 67% Boulder 33%	Water District:
River Basin: Little Thompson	Water Source: Little Thompson
Project Summary	
Project Type: (circle one or more) <u>Diversion Structure</u> / <u>Dam</u> / Well / Ditch Rehabilitation / Other	
Estimated Engineering Costs: \$165,000	Estimated Construction Costs: \$1,413,750
Other Costs (Describe Above): \$ 324,095	Estimated Total Project Costs: \$1,902,845
Requested Loan Amount: \$1,500,000	Date Funding is Needed? January 1, 2014
Possible other funding sources: FEMA, HOA Special Assessment	
Attachments	
☒	Last two years Financial Statements
☒	Shareholders List
☒	Articles of Incorporation/ By-laws
☒	Location Map/Service Area
☐	Shareholder Resolution (submit prior to contracting)
☐	Attorney Opinion Letter (submit prior to contracting)

Project Background

During the unprecedented flood of September 11, 2013 in the tributaries to the South Platte River, a significant number of diversion structures and dams along the river corridor were damaged. The Project repair/rehabilitation proposed in this Feasibility Study received significant damage as a result of the flood.

Big Elk Meadows Association is a community with 205 lots and 160 residences on 460 acres of property, generally surrounded by National Forest property. The area included the following water monitoring and storage facilities:

- A. Upper Flow Measuring Facility*
- B. Sunset Lake – 8.6 acre feet*
- C. Rainbow Lake – 28.13 acre feet*
- D. Willow Lake – 22.8 acre feet*
- E. Mirror Lake 17.5 acre feet*
- F. Meadow Lake 32.3 acre feet*
- G. Lower Flow Measuring Facility*

The dams were all earthen construction with overflows and gate controls in proper order. Meadow dam had recently been radically improved to install a 12" release pipe and control gate. The five reservoirs provided the following services:

- Drinking water source for 160 residences (approximately 800 people)*
- Recreational opportunities for Big Elk Meadows Association members (fishing, boating, etc.)*
- Water storage for controlled releases to superior water rights holders*
- Controlled flow in Little Thompson during dry periods*
- Water shed and stream areas utilized by wild trout and other wildlife*

On September 11, 2013, the watershed was subjected to a 1000-year rain, measured by residents at 18-20 inches in a 24-hour period. Flow in the watershed reached historic levels, eventually destroying all five reservoirs. The community suffered the following general damages:

- Loss of all water storage facilities (dams) and monitoring stations*
- Loss of the water distribution system, leaving all residents without drinking water*
- Massive damage to all roads*
- Power and communications destruction*
- Damage to numerous homes*

The community was generally evacuated by helicopters. A list of affected residents is included by appendix.

This loan application is structured to re-engineer and construct all five dams over a period of two years. These dams will be reconstructed as follows:

Monitoring Stations: *We will immediately reconstruct our inlet and outlet monitoring stations to meet our water rights requirements.*

First Dam: *Rainbow Lake Dam – We intend to reconstruct this dam as our first and largest facility that is above our drinking water inlet. This will allow us to store water for summer releases and to feed our drinking water source. This will be a non-jurisdictional earthen dam.*

Second Dam: *Mirror Lake Dam – This smaller dam will be re-engineered and reconstructed to provide a larger drinking water source than the current stream diversion, and will allow us to reconstruct our access into our community.*

Third Dam: *Meadow Lake Dam – We would then reconstruct dam as a jurisdictional dam for water storage and releases to superior water rights holders.*

Fourth Dam: *Willow Lake Dam – We would reconstruct this dam to restore additional water storage capability.*

Fifth Dam: *Sunset Lake Dam – We would reconstruct this dam to complete the restoration of our lakes.*

Water Rights

The water rights impacted by this project include:

Name	Water Court Case	Appropriation Date	Adjudication Date	Amount (cfs or AF)	Avg. Annual Yield (AF)
Please See Attached					

WATER RIGHTS

Big Elk Meadows has numerous water right decisions. These provide for the following:

<u>Task</u>	<u>Decreed Storage</u>
A – Sunset Lake	8.6 af
C – Rainbow Lake	28.13 af
D – Willow Lake	22.8 af
E – Mirror Lake	17.15 af
F – Meadow Lake	<u>32.3 af</u>
	108.98 af

Big Elk Meadows also has a depletion decree and has three wells that are decreed.

Project Description

Describe the desired project's goals. State whether the Borrower has or will retain a Professional Engineer for design services. Note that all structural projects funded through the CWCB loan program will require a Professional Engineer.

Alternative 1 – Do Nothing: This alternative is considered unacceptable. *Failure to reconstruct the monitoring facilities and five dams would cause us to lose our water rights and drinking water source for the community.*

Alternative 2 – Rebuilding Collaboratively with Improvements: *Big Elk Meadows has conditional rights to construct Canyon Lake Dam, which has rights to store 300 additional acre feet of water. The reconstruction of the five lost dams and construction of this sixth dam would provide water retention and recreational opportunities to many Colorado residents. The plan to construct this dam has been in our planning stages. This alternative is not now feasible due to the economic impact of the flood and the loss of existing storage facilities.*

Selected Alternative 3 –*The total loss of five dams that retained 108.98 acre feet of water for drinking, recreation, and downstream use requires reconstruction. We have retained three consultants to review and plan for the reconstruction and improvement of the entire valley:*

Civil Engineering:

Don W. Park, P.E.

Park Engineering Consultants

420 21st Ave., Ste. 101

Longmont, CO 80501

303-651-6626

- *Topography Preparation*
- *Water Distribution Design*
- *Road Reconstruction*

Land Planning:

David Smith, President

SLA Studio.Land

1900 West Loop South, Studio 1900

Houston, TX 77027

713-787-0719

- *Topography Analysis*
 - *Impact of Erosion*

- *Reallocation of Water Rights*
- *Basin Analysis*
- *Master Plan for Reconstruction*
- *Riparian Analysis*
- *Amenities/Trails/Design*

Construction Management / Estimating:

*Leonard Arnold, President
Elk Ridge Consulting
1995 E. Coalton Rd., Apt. 84-202
Superior, CO 80027*

- *Construction Planning*
- *Cost Estimating*
- *Construction Oversight*
- *Funding Management*
- *Association Interface*

The condition of the Big Elk Meadows valley is essentially stripped clean of all previous infrastructures and amenities. The above listed team has the challenge of restoring waterways and amenities, including restoration of dams and streams in the 3.75 mile corridor. The following is a summary of work to be funded initially by this loan.

- *Five dams, 108 acre feet retention*
- *3.75 miles of stream bed and associated riparian zones*
- *Two flow monitoring stations*

Cost Estimate

The Project cost estimate, prepared by Elk Ridge Consulting with support from Park Engineering and SLA Studio.Land, is \$1,902,845 and is further broken down as follows:

The Cost Estimate is divided into seven tasks:

<u>Task Designation*</u>	<u>Task Description</u>	<u>Sequence</u>
<i>A</i>	<i>Upper Flow Measuring Station</i>	<i>1</i>
<i>B</i>	<i>Sunset Lake Dam</i>	<i>4</i>
<i>C</i>	<i>Rainbow Lake Dam</i>	<i>1</i>
<i>D</i>	<i>Willow Lake Dam</i>	<i>3</i>

<i>E</i>	<i>Mirror Lake Dam</i>	<i>1</i>
<i>F</i>	<i>Meadow Lake Dam</i>	<i>2</i>
<i>G</i>	<i>Lower Flow Measuring Station</i>	<i>1</i>

**Arranged by water flow*

Task	Cost
Design	\$165,000
Permitting	\$5,000
Construction	\$1,413,750
Other	\$116,095
Contingency	\$203,000
Total	\$1,902,845

[Big Elk Meadows Association] is applying for a loan not to exceed \$1,500,000.

(Note: Depending on project scope, this may need to be an Engineer's Estimate of Probable Cost or a contractor's estimate. We understand damage assessments may still be ongoing and some of these cost will be rough estimates. Depending on project scope, a more detailed cost analysis may be required prior to contracting.)

Financial Analysis

The [Big Elk Meadows Association] has \$ 342,921 in existing debt as summarized below:

Lender	Original Balance	Current Balance	Annual Payment	Maturity Date	Collateral
CWCB	\$272,200	\$272,200	\$ 1674/yr.	Feb.2043	40 acres of land
Private Party	\$ 90,000	\$ 62,167	\$12,048/yr.	Oct.2019	Handshake
Wright Water En	\$ 24,994	\$ 8,554	\$13,128/yr.	Ju. 2014	Handshake

Big Elk Meadows Association's sources of income include:

Big Elk Meadows/Big Elk Water collects the following dues:

- BEMA Dues - \$ 1,471/year
- BEWA Dues - 787/year
- Typical Water Bill 487/year
\$ 2,745/Member
- Total Annual Revenue \$ 439,000

The following are expected sources of repayment:

- FEMA Funding: \$ 2,500,000*
- Other Grants: 150,000
- Special Assessment: 1,600,000
- Total: \$ 4,250,000

ESTIMATE SUMMARY

TASK	DESIGN	PERMIT	CONST	OTHER	CONTINGENCY	TOTAL
A	\$ 5,000.00	\$ -	\$ 28,300.00	\$ 4,995.00	\$ 3,800.00	\$ 42,095.00
B	\$ 20,000.00	\$ -	\$ 225,450.00	\$ 15,000.00	\$ 28,000.00	\$ 288,450.00
C	\$ 20,000.00	\$ -	\$ 245,265.00	\$ 21,700.00	\$ 43,400.00	\$ 330,365.00
D	\$ 20,000.00	\$ -	\$ 266,100.00	\$ 24,400.00	\$ 48,000.00	\$ 358,500.00
E	\$ 20,000.00	\$ -	\$ 220,050.00	\$ 15,000.00	\$ 25,000.00	\$ 280,050.00
F	\$ 80,000.00	\$ 5,000.00	\$ 397,290.00	\$ 30,000.00	\$ 51,000.00	\$ 563,290.00
G	\$ -	\$ -	\$ 31,295.00	\$ 5,000.00	\$ 3,800.00	\$ 40,095.00
TOTALS	\$ 165,000.00	\$ 5,000.00	\$ 1,413,750.00	\$ 116,095.00	\$ 203,000.00	\$ 1,902,845.00

COST BY PRIORITY

TASK	DESCRIPTION	PRIORITY	TOTAL
A	Upper Flow Measuring	1	\$ 42,095.00
C	Rainbow Lake		\$ 330,365.00
E	Mirror Lake		\$ 280,050.00
G	Lower Flow Measuring		\$ 40,095.00
	SUBTOTAL		\$ 692,605.00
F	Meadow Lake	2	\$ 563,290.00
	SUBTOTAL		\$ 1,255,895.00
D	Willow Lake	3	\$ 358,500.00
			\$ 1,614,395.00
B	Sunset Lake	4	\$ 288,450.00
			\$ 1,902,845.00

*FEMA funds include an amount dedicated to replacing the water treatment distribution. This is currently estimated to be \$1,600,000.

Note: Be sure to attach

- Two years of financial statements (required)
- Shareholder list (showing owner name, # of shares owned, and identify each owner as agricultural or municipal)
- Articles of Incorporation/By-laws
See Attached

Schedule

Construction of the Project is expected to commence [January 1], [2014]. Project completion is estimated to occur by [Feb. 2], [2016]. The reconstruction of the Big Elk Association dams is controlled by the following:

- Water service to residents interrupted
- Water rights at risk
- Flow monitoring needs to commence by April 1, 2014.
- Retention of water ceases to be allowed about May 1, 2014 until November 1, 2014.
- Fire Department fire fighting for Association and National Forest usually commences in April.

The attached schedule depicts initial planning.

Economic, Social, and Environmental Effects

List the anticipated economic, social, and environmental effects of the proposed project. (eg. # of lost irrigated acres, # of lost farms, degraded river channel conditions, loss of recreational activities etc.)

The flood that devastated many areas of Northern Colorado had arguably the greatest effect on the Big Elk Meadows community. The following impacts are summarized:

- *Total destruction of access for fifty-seven days*
- *Total loss of power for fifty-two days*
- *Total ongoing loss of communications*
- *On-going loss of domestic water to 160 residences*
- *Loss of fire protection for a large area*
- *Large economic loss to 160 residences, some 500 persons*

RECOVERY SCHEDULE

ITEM	2013	2014	2015	2016
Repair Interior Roads	→	3/31/2014		
Clean / start water treatment		▲ 1/10/2014		
Water source construction		▲ 1/10/2014		
Cap distribution/Assess Damage		→ 1/24/2014		
Build Rainbow Dam		→ 5/1/2014		
Build remaining dams		→	→	
Engineer water distribution		→		
Bid/Build water distribution		▲ 3/28/2014		
Engineer Meadow Dam		→		
Construction Meadow Dam		→	→	
County Road 47 Temporary	▲			
County Road 47 Final			→	
REA Electricity Repair	▲			
Telephones		→		
FEMA Funding		→	→	
CWCB Funding		→		
Funds Assessment	▲			
Restoration Complete		→	→	2/1/2016

The following permits are projected to be required:

<u>Permit</u>	<u>Status</u>
<i>U.S. Army Corp of Engineers 404 Wetland Permit</i>	<i>1st Application in Place</i>
<i>U.S. Army Corp of Engineers 404 Wetland Permit</i>	<i>Additional Applications as Required</i>
<i>Office Reconstruction/Expansion</i>	<i>Application When Plans Complete</i>
<i>Floodplain Analysis</i>	<i>Underway</i>
<i>FEMA Environmental Historic Preservation Analysis</i>	<i>Underway</i>
<i>Debris Removal Inspection (CDPHE)</i>	<i>Complete</i>
<i>Meadow Lake Dam Design Approval (State Dam Engineer)</i>	<i>Will Commence with Funding</i>
<i>Interior Dam Design Review (State Dam Engineer)</i>	<i>With Design</i>

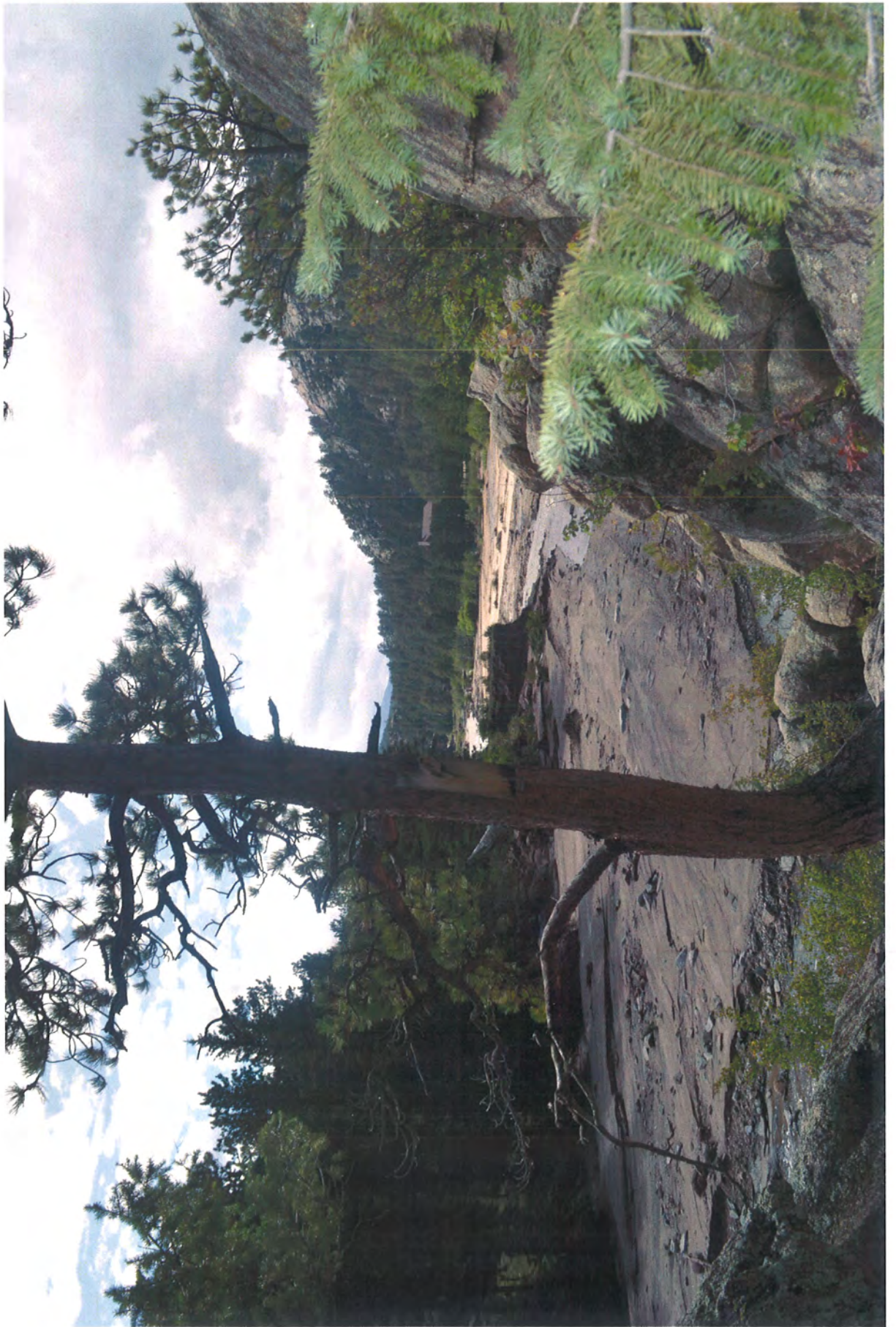
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<i>Meadow Lake Dam Design Approval (State Dam Engineer)</i>	<i>Will Commence with Funding</i>
<i>Interior Dam Design Review (State Dam Engineer)</i>	<i>With Design</i>

























LOAN COLLATERAL

What collateral will you be offering for this loan? Possibilities include a pledge of revenues, the project itself, real estate, water rights.

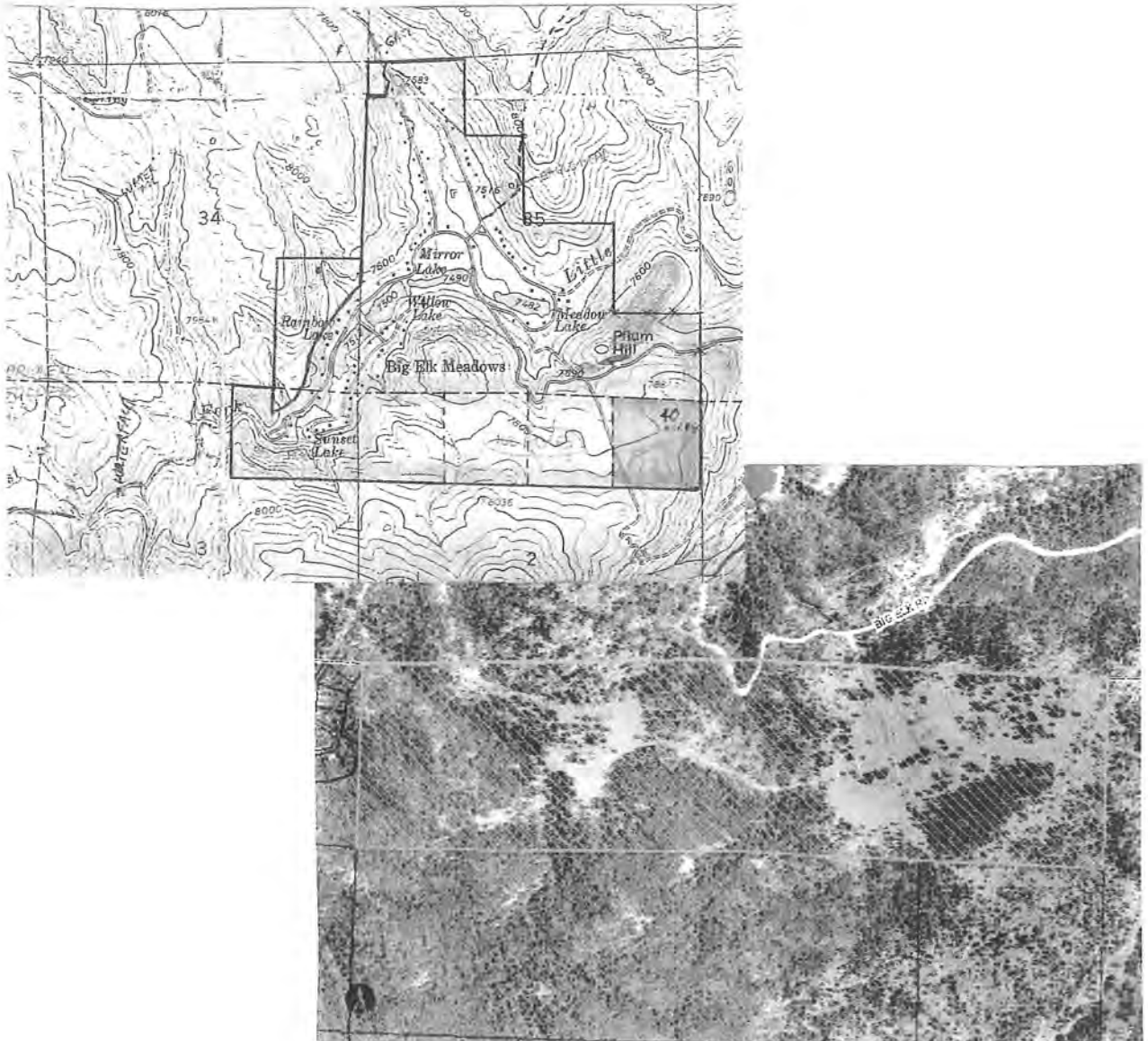
BEMA and BEWA are willing to provide one or more of the following collateral items to secure this loan:

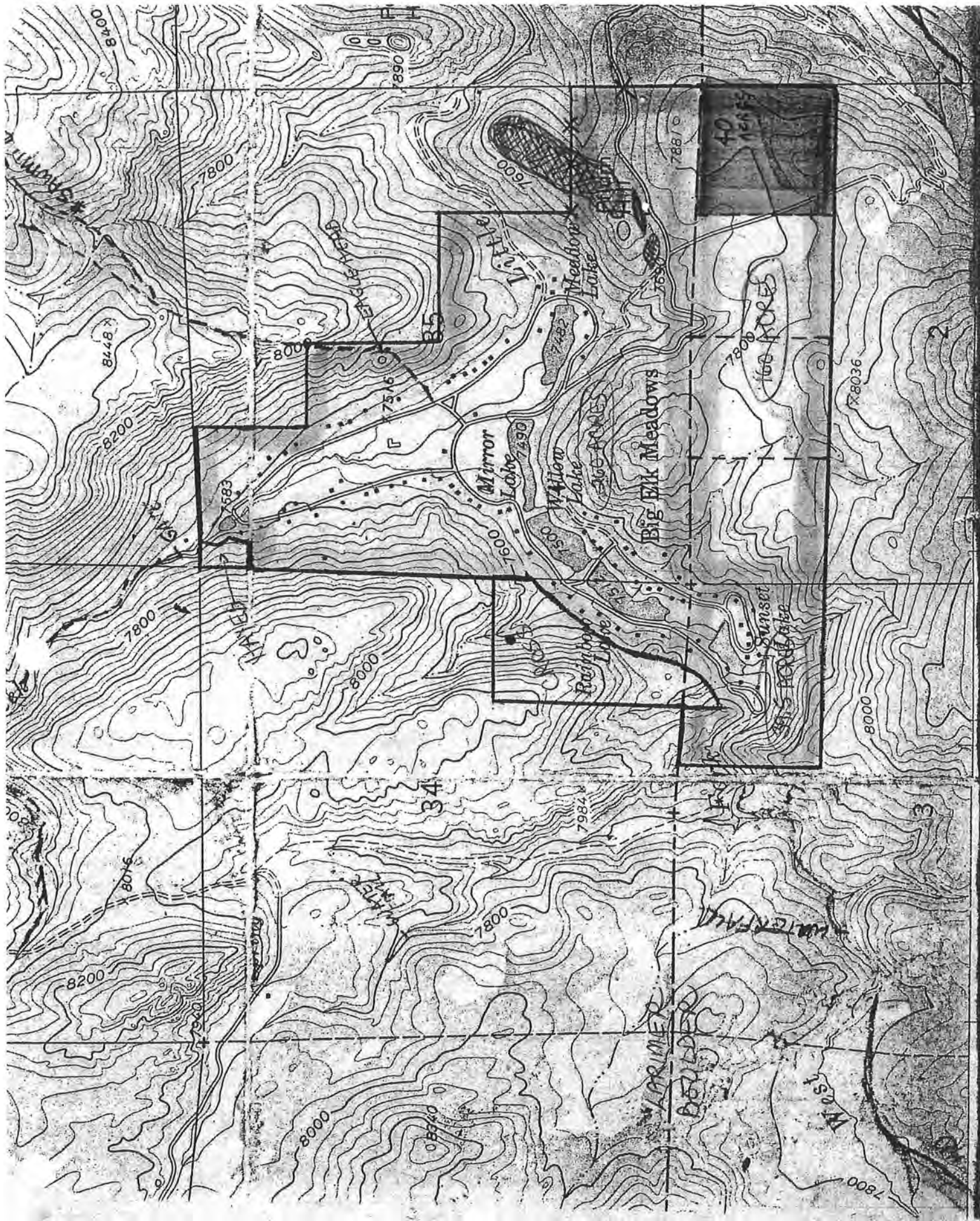
REVENUE PLEDGE

BEMA/BEWA have revenues outlined in this loan application which are sufficient to meet the projected debt service. We are willing to enter into a pledge agreement which must not be restricted to our revenue needs. The Boards of these two entities are aware of the debt service requirements of this loan.

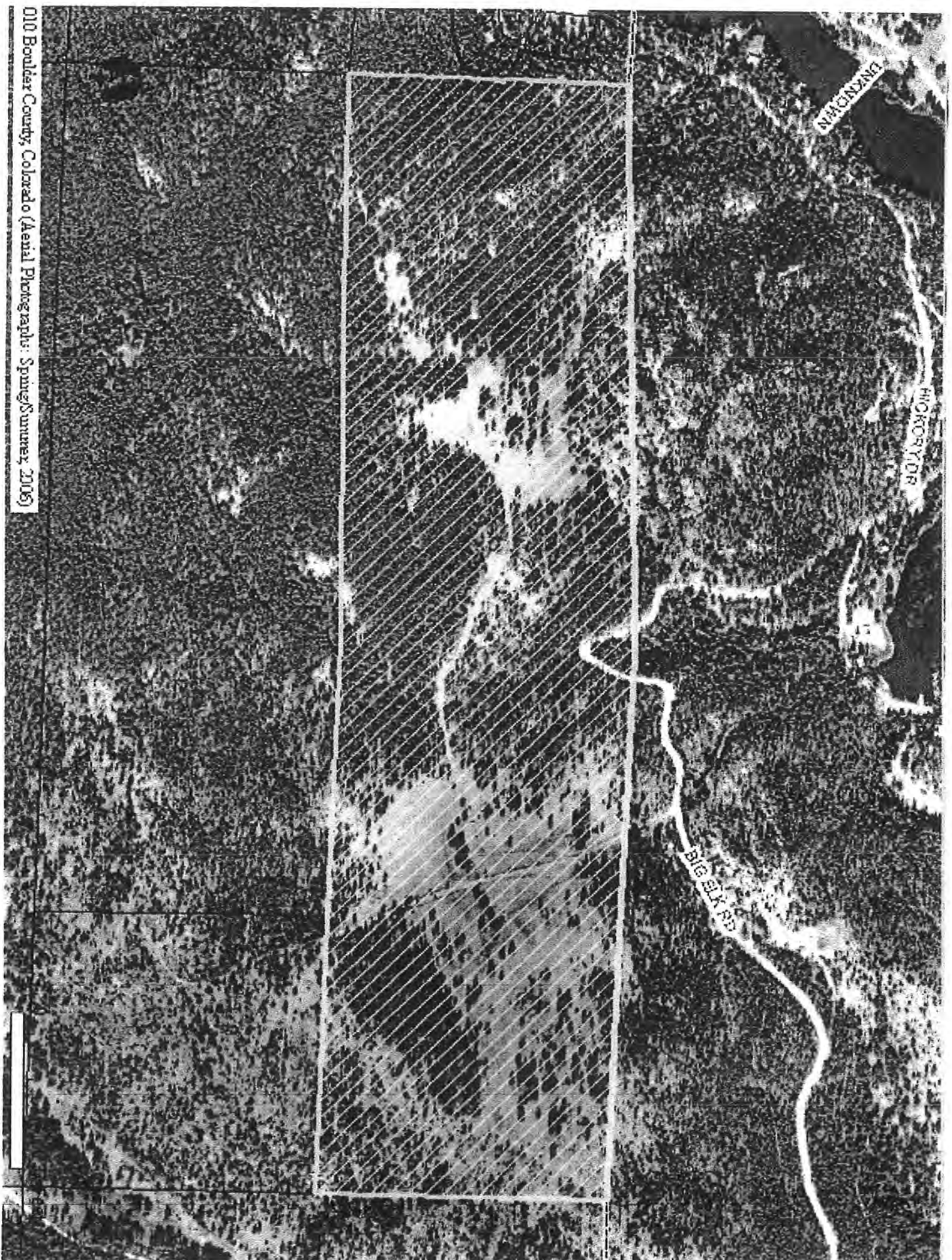
REAL ESTATE PLEDGE

A portion of BEMA which is referred to as the "Horse Pasture" contains 160 acres of undeveloped property. This property is of high value, having direct views of the twin peaks, adjoinment to Forest Service property, separate access and active springs as a water source. BEMA is willing to pledge a portion of this property (approximately 40 additional acres) which could be appraised and set aside as security for the loan. A map of this area is shown below along with an aerial photo.





TN SHIP - 4N. 260 + 39.5 + 160 + 1.5 = 460 ACRES



010 Boulder County, Colorado (Aerial Photograph: Spring/Summer, 2006)

Big Elk Meadows Association
Articles of Incorporation

Certificate of Incorporation of Big Elk Meadows Association (Non-Profit)

As amended on April 30, 1976

FIRST

The corporate name and style of said corporation shall be BIG ELK MEADOWS ASSOCIATION.

SECOND

The objects for which this corporation is formed are:

1. To buy, sell lease, let and sublet, hold, deal in and with and subdivide real property wherever situate and all character of interests, rights and estates in or to real property.
2. To purchase and otherwise to acquire personal property of every class and description, tangible and intangible, and to hold, own, sell, bail and otherwise dispose of, care for, repair, trade deal in and deal with them.
3. To buy, sell, pledge, encumber, trade, exchange, hold, deal in and deal with interest and dividend bearing securities of all kinds, including bonds, mortgages, and all varieties of commercial paper, secured or unsecured, and also with any other or right of possible or probable value.
4. To lend money and take real or personal or no security for the repayment of the same.
5. To construct or remove improvements on real property; to equip such improvements with fixtures, furniture and personal property, and to manage, use, operate and work all real property owned or otherwise held or controlled by the corporation, whether improved or unimproved.
6. To own real and personal property, both within and without the State of Colorado, and to conduct business in any and all parts of the world.
7. To borrow money and obtain credit; to issue bonds or other obligations in payment for property purchased or acquired by the corporation, or for any other object in or about its business; to mortgage or pledge any stocks, bonds or other obligations, or any property which may be acquired by it, to secure any bonds or other obligations by it issued or incurred.

8. To buy , sell, pledge, encumber, trade, exchange, hold, deal in and deal with shares of the capital stock of any and all corporations for whatever purpose and under whatever laws such corporations may be organized, and whether such shares of stock be preferred or common or with or without voting power, and to exercise all voting rights and other privileges incident to the same.
9. To aid and assist other persons, firms and corporations by advancement of money, guaranty of obligations or contracts, loans of property, or otherwise.
10. To conduct any operation within the scope of its objects and powers, either in its own behalf or its agent, and to act as agent in any one or more phases of any business or operations within the scope of its objects and powers.
11. The foregoing clauses shall be constructed both as objects and as powers, and the statements contained in each clause, except where otherwise expressed, shall be in no way limited or restricted by reference to or inference from the terms of any other clause, but shall be regarded as independent purposes and powers, and it is expressly declared that all other lawful powers not inconsistent therewith hereby included.

THIRD

Said corporation is to have perpetual existence.

FOURTH

This corporation is not for profit and has no capital stock.

FIFTH

The corporation shall have no less than six (6) nor more than twelve (12) directors who shall manage the affairs of the corporation.

The number of directors may be increased or decreased within the limits herein under provide at any annual meeting of the members.

SIXTH

The principal office of the corporation shall be in Big Elk Meadows, Larimer County, State of Colorado, but the corporation may establish and maintain offices elsewhere as its By-Laws may provide and as the Board of Directors may deem advisable. The Principal activities and operations of the corporation may be extended to any other counties within the state of Colorado or to any other states or territories of the United States.

SEVENTH

The members by the majority vote shall have the power to make and amend, modify, repeal or revoke such By-Laws as they may deem proper for the management of the affairs of the corporation not inconsistent with the laws of the state of Colorado.

EIGHTH

The Certificate of Incorporation may be amended upon two-thirds (2/3) vote of the members of the incorporation.

NINTH

No director of this corporation shall receive any salary, remuneration, gift or other thing of value for services connected with the administration of the affairs of the corporation. Personal expenses incurred in carrying out the duties of an officer or director may be refunded when authorized by the directors.

TENTH

No dividend or distribution of the property of the corporation shall be made until all debts are fully paid, and then only upon its final dissolution and surrender of organization and name; nor shall the corporation be dissolved or distribution be made upon two-thirds (2/3) vote of the entire membership.

ELEVENTH

The only members of the Big Elk Meadows Association shall be: (1) all those persons who own a cabin site(s) at Big Elk Meadows, in the Counties of Boulder and Larimer, State of Colorado, as known on the recorded plat of Big Elk Meadows; (2) all those persons who lease cabin sites at Big Elk Meadows from the manner provided by the By-Laws; and (3) such other persons as may from time to time hereafter elect to become members in the manner provided by the By-Laws of the Association.

Membership shall be nontransferable without the consent of the corporation except as appurtenant to a transfer of ownership of, or a transfer of the leasehold rights in a cabin site at Big Elk Meadows made in accordance with the Declaration and Agreement of Protective Covenants dated August 2, 1966; the owner's agreement, or the terms of the lease from Big Elk Meadows, Inc.; and the By-Laws of this Association.

TWELFTH

The operation of the corporation shall be financed by assessments against the members as provided for in the Declaration and Agreement of Protective Covenants executed by; the Big Elk Meadows, Inc., dated August 2, 1966 and recorded in Boulder County in film 577, Reception No. 822910, and Larimer County book 1336, page 533, and by the By-Laws of the corporation. Such assessments shall become a lien against the real estate owned by the members in Big Elk Meadows and may be foreclosed or collected by corporation in accordance with the provisions of said Declaration and Agreement of Protective Covenants, the By-Laws of the Association and the laws of the state of Colorado.

/s/ Robert M. Swope
Its President

/s/Rita Roos
Its Secretary

Big Elk Meadows Association
*Declarations and Agreement of
Protective Covenants*

**Second Amended and Restated Declaration And Agreement of Protective Covenants
For Big Elk Meadows
Approved: February 16, 2013**

This Second Amended and Restated Declaration and Agreement of Protective Covenants for Big Elk Meadows ("Declaration") is effective upon recording.

RECITALS

1) A 'declarant' recorded a 'Declaration And Agreement of Protective Covenants' for Big Elk Meadows on August 3, 1966 in both the records of the Larimer County Clerk and Recorder and the Boulder County Clerk and Recorder relating to the properties described, which properties are located in both Larimer and Boulder Counties. That document was recorded at Reception No. 921200 in the Larimer County Clerk and Recorder's office and the same document was recorded at Reception No. 822910 in the Boulder County Clerk and Recorder's office. As recorded in both counties that document is referred to in this Declaration as the "Original Declaration."

2) The Original Declaration and related plats and maps confirmed the prior creation of the Big Elk Meadows Planned Community (the "Community").

3) The Original Declaration was amended and restated by a Declaration and Agreement of Protective Covenants recorded December 13, 1988 in the records of the Boulder County Clerk and Recorder at Reception No. 00957455 and by the same document recorded December 14, 1988 in the records of the Larimer County Clerk and Recorder at Reception No. 88059452 in both counties. As recorded that document is referred to in this Declaration as the "First Amended and Restated Declaration."

4) The following documents have supplemented the First Amended and Restated Declaration:

a) Technical Amendment to the Declaration – Notice of Owner BEMA Address Under Declaration, as recorded March 20, 2008 in the records of the Boulder County Clerk and Recorder at Reception No. 2917441 recorded the same date in the records of the Larimer County Clerk and Recorder at Reception No. 2008-0017358.

b) Notice as recorded February 27, 2009 in the records of the Larimer County Clerk and Recorder at Reception No. 2009-0011913.

As supplemented by these documents, those supplements remain effective, with this Declaration.

5) The Community is governed and operated by both the Big Elk Meadows Association, a Colorado nonprofit corporation ("BEMA") and also by the Big Elk Meadows Water Association, a Colorado nonprofit corporation ("BEWA").

BIG ELK MEADOWS ASSOC

PO BX 440
LYONS, CO 80540

✓

RECEPTION#: 20130075923, 10/07/2013 at
09:57:24 AM, 1 OF 28, R \$146.00 TD Pgs: 0
Angela Myers, Clerk & Recorder, Larimer
County, CO

- 6) The primary goals of BEMA are:
 - a) to preserve the value and desirability of the Community and the Lots; and
 - b) to further the interests of the Owners and Members;
- 7) The primary goals of BEWA are:
 - a) to supply domestic water to the Members of BEMA/BEWA;
 - b) to own and operate the entire water system that provides domestic water; and
 - c) to further the interests of the Owners and Members.
- 8) BEMA/BEWA and the requisite percentage of Owners desire to amend and restate the First Amended and Restated Declaration (aka the Current Declaration) for the following reasons:
 - a) to place certain restrictions on all of the Lots and Common Areas for the use and benefit of BEMA, BEWA, the Owners and their successors and assigns;
 - b) to establish and maintain the Community as a carefully protected residential subdivision and community;
 - c) to establish and confirm that all Lot Owners are Members of BEMA;
 - d) to extend the term of the First Amended and Restated Declaration and make this Declaration perpetual;
 - e) to further preserve the value and desirability of the Community and Lots;
 - f) to further the interests of the Owners and Members of BEMA and BEWA;
 - g) to update the First Amended and Restated Declaration;
 - h) to comply with and be consistent with current state law;
 - i) to update provisions so as to allow BEMA to efficiently operate the Community and deal with Community concerns; and
 - j) to add provisions that provide tools for BEMA to effectively solve problems and enforce the Declaration, Bylaws and Rules and Regulations.
- 9) The amendments to the First Amended and Restated Declaration, as set forth in this Declaration, do not implement any of the following:

- a) change any allocated interests;
- b) allocated interests, as defined in the Act and as established in the First Amended and Restated Declaration are not changed in this Declaration; and
- c) terminate the Community.

10) Paragraph V(4) of the First Amended and Restated Declaration provides that the First Amended and Restated Declaration may be amended as follows:

“These restrictions, covenants, and conditions shall bind BEMA, BEWA and their Members, their grantees, successors, and assigns until 25 years from the date of filing of this instrument for recording in the office of the Clerk and Recorder of the Counties of Boulder and Larimer, Colorado, provided, however, that two-thirds of the Members of BEMA may at any time release any of the Lots or Common Areas hereby restricted from any one or more or all of said restrictions, covenants, and conditions by executing and acknowledging an appropriate agreement or agreements in writing for such purpose and filing the same for record in the manner required for recording of land instruments.”

11) Should the foregoing quoted section of the First Amended and Restated Declaration be interpreted to require an affirmative vote or consent of all Owners to an amendment to that declaration, Colorado state statute C.R.S. §38-33.3-217(1) provides that the First Amended and Restated Declaration may be amended by the affirmative vote of 67% of the votes in the community.

12) Owners holding at least 67% of the total allocated vote have determined that the amendments by this Declaration are:

- reasonable; and
- not burdensome.

13) Owners holding at least 67% of the total allocated vote desire to amend the First Amended and Restated Declaration and have approved this Declaration.

14) Alternatively or additionally, a court order entered by a Colorado District Court pursuant to C.R.S. §38-33.3-217(7) has been entered approving this Declaration.

NOW, THEREFORE, the First Amended and Restated Declaration is replaced by the covenants, servitudes, easements and restrictions set forth in this Declaration.

ARTICLE 1 NAME

The name of the Community is Big Elk Meadows.

ARTICLE 2 DEFINITIONS

Generally, terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the Colorado Revised Nonprofit Corporation Act. Unless the context otherwise requires, certain terms used in this Declaration and the Articles of Incorporation shall be defined as follows:

“Act” means the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101, et seq., as such Act may be amended from time to time and as applicable to those common interest communities created prior to July 1, 1992 or as expressly made applicable by this Declaration.

“Articles” or “Articles of Incorporation” means the Articles of Incorporation of BEMA and/or BEWA as filed with the Secretary of State of the State of Colorado, and as may be amended from time to time.

“BEMA” means Big Elk Meadows Association, a Colorado nonprofit corporation and its successors and assigns.

“BEWA” means Big Elk Water Association, a Colorado nonprofit corporation, and its successors and assigns.

“Big Elk Meadows” means the 'Community' and/or all real estate and property as has been included within the Community or otherwise belonging to BEMA or BEWA.

“Board” means the Board of Directors of BEMA and BEWA responsible for management and operation of BEMA and BEWA.

“Bylaws” means the Bylaws of BEMA or BEWA as may be amended from time to time.

“Commercial Use” means and refers to retail, manufacturing, commercial or wholesale merchandising where goods or services are sold, delivered or provided to a clientele as a business activity.

“Common Expenses” means the expenses incurred or anticipated to be incurred by BEMA or BEWA for the general benefit of the Community including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Areas and fulfilling the responsibilities of BEMA or BEWA.

“Common Land” – “Common Areas” means all land owned by BEMA or BEWA. It does not include the platted lots that are privately owned by Owners or lots owned by BEMA.

“Community-Wide Standard” means the standard of conduct, maintenance, or other activity generally prevailing within the Community. Such standard may be more

specifically determined by the Board of Directors.

“Electronic Record” means information created, transmitted, received or stored by electronic means and retrievable in human perceivable form, such as email, web pages, electronic documents, and facsimile transmission.

“Governing Documents” means this Declaration and all exhibits, the Articles, Bylaws, rules and regulations and the plats of the Community, all as may be supplemented or amended from time to time.

“Guest” means any person who is not a Member of BEMA/BEWA and who is invited by a Member to use their Residence and /or community facilities at Big Elk Meadows.

“Lessee” means any person or entity that pays a yearly fee for the use of any Lot owned by BEMA.

“Lot” means a numerically designated building site and tract as shown and described on the recorded subdivision plats. Said plat(s) and all subsequent amended plat(s) are made a part of this Declaration.

“Member” means a person or entity that holds a membership in BEMA or both BEMA and BEWA.

“Mortgage” means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation including, but not limited to, a transfer or conveyance of fee title for such purpose.

“Occupant” means any person staying overnight in a Residence on a Lot for a total of more than 30 days, either consecutive or nonconsecutive, in any calendar year, regardless of whether such person is a Lessee or Renter or the Owner of such Lot.

“Outbuilding” means an enclosed covered structure not directly attached to the Residence which it services.

“Owner” means the record titleholder of a Lot within the Community, including contract sellers, but shall not include those having an interest merely as security for the performance of any obligation. For purposes hereof, the holder of a tax deed on a Lot shall be deemed the Owner even if there may exist a right of redemption on such Lot.

“Plat” or “Map” means and refers to the plat(s) and/or map(s) of the Community and improvements that are subject to this Declaration and which are designated in the Plat or Map shall collectively mean and refer to all plats, maps and supplements.

“Renter” means any person or entity that pays a fee for the use of a Member’s property.

“Residence” means a room or rooms connected together for residential occupancy on a

Lot, including bathrooms and kitchen facilities, and may include any attached or unattached garage facilities.

“Single Family Use” refers to the intended use of Residences as set forth in the covenants and restrictions of this Declaration. (See Section 4.3)

ARTICLE 3 ALLOCATION OF ASSESSMENTS AND VOTING

Section 3.1 Membership. All Owners of Lots shall automatically become a Member of BEMA. In addition all Members of BEMA once tapped into the water system operated by BEWA shall automatically become and remain a Member of BEWA. Once a Member of BEMA or BEWA, the Member shall maintain such membership for so long as they shall hold title to any Lot.

Section 3.2 Voting. The Owner or collective Owners of a Lot shall be entitled to one equally weighted vote for such Lot. When more than one Person holds an ownership interest in any Lot, the vote for such shall be exercised as those Owners determine among themselves and as more specifically stated in the Bylaws, otherwise the Lot's vote shall be suspended if more than one person seeks to exercise it.

Section 3.3 Allocation of Liability for Common Expenses.

(a) General Allocations. Common Expenses shall be assessed equally among the Lots, except as provided below or elsewhere in the Governing Documents.

(b) Specific Special Assessments.

(i) The Board of Directors shall have the power to levy specific special assessments against Lots pursuant to this Declaration and this Section as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to do so shall not be grounds for any action against BEMA, BEWA, or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future.

(ii) Any Common Expenses benefiting less than all of the Lots, or significantly disproportionately benefiting some Lots, may be specifically specially assessed equitably among all of the Lots that are benefited according to the benefit received.

(iii) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the Occupant(s), licensees or invitees of any such Lot or Lots may be specifically specially assessed against such Lot or Lots.

(iv) For purposes of this Section, nonuse shall constitute a benefit to less than all Lots or a significant disproportionate benefit to some Lots only when such nonuse results in an identifiable, calculable reduction in cost to the Association.

ARTICLE 4
COVENANTS AND RESTRICTIONS ON USE OF LOTS AND COMMON AREAS

Section 4.1 General Terms of Use Restrictive Covenants. Each Owner of a Lot shall be responsible for ensuring that the Owner's family, Guests, Lessees, Renters and Occupants comply with all provisions of the Governing Documents and the rules and regulations of the cooperative purposes for which BEMA/BEWA were established. In addition to any rights BEMA/BEWA may have against the Owner's family, Guests, Lessees, Renters, Occupants as a result of such person's violation of the Governing Documents, BEMA may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, Guests, Lessees, Renters or Occupants.

Section 4.2 Residential Use of Lots / Ancillary Uses.

- (a) Each Lot shall be used for residential purposes only.
- (b) The Owner or Occupant residing in a Lot may conduct ancillary business activities within the Residence on a Lot so long as:
 - (i) The existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the Lot;
 - (ii) The business activity does not involve visitation of the Lot by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for Guest visitation to a residential Lot without business activity;
 - (iii) The business activity is legal and conforms to all zoning requirements for the Community;
 - (iv) The business activity does not increase traffic in the Community in excess of what would normally be expected for residential Lots in the Community without business activity (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services);
 - (v) The business activity does not increase the insurance premium paid by BEMA or BEWA or otherwise negatively affect their ability to obtain insurance coverage;
 - (vi) The business activity is consistent with the residential character of the Community and does not constitute a nuisance, hazardous or offensive use, or threaten the security or safety of other residents of the Community, as determined by the Board's discretion.
 - (vii) The business activity does not result in a materially greater use of Common Areas or BEMA or BEWA services.

Section 4.3 Residential Occupancy of Residences. Residences in Big Elk Meadows shall be limited to occupancy by one or two adults with their respective unmarried children under the age of 25 years. Married children, children over the age of 25 years, and all other relatives shall be considered as Guests.

Section 4.4 Restrictions on Improvements. No building of any kind whatsoever shall be constructed, erected, used or maintained except as such a private dwelling, house, or cabin and such Outbuildings as are customarily appurtenant to such Residence. Each such dwelling, house, or cabin must be free standing and be designed for occupancy as restated in this Declaration. There shall not be constructed, erected, used or maintained on any one Lot, more than one main dwelling, house, or cabin; and a garage either separate or attached; and a storage shed.

Section 4.5 Use of Common Areas.

(a) Use of Common Areas owned by BEMA shall be restricted to Members, Renters, Lessees and invited Guests and shall be subject to the applicable Rules and Regulations and By-Laws currently in effect.

(b) There shall be no obstruction of the Common Areas, nor shall anything be kept, parked, or stored on or removed from any part of the Common Areas without the prior written consent of the Board, except as specifically provided in this Declaration.

(c) BEMA shall not be liable to the Owner of any Lot or such Owner's Occupant, Guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Areas.

(d) Use of the Common Areas shall be subject to the rules and regulations adopted by the Board.

Section 4.6 Covenants Protecting Common Areas. No damage to or waste of the Common Areas, or any part thereof, shall be permitted by any Owner or any Occupant, Guest or invitee of any Owner. Each Owner and Occupant shall indemnify and hold BEMA and the other Owners harmless against all loss to BEMA or other Owners resulting from any such damage or waste caused by such Owner or Occupant, or the Owner's or Occupant's Guest or invitee.

Section 4.7 Prohibition of Damage, Nuisance and Noise.

(a) Noxious, destructive, offensive, illegal, or unsanitary activity shall not be carried out upon a Lot or on the Common Areas.

(b) No Owner or Occupant may use or allow the use of the Lot at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the

Board's discretion, constitute a nuisance.

(c) The intention of the restrictions in this Section is to grant BEMA and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Residences. In this regard, specific unauthorized and unreasonable annoyances or disturbances shall include, but not be limited to, the following:

(i) Any fighting, screaming, shouting, excessively loud talking, whistling, or playing of music or television, raucous behavior or insobriety either outside of a Residence at any time or within a Residence if such conduct can be heard in the normal course of activities in any other Residence(s);

(ii) The use of any equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations either outside of a Residence at any time or within a Residence if such sounds can be heard or vibrations felt in the normal course of activities in any other Residence(s);

(iii) Any threatening or intimidating conduct towards any resident, Guest or pet in the Community;

(iv) Any conduct which, in the Board's reasonable discretion, creates any danger or risk of injury to others or damage to property in the Community or which creates any threat to health or safety of any other resident or pet;

(v) Any excessively loud play activities either outside of a Residence at any time or within a Residence if such conduct can be heard in the normal course of activities in any other Residence(s);

(vi) Any conduct which creates any noxious or offensive odor either outside of a Residence at any time or within a Residence if such odors can be detected in the normal course of activities in any other Residence(s);

(vii) Any incessant or excessive pet noises, including dog barking, if such conduct can be heard in the normal course of activities in any other Residence(s);

(viii) Any construction or similar activities on a Lot that can be heard in other Residences between the hours of 9:00 p.m. and 9:00 a.m.; or

(ix) Any similar action or activity outside of a Residence, or which occurs inside a Residence but which interferes with the peaceful use and enjoyment of other Residences of the Common Areas by any other Owner, members of his or her family, Guests, invitees, or Occupants of his or her Residence.

Section 4.8 Noise Covenant. No Lot Owner or Occupant may use or allow the use of the Lot or the Common Areas in any manner which creates noise between the hours of

9:00 p.m. and 9:00 a.m. which can be heard by persons in another Residence that will, in the Board's sole discretion, unreasonably interfere with the rights, comfort or convenience of any other Owner, members of his or her family, Guests, invitees, or Occupants of his or her Residence.

Section 4.9 Covenants on Parking.

(a) Parking for a period in excess of 14 days of motor homes, travel trailers, horse trailers, motorboats, or large vehicles on Lots or Common Areas shall be permitted only when such equipment is not readily visible from a Big Elk Meadows road or neighboring Residence.

(b) Emergency vehicles, as defined in the Act, may be parked in the Community as permitted by the Act.

(c) Otherwise prohibited vehicles shall be allowed temporarily on the Common Areas during normal business hours for the purpose of serving any Lot or the Common Areas; provided, however, no such vehicle shall remain on the Common Areas overnight or for any other purpose unless prior consent of the Board or its assignee is first obtained.

(d) All parking in the Common Areas shall be pursuant to the rules and regulations adopted by the Board, which may include a limitation on the number of vehicles per Lot that may be parked in the Common Areas.

(e) No boats, trailers, jet-skis and trailers for same, buses, vans (excluding vans used by handicapped persons or mini-vans), camping trailers or recreational vehicles (as may be defined by the Board), hauling trailers, pick-up trucks and other trucks over 1 ton, or oversized vehicles (as may be defined by the Board) may be parked in the Common Areas except in designated areas.

(f) No activity such as, but not limited to, maintenance, repair, rebuilding dismantling, repainting, or servicing of any kind of vehicle may be performed or conducted in the Common Areas. This provision shall not be deemed to prevent emergency measures necessary to start a vehicle.

(g) Parking in fire lanes (as designated by the Association or as designated by local government or a local fire protection authority) shall not be permitted.

(h) If any vehicle is parked on any portion of the Common Areas in violation of this Section or in violation of the Association's rules and regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after 24 hours the vehicle may be towed or booted. The notice shall include the name and telephone number of the person or entity that will do the towing or booting, and the name and telephone number of a person to contact regarding the alleged violation. If, 24 hours after such notice is placed on the vehicle, the violation continues or thereafter occurs again within six months of such notice, the Board or agent of the Association may have the vehicle towed or booted in accordance with the notice, without

further notice to the vehicle owner or user.

(i) If a vehicle located on the Common Areas is blocking another vehicle or road maintenance or snow removal equipment, is obstructing the flow of traffic, is parked on any grassy Areas, in a fire lane, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed or booted immediately in accordance with the governmental regulations. If a vehicle is towed or booted in accordance with this Section, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of the damage as a result of the towing or booting activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

Section 4.10 Covenants Restricting Certain Vehicles. Inoperable, unlicensed, or abandoned vehicles are prohibited on Lots and Common Areas.

Section 4.11 Livestock Covenants. No livestock of any description shall be kept or maintained on any part of any Lot, provided, however that equine animals may be kept in the pasture land as may from time to time be designated by BEMA, according to the Rules and Regulations of BEMA.

Section 4.12 Domestic Pet Covenant. Residents may keep dogs, cats, or such other animals that are bona fide household pets.

Section 4.13 No Compensation of Leadership. No Director or Officer of BEMA or BEWA shall receive any salary, remuneration, gift or other thing of value for services connected with the administration of the affairs of BEMA or BEWA. Expenses incurred in carrying out the duties of an Officer or Director may be refunded only when such expenses are specifically authorized by the respective Board.

Section 4.14 Camping Covenants. Camping in tent, trailer, camper, or motor home is prohibited on all Common Areas. Camping on privately owned Lots for brief periods of time (one week or less) is permitted. Prior approval of the Board of BEMA or the resident operations administrator is necessary for camping of more than one week.

Section 4.15 Access Covenants. Owners of Lots may not erect fences or any barriers that restrict access to any part of the lakeshore, forest service areas or Common Areas.

Section 4.16 Signs. Except as may be provided for herein or as may be required by state law or legal proceedings, no signs, advertising posters, political placards or billboards of any kind shall be erected, placed, or permitted to remain in the Community without the prior written consent of the Board or its designee, except as follows:

(a) One professional security sign not to exceed six inches by six inches in size may be displayed from within a Lot;

(b) One professionally lettered "For Rent" or "For Sale" sign not to exceed two feet by

two feet in size may be displayed on the Lot being offered for sale or rent; and

(c) Political signs as permitted by Colorado law. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.

Section 4.17 Rubbish, Trash and Garbage. All rubbish, trash and garbage shall be regularly removed from the Lot and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Area or outside the residence on a Lot, temporarily or otherwise, except in trash cans. Rubbish, trash and garbage shall be disposed of in appropriate sealed bags and either placed in the proper receptacles designated by the Board for collection or removed from the Community.

Section 4.18 Antennas and Satellite Dishes. The following shall apply to all Lot Owners:

(a) No transmission antenna, of any kind, may be erected anywhere in the Community, including the Lots, without written approval of the Board of Directors; and

(b) No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS antenna larger than one meter in diameter) shall be placed, allowed or maintained upon a Lot. Such items shall be installed in the least conspicuous location available on the Lot that permits reception of an acceptable signal.

Section 4.19 Grilling. The use of outdoor grills on any portion of the Community shall be governed by applicable state laws and local ordinances having jurisdiction over the Community.

Section 4.20 Temporary Structures. No outbuilding or temporary structure, including sheds, trailers, mobile homes, tents, shacks, barns, or detached garages or carports, shall be allowed on any Lot unless approved in writing by the Board. Further, no outbuilding or temporary structure shall be used on any Lot at any time for residential purposes, either temporarily or permanently.

Section 4.21 Rules and Regulations. The Board of Directors may adopt, amend and repeal rules and regulations concerning and governing the Community in furtherance of the provisions of this Declaration and the general plan of development. The Board of Directors may also establish and enforce penalties for infractions of the rules, including, but not limited to fines and suspension of rights to use the recreational facilities.

ARTICLE 5 ARCHITECTURAL CONTROL

Section 5.1 Establishment of Architectural Control. Architectural control shall be provided by and through the BEMA Board.

Section 5.2 Restriction on Improvements to Lots.

(a) In addition to the restrictive covenants in this Declaration, before anyone shall commence the exterior construction, reconstruction, remodeling, addition to, or alteration of any building, wall, fence, or any structure whatsoever on any Lot, there shall be submitted to the Board of BEMA, in person or by certified mail to the office, two complete sets of plans and specifications for said improvements, the erection or alteration of which is desired.

(b) No such structure or improvement of any kind shall be erected, altered, placed or maintained upon any Lot unless and until the final plans, elevation, and specifications have received written approval as provided.

(c) These restrictions extend to:

- (i) Any encroachment onto the Common Areas or the Lots;
- (ii) Any exterior change, alteration, improvement or construction (including fences) to a Lot or structures on the Lot.

(d) Such plans shall include plot plans, location of structures on plot plans, improvements, floor plans, fence plans, elevation, showing all aspects of dwelling and development of lot as an architectural unit, together with the proposed color scheme and materials for fences, roofs, and exteriors.

Section 5.3 Action of BEMA Board.

(a) The Board of BEMA shall have the right to disapprove any such plans or specifications which are not suitable or desirable in the Board's opinion.

(b) In passing upon such plans or specifications, the Board shall have the right to take into consideration:

- the suitability of the scheme, the site upon which it is to be built;
- the color scheme;
- the site upon which it is proposed to erect same;
- the harmony with the surroundings;
- the topography of the land;
- the effect of the building or other structure as planned on the outlook from the adjacent or neighboring property; and
- if in accordance with all provisions of this Declaration.

(c) The Board may disapprove if the plans and specifications submitted are incomplete, or in the event the Board deems the plans, specifications or details or any part thereof to be contrary to the spirit or intent of these conditions and restrictions.

(d) Final approval by BEMA Board shall be conditional on the Owner obtaining all necessary permits and approvals from appropriate government authorities.

(e) BEMA, acting through the Board, shall be entitled to stop any construction that

does not conform to the approved plans.

Section 5.4 Required Action of the Board. In the event the Board fails to approve or disapprove within 30 days after complete plans and specifications have been received by the Board, approval will be deemed to have been issued.

Section 5.5 Authority of the Board to Hire Consultants. The Board shall have the authority to select and employ professional consultants to assist BEMA in discharging its duties when the Board deems it necessary. The cost of such consultants shall be paid by the Owner of any such Lot for which plans and specifications have been submitted for approval. The Owner of any such Lot shall be responsible for paying the full cost of each review, whether or not submitted plans and specifications are approved by BEMA, and BEMA may require payment of all such costs prior to approval of plans and specifications. BEMA also may charge reasonable fees to cover the cost of review or inspections performed and any such fees shall be published in the design standards.

Section 5.6 Effect of Approval/Limits on Liability. Approval of the plans by the Board of BEMA constitutes evidence that the plans comply only with this Declaration. BEMA and its directors shall not be responsible in any way for any defects in plans or specifications submitted, revised, or approved in accordance with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications, or for any such work done. Neither BEMA nor the Board of Directors shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations, and other governmental requirements. Neither BEMA, the Board of Directors, nor any Member shall be held liable for any injury, damages or loss arising out of the manner, design, or quality approved construction or modifications to any Lot. No action may be brought against BEMA, the Board of Directors, or any Member thereof, for any claimed injury, damage or loss under this Article.

Section 5.7 No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors will change from time to time and that interpretation, application and enforcement of the architectural standards will vary accordingly. Each Owner further acknowledges that the Board of Directors may adopt different architectural standards for different parts of the Community, based on street visibility and location of the proposed modification in the building. The approval of the Board of BEMA of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 5.8 Commencement of Construction. All changes, modifications and improvements approved by BEMA must be commenced within six months from the date of approval. If not commenced within such time, then such approval shall be deemed

revoked unless BEMA gives a written extension for commencing the work. All work approved by BEMA shall be completed in its entirety within 180 days from the date of commencement, unless otherwise agreed in writing by BEMA. All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or improvement unless approved by the Board.

Section 5.9 Variances. BEMA may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Declaration in order to overcome practical difficulties and unnecessary hardships arising by reason of the application of the conditions and restrictions contained in this Declaration or in architectural guidelines adopted by the Board. Such variances or adjustments shall not be materially detrimental or injurious to other property or improvements in the Community.

Section 5.10 Architectural Guidelines. BEMA may propose design and/or architectural guidelines from time to time, which guidelines may be approved by the Board and included in or with any rules and regulations of the Association. Board approval shall be necessary to affect any proposed architectural guidelines.

Section 5.11 Enforcement. Any construction, alteration or other work done in violation of this Article, any other provision of this Declaration, the architectural guidelines or any applicable zoning regulation shall be deemed to be nonconforming. Upon written request from the Board, a violating Owner shall, at the Owners own cost and expense, remove such nonconforming construction, alteration or other work and restore the Lot to substantially the same condition as existed prior to such construction, alteration or work. Should the Owner fail to do so, the Board or its designees shall have the right, in addition to all other available remedies, to enter the Lot, remove the violation and restore the property; and any such expenses shall be a specific assessment against the Lot to be collected as provided for in this Declaration. Alternatively, the Board may impose fines after reasonable notice and an opportunity for hearing. BEMA shall also have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article, and its decisions. Furthermore, BEMA shall have the authority to record in the records a notice of noncompliance with the provisions of this Article. BEMA shall have the right to seek attorney fees incurred in enforcing the provisions of this Article.

ARTICLE 6 ASSESSMENTS AND USE FEES

Section 6.1 Purpose of Assessments. BEMA and BEWA shall have the power to levy assessments as provided in this Declaration. The assessments for Common Expenses of either shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and Occupants of Lots in the Community as may be more specifically authorized from time to time by the Board, for the fulfillment of their obligations in this Declaration, and for the establishment of a reserve fund.

Section 6.2 Personal Liability for Assessments. The Owner, or Owners of a Lot shall be joint and severally, and shall be personally liable for the assessments and use fees of BEMA and/or BEWA. Each Lessee and Owner is also deemed to covenant and agree to pay to the Association:

(a) Special assessments;

(b) Specific special assessments against any particular Lot which are established pursuant to the terms of this Declaration including, but not limited to, reasonable fines imposed in accordance with the terms of this Declaration; and

(c) Such assessments and use fees, when not paid as required shall be a lien upon the Lot. Such lien may be foreclosed against said property by a proceeding in any proper court in the nature of a Mortgage foreclosure. Furthermore, in the event of failure to timely pay assessments to BEWA, the Board of BEWA reserves the right to discontinue water service.

Section 6.3 Annual Assessment. BEMA and BEWA, in accordance with their By-Laws, may levy annual assessments, which will be established by the membership each year, either at the annual meeting or a special meeting called for that purpose. In the event the Members do not or are not able for any reason to establish the annual dues for any particular year, the annual assessments for such year shall be the same amount as for the previous year.

Section 6.4 Special Assessment. BEMA and BEWA, in accordance with their By-Laws, may levy special assessments that are approved by the membership either at the annual meeting or a special meeting called for that purpose.

Section 6.5 Use Fees. BEMA, in accordance with its By-Laws, may levy use fees against Members according to the nature of the use of Common Areas or the individual residence by that Member. Examples, but not an inclusive list, are rental of Member's residence, group use of the picnic area, group use of the swimming pool, pasturing equine animals etc. In all cases such use requires approval of BEMA Board or the resident operations administrator if such responsibility is so delegated.

Section 6.6 Assessment Liens. Assessments and use fees, when not paid as required by the By-Laws of BEMA and/or BEWA, shall be a lien upon the Lot of the Owner who has failed to timely pay such delinquent assessments or use fees, and that such lien may be foreclosed against said property by a proceeding in any proper court in the nature of a Mortgage foreclosure. Furthermore, in the event of failure to timely pay assessments to BEWA, the Board of BEWA reserves the right to discontinue water service. Finally, BEMA and BEWA shall have all collection remedies available as allowed by state law.

Section 6.7 Statement of Account. BEMA/BEWA shall furnish to an Owner or the Owner's designee or to a holder of a security interest or its designee a statement setting

forth the amount of unpaid Assessments then levied against the Lot in which the Owner, designee or holder of a security interest has an interest. BEMA or BEWA shall deliver the statement personally or by electronic means, certified mail, first class postage prepaid, return receipt requested to the inquiring party within 14 calendar days after the registered agent of BEMA receives the request by personal delivery or by electronic means, certified mail, first class postage prepaid, return receipt requested. The information contained in such statement, when signed by the Treasurer, or Manager, if any, shall be binding, and every Owner as to the person or persons to whom such statement is issued and who rely on it in good faith. The Board may establish a reasonable fee relating to such statement.

Section 6.8 Notice of Assessment Lien. BEMA and/or BEWA have authority to record a notice of lien in the Colorado real property records evidencing the lien created under this Declaration. The liens provided for shall have the priority as set forth in the Act. The liens under this Article are not subject to the provision of any homestead exemption as allowed under state or federal law.

Section 6.9 Due Dates. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors. No Owner may exempt himself or herself from liability or otherwise withhold payment of assessments for any reason whatsoever including, but not limited to, nonuse of the Common Areas, the Association's failure to provide services or perform its obligations required hereunder, or inconvenience or discomfort arising from the Association's performance of its duties.

ARTICLE 7 MAINTENANCE RESPONSIBILITIES

Section 7.1 By the Owner. Each Owner shall have the obligation to maintain and keep in good repair all improvements and the Residence on his or her Lot. This includes the following:

- a) All exteriors and all landscaping;
- b) All pipes, service lines, ducts, conduits, or other apparatus serving only the Lot, located within the Residence or on the Lot (including all electricity, water, or sewer pipes, lines, ducts, conduits, or other apparatus serving only the Lot);
- c) Any exterior improvements made to the Lot;
- d) Septic Systems; and
- e) Fire Mitigation of the Lot.

Section 7.2 Covenants Related to Owner Maintenance. Each Lot Owner shall have the responsibility:

- (a) To keep their Residence and Lot in a neat, clean and sanitary condition.
- (b) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Residences.
- (c) To promptly report to BEMA or its agent any defect or need for repairs, for which BEMA is responsible.

Section 7.3 Owner Maintenance of Common Areas. Subject to the maintenance responsibilities provided for in this Declaration, any maintenance or repair performed on or to the Common Areas or areas of common responsibility by an Owner or Occupant, shall be subject to prior Board approval.

Section 7.4 Maintenance of the Association. BEMA shall maintain and keep in good repair as a Common Expense all Common Areas (collectively, the Areas of Common Responsibility) and the following:

- (a) All pipes, lines, ducts, conduits, or other apparatus serving a Residence or a Lot, from the point they serve more than one Residence or Lot (including all water, sewer pipes, lines, ducts, conduits, or other apparatus);
- (b) Existing drainage systems installed as part of the original construction or by the Association; provided, however, BEMA shall have no obligation to install new or additional drainage systems on the Lots. BEMA is not responsible for drainage on the Lots unless BEMA alters drainage patterns on the Lots;
- (c) The foregoing maintenance shall be performed consistent with the Community-Wide Standard;
- (d) If, during the course of performing its maintenance responsibilities hereunder, BEMA discovers that maintenance, repair or replacement is required of an item which is the Owner's responsibility, and such maintenance repair or emplacement must be performed for BEMA to properly complete its maintenance project, then BEMA may perform such work on behalf of the Owner and at the Owner's sole expense, without prior notice to the Owner, such being deemed an emergency situation hereunder;
- (e) If the Board determines that the need for maintenance or repair of the Common Areas is caused through the willful or negligent act of any Owner, or Occupant or their family, Guests, or invitees, then BEMA may assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Lot, and such cost shall become the personal obligation of the Owner, a lien against the Lot, and shall be collected as provided herein for the collection of assessments;
- (f) BEMA and/or BEWA shall repair incidental damage to any Lot resulting from performance of work that is the responsibility of the Association;

(g) BEMA and/or BEWA shall not be liable for injury or damage to person or property caused by the Areas of Common Responsibility or by the Owner of any Lot, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Areas or from any pipe, drain, conduit, appliance or equipment for which BEMA and/or BEWA is responsible to maintain hereunder, except for injuries or damages arising after the Owner of a Lot has put BEMA and/or BEWA on notice of a specific leak or flow from any portion of the Common Areas and BEMA and/or BEWA has failed to exercise due care to correct the leak or flow within a reasonable time thereafter;

(h) BEMA and/or BEWA shall not be liable to any Owner, or any Owner's Occupant, Guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Article where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities; and

(i) No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of BEMA and/or BEWA to take some action or perform some function required to be taken or performed by BEMA and/or BEWA under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of BEMA and/or BEWA or from any action taken by BEMA and/or BEWA to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 7.5 Failure to Maintain.

(a) If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, BEMA shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense.

(b) The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

(c) Unless the Board of Directors determines that an emergency exists, the Owner shall have 30 days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten days.

(d) If the Board determines that 1) an emergency exists; or 2) that an Owner has not complied with the demand given by BEMA as herein provided; then BEMA may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be the personal obligation of the Owner and a lien against the

Lot, and shall be collected as provided herein for the collection of assessments.

ARTICLE 8

INSURANCE, DAMAGE, DESTRUCTION OR CONDEMNATION

Section 8.1 Association's Insurance.

- (a) BEMA shall obtain and maintain at all times, as a Common Expense, insurance as required in this Article.
- (b) To the extent reasonably available at reasonable cost the Association's insurance policy shall cover the following:
 - (i) Director and officers or professional liability insurance;
 - (ii) Workers' compensation insurance, if and to the extent necessary, to meet the requirements of law;
 - (iii) Public liability insurance in amounts no less than \$1,000,000.00, and officers' and directors' liability insurance in such amounts as the Board may determine. The public liability insurance shall contain a cross-liability endorsement;
 - (iv) Fidelity bonds, if reasonably available, covering officers, directors, employees, and other persons who handle or are responsible for handling BEMA funds in an amount consistent with the best business judgment of the Board of Directors; and
 - (v) Such other insurance as the Board of Directors may determine to be necessary or desirable.

Section 8.2 Damage or Destruction. In the event of damage or destruction due to fire or other disaster of improvements on Common Areas, BEMA and/or BEWA shall cause such improvements to be promptly repaired and reconstructed except in the event that two-thirds of the Members of BEMA deem such reconstruction undesirable.

Section 8.3 Covenants Related to Casualty Loss on a Lot and Insurance Coverage.

- (a) The Board of Directors, upon resolution, shall have the authority to require all or any Lot Owner(s) to do any act or perform any work involving portions of the Community which are the maintenance responsibility of the Lot Owner or in the event of uninsured loss by an Owner, if the Owner does not comply with any requirement made by the Board of Directors after 30 days written notice (during which period the Lot Owner may perform the required act or work without further liability).
- (b) Such cost shall be added to and become a part of the assessment to which the Owner is subject, the personal obligation of the Owner and a lien against the Lot, to be

collected as provided herein for the collection of assessments.

(c) BEMA shall have all rights necessary to implement the requirements mandated by the Board, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Lot, except that access may be had at any time without notice in an emergency situation.

Section 8.4 Condemnation. If at any time or times all or any part of the Common Areas shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions of this article shall apply:

(a) Proceeds: All compensation, damages or other proceeds therefrom, the sum of which is hereafter called the "Condemnation Award," shall be payable to BEMA;

(b) Complete Taking: In the event that the entire Common Area is taken or condemned, or sold or otherwise disposed of in lieu or in avoidance thereof, the Condemnation Award shall be apportioned equally among the Members, less any outstanding assessments and use fees owed to BEMA and BEWA, and distributed accordingly, provided however, that the share of the Condemnation Award payable to any Member shall, upon request of the Encumbrancer of the Member's Lot, be paid to said Encumbrancer rather than to such Member;

(c) Partial taking: In the event that less than the entire Common Area is taken or condemned, sold or otherwise disposed of in lieu of or in avoidance thereof, BEMA shall, as soon as is practicable after receipt of the Condemnation Award, call a special meeting of BEMA for the purpose of determining the proper application of such proceeds. Notice of such meeting shall be given all Encumbrancers as well as Members not less than 30 (thirty) days in advance thereof and such notice shall specify the purpose of such meeting. At such meeting the Members shall decide upon the application of such proceeds then held by BEMA. In the event the Members are unable to agree upon a course of action in which the Condemnation Award shall be used by BEMA for repairs to remaining Common Areas or facilities within the Common Areas remaining, the Condemnation Award shall be apportioned equally among the Members less any outstanding assessments and use fees owed BEMA and BEWA, and distributed accordingly, provided, however, that if the Encumbrancer of any Lot so requests, the share of the Condemnation Award payable to the Owner of that Lot shall instead be paid to such Encumbrancer; and

(d) Notification of Encumbrancers: BEMA shall notify every Encumbrancer of the commencement of any condemnation proceedings affecting the Common Areas, by publishing Public Notice(s) in major newspapers of Boulder and Larimer Counties, Colorado.

ARTICLE 9 EASEMENTS

Section 9.1 Easements for Use and Enjoyment.

Every Lot Owner and Occupant shall have a right and non-exclusive easement of ingress and egress, use and enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to his or her Lot, subject to the following provisions:

- (a) The right of BEMA to have access to the Lots to discharge its rights and obligations under the Governing documents, including without limitation, the maintenance responsibility of the Association;
- (b) The right of BEMA to grant easements, leases and licenses across the Common Areas;
- (c) The right of BEMA to adopt rules and regulations regarding the use of Common Areas;
- (d) The right of BEMA to dedicate or transfer all or any portion of the Common areas subject to approval of Owners holding 67% of the total BEMA vote, provided that the Board shall have the right to enter into agreements with any public authority for purposes necessary and beneficial, in the Board's discretion, to achieve the goals of the Association;
- (e) The right of BEMA to change the use of portions of the Common Areas or to close portions of the Common Areas; and
- (f) Any Lot Owner in good standing may allow his or her right of use and enjoyment in and to the Common Areas and facilities located thereon to be extended to the members of his or her family, his or her tenants and Guests. At its discretion the Board may impose further limitations on Occupant's use of the Common Areas.

Section 9.2 Easement for Entry. BEMA has an easement to enter onto Lots and to each Residence for maintenance, emergency, or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers operations administrators, and all police officers, firemen, ambulance personnel and similar emergency personnel in performing their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after reasonable notice to the Owner or Occupant of the Lot. For the purposes of this Section, an emergency justifying immediate entry into a Residence on a Lot shall include, but not be limited to, the following situations: a water or other utility leak, fire, strong foul odor, obvious insect infestation or sounds indicating that a person or animal might be injured or sick and require immediate medical attention. No one exercising the rights granted in this Section shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights. The failure to exercise the rights herein or to exercise said rights in

a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a Lot shall exist.

Section 9.3 Utilities. To the extent that any utility line, pipe, wire, or conduit serving any Residence or Lot, Lots or the Common Areas lies wholly or partially within the boundaries of another Lot or the Common Areas, such other Lot, Lots, or the Common Areas shall be burdened with a non-exclusive easement for the use, maintenance repair and replacement of such utility line, pipe, wire or conduit, such non-exclusive easement to be in favor of the Lot, Lots, or Common Areas served by the same and the Association.

Section 9.4 No Right to Public in General. The easements and rights created in this Article do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public; provided, however, nothing set forth herein shall in any way limit or restrict any existing easements or rights already granted to the public as such easements or rights are previously recorded in the Colorado real property records.

Section 9.5 Blanket Easement. BEMA reserves for itself and for its grantees, successors and assigns, the right at any time hereafter to install and erect necessary utility poles on any Lot, and BEWA reserves the right to install water lines and mains at any time hereafter on or under any Lot; said lines, poles and mains to be placed at a minimum of inconvenience to use and occupancy of any Lot.

ARTICLE 10 AUTHORITY AND ENFORCEMENT

Section 10.1 General.

- (a) Lots shall be used only for those uses and purposes set out in this Declaration.
- (b) Every Owner and Occupant shall comply with this Declaration, the Bylaws and rules and regulations of the Association, and any lack of compliance therewith shall entitle BEMA and, in an appropriate case, one or more aggrieved Owners, to take action to enforce the terms of the Declaration, Bylaws or rules and regulations.
- (c) The right of BEMA to suspend the voting rights and membership privileges including but not limited to: use of the Common Areas and rental of the Owner's property, of an Owner for any period during which any assessment or charge against his or her Lot which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, Bylaws, or rules and regulations.
- (d) In addition to any rights, BEMA may have against an Owner's family, Guests, tenants or Occupants, as a result of such person's violation of the Governing Documents, BEMA may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, Guests, tenants or

Occupants.

(e) The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Lot, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, Bylaws or BEMA rules.

(f) A fine may be imposed against the Owner if any Occupant of a Lot violates the Declaration, Bylaws or rules and regulations after notice to the alleged violator and an opportunity to be heard.

(g) The failure of the Board to enforce any provision of the Declaration, Bylaws or rules and regulations shall not be deemed a waiver of the right of the Board to do so thereafter.

(h) In any enforcement action taken by BEMA under this Article, to the maximum extent permissible under the Act, all costs incurred by BEMA in abating a violation or otherwise taking action to enforce the Declaration, Bylaws or BEMA rules, including reasonable attorney's fees actually incurred may be assessed against the violating Owner and/or Occupant.

Section 10.2 Additional Enforcement Rights.

(a) The Board may elect to enforce any provision of the Declaration, the Bylaws, or the rules and regulations by self-help and/or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity for compliance with the hearing procedure.

(b) BEMA or its duly authorized agent shall have the power to enter upon any portion of the Common Areas to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the Bylaws or the rules and regulations. Such removal, abatement and restoration shall be accomplished at the violator's sole cost and expense.

(c) If BEMA exercises its right subject to this Section, all costs shall be assessed against the violating Owner or Occupant and shall constitute a lien against the Lot.

(d) Additionally, subject to the Act, BEMA shall also be entitled to reasonable attorney's fees actually incurred and collected as an assessment pursuant to this Declaration.

(e) Additionally, BEMA shall have the authority to record in the real property records a notice of violation identify any uncured violation of the Declaration, Bylaws or rules and regulations regarding the Lot.

Section 10.3 Failure to Enforce. No right of action shall exist against BEMA for failure of enforcement where:

- (a) The Board determines that the Association's position is not strong enough to justify taking enforcement action;
- (b) A particular violation is not of such a material nature as to be objectionable to a reasonable person or justify the expense and resources to pursue; or
- (c) The Owner or party asserting a failure of enforcement possesses an independent right to bring an enforcement action at law or in equity and has failed to do so.

ARTICLE 11 AMENDMENTS

Section 11.1 By Owners. Except where a higher vote is required for action under any other provision of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the Owners holding at least 67% of the total BEMA vote.

Section 11.2 Notice. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment.

Section 11.3 Recording. No amendment shall be effective until certified by the President or Secretary of BEMA and recorded in the Colorado real property records.

Section 11.4 Errors/Compliance with Lender Underwriting Criteria. The Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to correct any scrivener's errors, comply with any applicable state, city or federal law, and/or to bring the Community into compliance with applicable rules and regulations of the Federal National Mortgage FNMA ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA") pursuant to federal law.

Section 11.5 Challenge to an Amendment. Any action to challenge the validity of an amendment adopted under this Article must be brought within one year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

ARTICLE 12 GENERAL PROVISIONS

Section 12.1 Security. BEMA may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve security in the

Community. However, each Owner, for himself or herself and his or her tenants, Guests, licensees and invitees, acknowledges and agrees that BEMA is not a provider of security and BEMA shall not have a duty to provide security in the Community. Furthermore, BEMA does not guaranty that non-owners and non-occupants will not gain access to the Community and commit criminal acts in the Community, nor does BEMA guarantee that criminal acts in the Community will not be committed by other Owners or Occupants. It shall be the responsibility of each Owner to protect his or her person and property and all responsibility of to provide such security shall lie solely with each Owner. BEMA shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of measures undertaken.

Section 12.2 Dispute Resolution.

(a) Prior to filing a lawsuit against the Association, the Board or any officer, director, or property manager of the Association, an Owner or Occupant must request and attend a hearing with the Board of Directors.

(b) Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or its designee.

(c) The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit.

(d) Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing.

(e) The Board shall schedule this hearing for the next scheduled Board meeting.

(f) The Board may, in its discretion, seek to resolve any dispute or enforcement issue with an Owner through mediation or arbitration or other means of alternative dispute resolution rather than litigation.

Section 12.3 Implied Rights. BEMA may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

Section 12.4 Electronic Records, Notices and Signatures. Notwithstanding any other portion of this Declaration, records, signatures and notices shall not be denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made or presented electronically. The relevant provisions of the Bylaws shall govern the giving of all notices required by this Declaration.

Section 12.5 Duration. The covenants and restrictions of this Declaration shall run

with and bind the Community perpetually unless otherwise terminated as provided herein.

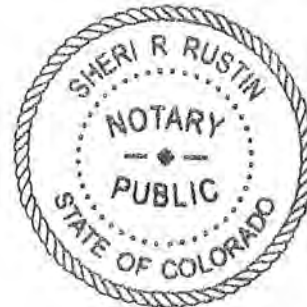
Section 12.6 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

Section 12.7 Registration of Mailing Address of Owners. Each Owner shall register his mailing address with the Association. All notices to be sent to the Owner shall be sent by regular U.S. mail addressed in the name of the Owner at the registered mailing address. If the Owner does not register a mailing address with the Association, all notices shall be sent to the Lot address.

DATED this day of OCTOBER, 2013 by
ROGER VOSEY and CATHERINE SOES
of Big Elk Meadows Association.

President

Secretary



Commission Expires 04/21/2014

STATE OF COLORADO)
COUNTY OF) ss.

The foregoing Declaration was acknowledged before me by Roger Vesely,
as President of BEMA on this 4th day of October, 2013.

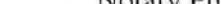
My commission expires: 4/21/14

Shari R. Rustin
Notary Public

STATE OF COLORADO)
COUNTY OF *Broomfield*) SS.

The foregoing Declaration was acknowledged before me by Catherine Sees,
as Secretary of BEMA on this 26th day of September, 2013.

My commission expires: 09/13/2014


Notary Public





Big Elk Water Association

Articles of Incorporation

Certificate of Incorporation of Big Elk Meadows Water Association (Non-Profit)

As amended on May 24, 2008

FIRST

The corporate name and style of said corporation shall be BIG ELK MEADOWS ASSOCIATION.

SECOND

The objects for which this corporation is formed are:

1. To supply water by mains or pipes only to members of the Big Elk Meadows Association ("BEMA") which operates the planned community known as "Big Elk Meadows" located in Boulder and Larimer Counties, Colorado, as shown by the recorded plat of Big Elk Meadows.
2. To construct and operate water works, pipe lines, mains and any and all equipment necessary to furnish water for domestic purposes to the members of the Association.
3. To buy, sell, lease, let and sublet, hold, deal in and with and subdivide real property wherever situate and all character of interests, rights and estates in or to real property.
2. To purchase and otherwise to acquire personal property of every class and description, tangible and intangible, and to hold, own, sell, bail and otherwise dispose of, care for, repair, trade deal in and deal with them.
3. To buy, sell, pledge, encumber, trade, exchange, hold, deal in and deal with interest and dividend bearing securities of all kinds, including bonds, mortgages, and all varieties of commercial paper, secured or unsecured, and also with any other or right of possible or probable value.
4. To lend money and take real or personal or no security for the repayment of the same.
5. To construct or remove improvements on real property; to equip such improvements with fixtures, furniture and personal property, and to manage, use, operate and work all real property owned or otherwise held or controlled by the corporation, whether improved or unimproved.
6. To own real and personal property, both within and without the State of Colorado, and to conduct business in any and all parts of the world.
7. To borrow money and obtain credit; to issue bonds or other obligations in payment for property purchased or acquired by the corporation, or for any other

object in or about its business; to mortgage or pledge any stocks, bonds or other obligations, or any property which may be acquired by it, to secure any bonds or other obligations by it issued or incurred.

8. To buy , sell, pledge, encumber, trade, exchange, hold, deal in and deal with shares of the capital stock of any and all corporations for whatever purpose and under whatever laws such corporations may be organized, and whether such shares of stock be preferred or common or with or without voting power, and to exercise all voting rights and other privileges incident to the same.
9. To aid and assist other persons, firms and corporations by advancement of money, guaranty of obligations or contracts, loans of property, or otherwise.
10. To conduct any operation within the scope of its objects and powers, either in its own behalf or its agent, and to act as agent in any one or more phases of any business or operations within the scope of its objects and powers.
11. The foregoing clauses shall be constructed both as objects and as powers, and the statements contained in each clause, except where otherwise expressed, shall be in no way limited or restricted by reference to or inference from the terms of any other clause, but shall be regarded as independent purposes and powers, and it is expressly declared that all other lawful powers not inconsistent therewith hereby included.

THIRD

Said corporation is to have perpetual existence.

FOURTH

This corporation is not for profit and has no capital stock.

FIFTH

The corporation shall have no less than six (6) nor more than twelve (12) directors who shall manage the affairs of the corporation.

The number of directors may be increased or decreased within the limits herein under provide at any annual meeting of the members.

SIXTH

The principal office of the corporation shall be in Big Elk Meadows, Larimer County, State of Colorado, but the corporation may establish and maintain offices elsewhere as its By-Laws may provide and as the Board of Directors may deem advisable. The Principal activities and operations of the corporation may be extended to any other counties within the state of Colorado or to any other states or territories of the United States.

SEVENTH

The members by the majority vote shall have the power to make and amend, modify, repeal or revoke such By-Laws as they may deem proper for the management of the affairs of the corporation not inconsistent with the laws of the state of Colorado.

EIGHTH

The Certificate of Incorporation may be amended upon two-thirds (2/3) vote of the members of the incorporation.

NINTH

No director of this corporation shall receive any salary, remuneration, gift or other thing of value for services connected with the administration of the affairs of the corporation. Personal expenses incurred carrying out the duties of an officer or director may be refunded when authorized by the directors.

TENTH

No dividend or distribution of the property of the corporation shall be made until all debts are fully paid, and then only upon its final dissolution and surrender of organization and name; nor shall the corporation be dissolved or distribution be made upon two-thirds (2/3) vote of the entire membership.

ELEVENTH

The only members of the Big Elk Meadows Water Association shall be those persons who own cabin sites at Big Elk Meadow, in the Counties of Boulder and Larimer, State of Colorado, as shown on the recorded plat of Big Elk Meadows, or who lease cabin sites at Big Elk Meadows from Big Elk Meadows, Inc. or its successors or assigns, and who are using for domestic purposes water furnished by this corporation, or hereafter elect to use said water and pay the required tap fee or other charges or assessments as required by the By-Laws.

TWELFTH

The operation of the corporation shall be financed by assessments against the members as provided in the By-Laws of the Association.

/s/ Leonard Arnold
Its President

/s/ Randal Eike
Its Secretary

Big Elk Water Association
Bylaws

By Laws of the Big Elk Water Association

Adopted: January 19, 1967

Revised: March 31, 1975, March 28, 1983 and May 24, 2008

I. OFFICERS

The officers of this Association shall consist of a President, a First Vice President, a Second Vice President, a Secretary and Treasurer, who shall be chosen by the directors at their first meeting following the annual meeting of the members each year. They shall be elected for a term of one year or until their respective successors are elected and qualified. The Board of Directors may appoint such additional officers as shall be deemed advisable, who shall be members of the Association, and who may, but need not, be members of the Board of Directors. Vacancies among the officers may be filled at any meeting of the Board of Directors.

II. DUTIES OF PRESIDENT

It shall be the duty of the President to preside at all meetings of the Board; to direct the general course of the business, subject only to the control of the Board of Directors; to sign and execute, on behalf of the Association, all deeds, agreements, contracts, notes, bills of exchange, checks and all other written documents which may require such endorsement, to receipt and give full acquittance for all moneys due the Association and to compromise all claims due the Association; and to do and perform all acts incident to the duties expressly conferred upon him; and to have general charge and control of the property and business of the Association; and to do all other acts incident to his office and usually done or proper to be done by the President of such Association.

III. DUTIES OF VICE PRESIDENT

It shall be the duty of the first Vice President to perform all such functions as belong to the office of the President in the absence of the President, and it shall be the duty of the second Vice President to perform all such functions as belong to the office of the President in the absence of both the President and the First Vice President.

IV. DUTIES OF SECRETARY

The Secretary shall give due notice of all meetings of members and of the Board of Directors; he shall prepare and keep proper books of record for the business of the Association, and such other books as the directors may prescribe; he shall countersign and register all certificates of membership, and attest and attach the corporate seal of the Association to all instruments requiring seal, and perform all such other duties as are incident to his office. He shall be the custodian of the corporate seal.

V. DUTIES OF TREASURER

The treasurer shall be custodian of the funds of the Association until the same are disposed of by the Board of Directors, and shall keep proper books of account for the business of the Association.

VI. DUTIES OF BOARD OF DIRECTORS

The Board of Directors shall consist of twelve directors, which shall exercise all the powers of the Association. The number of directors may be decreased from time to time by amendment of the By-Laws, but no decrease shall have the effect of shortening the term of any incumbent directors.

The term of office for directors is three years; each year at the annual meeting four directors shall be elected to fill the vacancies of four directors whose three-year terms have expired.

In any case in which a director has been appointed to fill a vacancy, such director shall serve only until the next annual meeting of the members of the Association, at which time, if the term to which the director he replaced was elected shall not have expired, a director shall be elected to serve for the remainder of the term.

A director who has served continuously for five or more years shall not be eligible for re-election or appointment as a director until one year after the expiration of said term.

Reasonable opportunity shall be given each member to nominate either himself or any other member for election to the Board of Directors, and if in the judgment of the Board of Directors additional candidates are necessary or desirable it shall act as a nominating committee, so that at least one person will be nominated for each vacancy.

VII. DIRECTORS' MEETINGS

The annual meeting of the directors shall be held as soon as conveniently practicable following the adjournment of the annual meeting of the members. No special notice of the annual meeting shall be necessary.

Other meetings of the directors shall be held at such times as may be necessary or convenient. Such meetings may be called by the president or by any three members of the Board of Directors by causing notice to be served upon the directors at least two days before the date of the proposed meetings. Directors' meetings shall be held at Big Elk Meadows, Boulder and Larimer Counties, Colorado, or at such other place within the State of Colorado as the person or persons calling the meeting shall determine. A majority of the directors shall constitute a quorum for the transaction of business.

VIII. MEMBERS' MEETINGS

Annual meetings of the members of the Association shall be held in the month of March of each year. If the annual meeting be delayed or omitted, the directors of the association shall hold over until their successors are appointed or elected. Special meetings of the members may be called by the Board of Directors or by ten percent of all the members then in good standing.

Notice of meetings shall be given in the writing to each member, and a reasonable opportunity shall be given each member to request the submission of any question to a vote of the membership at annual meetings.

Members may be represented by proxies, which must be exhibited for inspection at each meeting. A majority of the members then in good standing, in person or by proxy, shall constitute a quorum for the transaction of business.

A form of proxy will be given each member which will allow each member to vote separately on each question which it can be anticipated will be submitted to the membership, including the election of directors; and a proxy statement of the membership, and the Board of Directors' recommendation with respect thereto.

At the regular meetings of the members, the following shall be the order of business:

- (1) Inspection of proxies. (2) Election of directors. (3) Reports of officers.
- (4) Unfinished business. (5) New business.

Items listed on an agenda and proxy statement, and on which the form of proxy for the meeting requests a vote, shall be considered as unfinished business; and items not on the agenda of the meeting shall be considered as new business.

IX. REMOVAL OF AN OFFICER

Any officer of the Association may be removed from office at any time, notwithstanding that his term is not expired, by a majority vote of the Board of Directors. Any director or directors of the Association may be removed at any time by a majority vote of the members represented in person or by proxy at a special meeting called for the purpose of such removal, or by written notice signed by a majority of the members then in good standing.

X. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Each director and officer of the Association shall be indemnified by the Association against expenses reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association (whether or not he continues to be a director or officer at the time of incurring such expenses), except in relation to the matters as to which he shall finally be adjudged in such by him in violation of his duty and authority as such director or officer. The foregoing right of indemnification shall not be exclusive of any rights to which any director or officer may be entitled as a matter of law.

XI. VACANCIES

Vacancies occurring in the Board of Directors or in the officers of the Association by reason of the death, resignation or refusal of an officer or director to act, or from other cause, may be filled by vote of the remaining number of members of the Board of Directors.

XII. NOTICES

The purpose of any special meeting of the directors or of the members shall be contained in a notice to such directors or members. Notice of members' meetings shall be made pursuant to statute. Notice of directors' meetings may be made by telephone, telegram, writing delivered personally, or written notice mailed by depositing in the United States mail addressed to the director at his address as it

appears in the records of the Association with postage thereon prepaid. Any member or director may waive in writing any notice required by these By-Laws or by the statutes of the State of Colorado, before, or after any such meetings.

XIII. DIVIDENDS

No dividend or distribution of the property of the Association shall be made until all debts are fully paid and then only upon the final dissolution of the Association.

XIV. CONSOLIDATION OR MERGER

The Association may be merged or consolidated with any other corporation upon compliance by the members and the Board of Directors within the statutes of the State of Colorado regarding mergers and consolidation of corporations.

XV. AMENDMENTS

These By-Laws may be changed or amended by the affirmative vote of a majority of the members represented in person or by proxy at any regular members or any special meeting of the members called for that purpose.

XVI. MEMBERSHIP AND WATER SERVICE

The only members of Big Elk Water Association shall be those persons who own cabin sites at Big Elk Meadows in the Counties of Boulder and Larimer, State of Colorado, as shown on the recorded plat of Big Elk Meadows or, who lease cabin sites at Big Elk Meadows from Big Elk Meadows, Inc. or its successors and assigns and who are using for domestic purposes water furnished by this corporation, or hereafter elect to use said water and pay the required tap fee or other charges or assessments as required by the By-Laws.

Water services of the Association shall be supplied only to the members of the Big Elk Meadows Association ("BEMA"). BEMA operates the planned community known as "Big Elk Meadows" located in Boulder and Larimer Counties, Colorado, as shown by the recorded plat of Big Elk Meadows.

XVII. ASSESSMENTS

The members at the annual meeting or at any special meeting shall fix the amount or special assessments to be paid by each member during the next fiscal year which assessments shall be sufficient to cover estimated costs of the operation of the Association during the following fiscal year, including secretarial and bookkeeping expenses, maintenance, repairs and operating costs, retirement of debt, if any, depreciation if applicable and all other expenses necessary for the operation of the Association.

If the members shall fail or refuse to fix the amount of an assessment for any year, pursuant to these By-Laws, for any reason, the amount of the assessment for such year shall be the same as for the previous year.

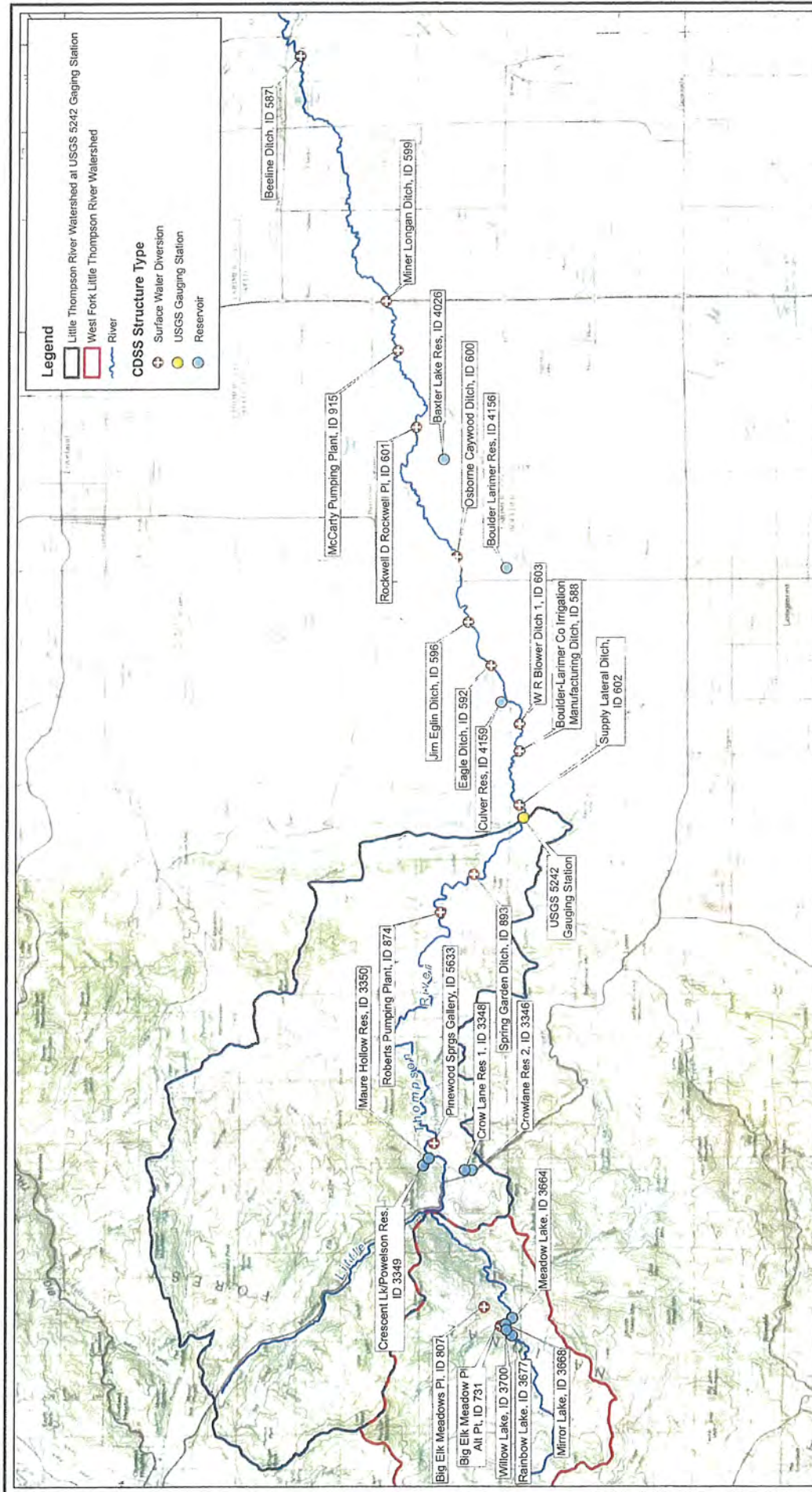
In the event a member fails to pay the annual or special assessment within 60 days from the date of mailing of notice of assessment by the secretary, such assessment(s) shall be lien upon the lot or lots owned by such Association member, and such lien

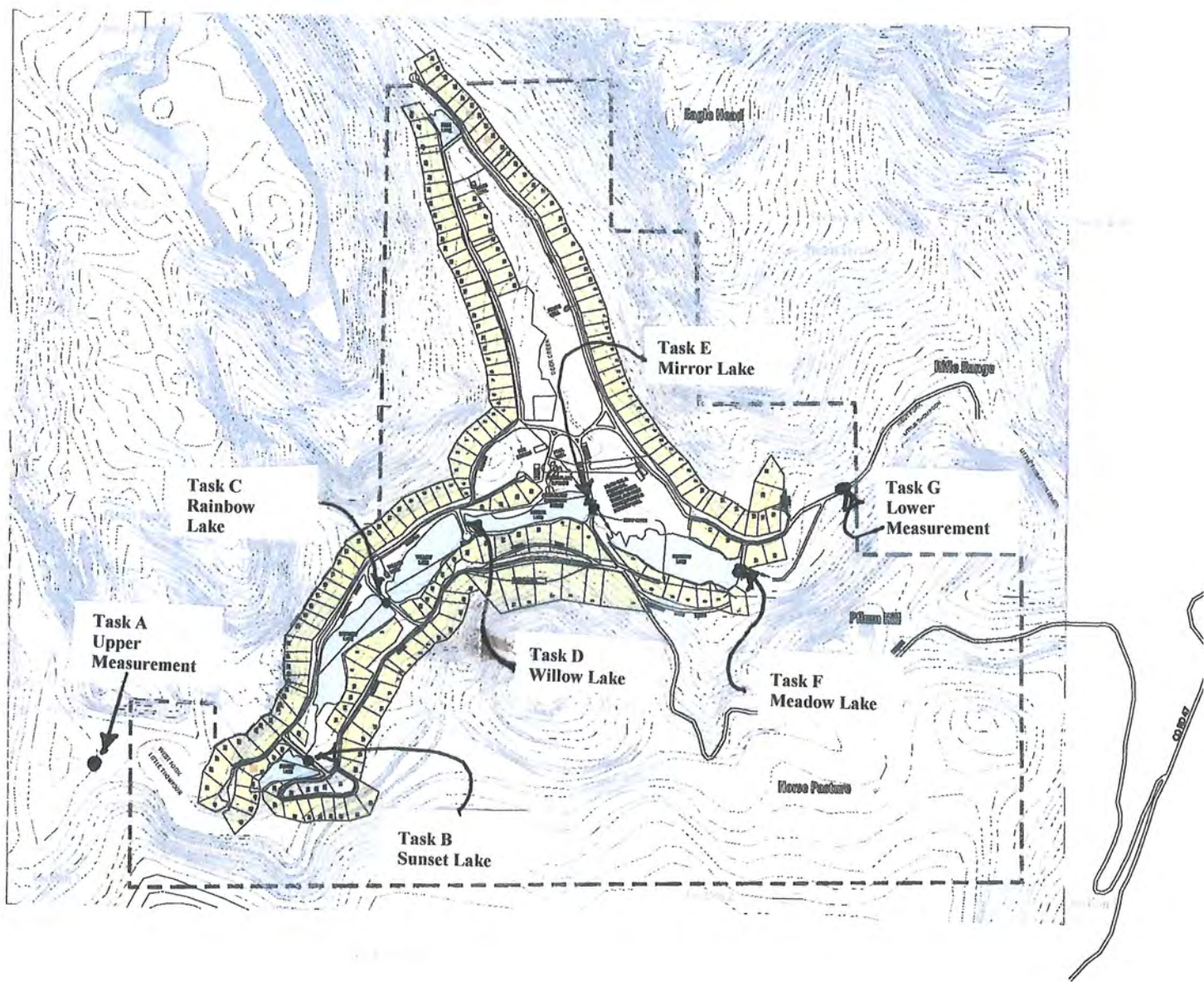
may be foreclosed upon pursuant to article VII of the Declaration and Agreement of Protective Covenants executed by Big Elk Meadows, Inc., dated August 2, 1966, and recorded in Boulder County on Film 577, as Reception No. 822910 and in Larimer County in book 1336 on page 533, and pursuant to Article Twelfth of the Articles of Amendment to Articles of Incorporation filed April 30, 1976, with the Secretary of State's office of the State of Colorado.

XVIII. RULES AND REGULATIONS

The Board of Directors shall have the power to promulgate, publish and enforce such rules and regulations as are reasonably necessary to implement the powers granted to and carry out the duties imposed upon them by the Articles of Incorporation, The User's Agreement, or these By-Laws, including rules and regulations governing the use of the water, or other services furnished by the Association.

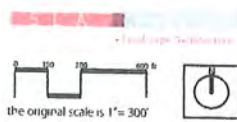
In the event of any breach of rules and regulations that may from time to time be in force, the Board of Directors shall have the right to pursue such legal remedies as may be available to the Association, or in lieu thereof, at its election, to levy such penalties as the Board of Directors, in its opinion, may deem just according to the nature of the offense, or to terminate water service to the member, or both, and if services are terminated, to require an appropriate tap fee or other charge before re-establishment of service.

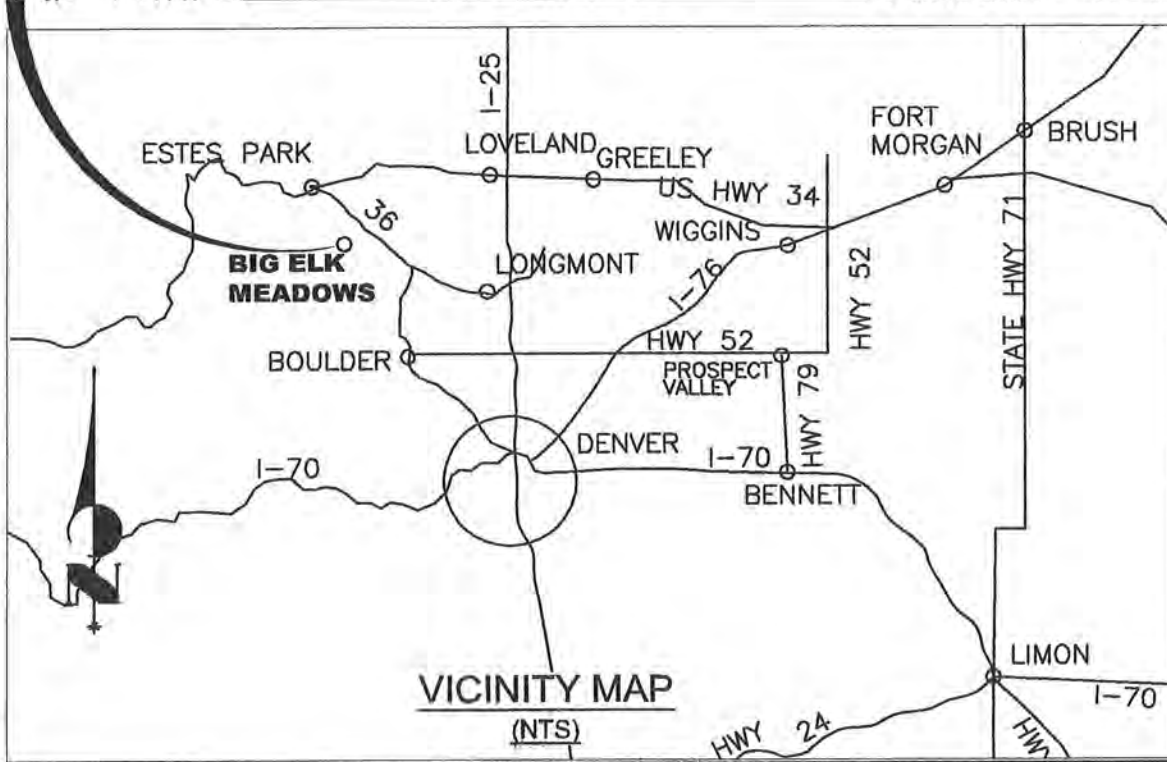
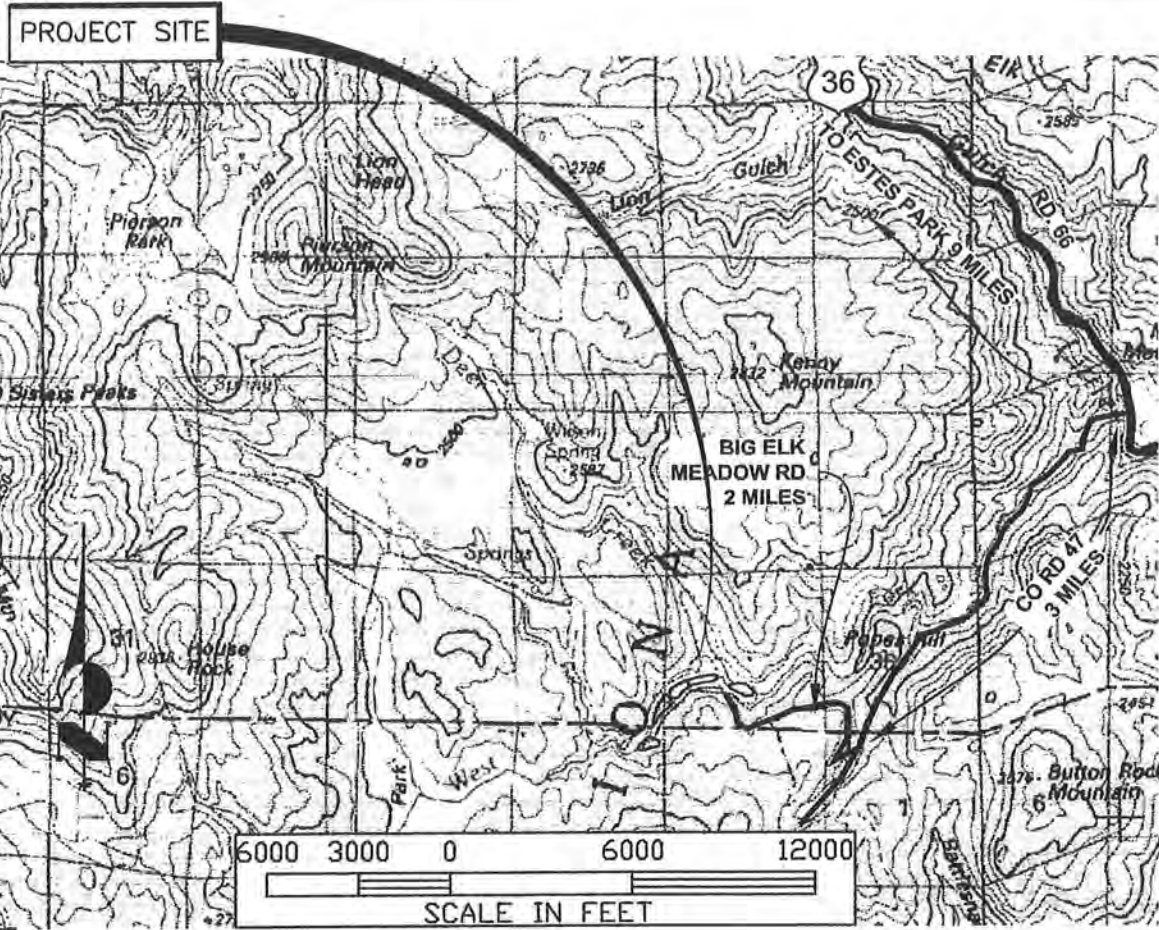




Big Elk Meadows Inventory Plan

Note: The boundary depicted was derived from a map provided by the Big Elk Meadows Planning Committee. The boundary is shown only to indicate a general location and should not be used for any legal or financial purposes regarding liability, construction or design.

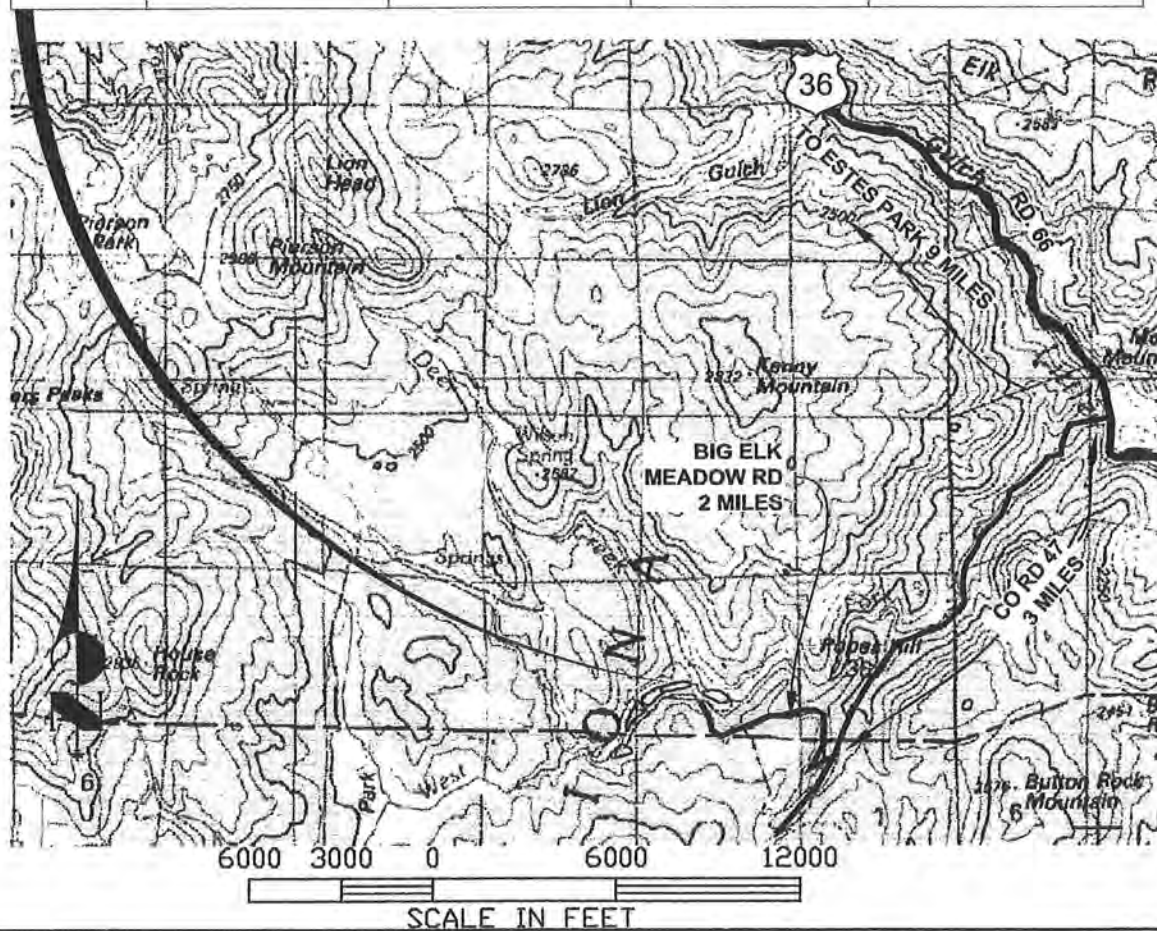
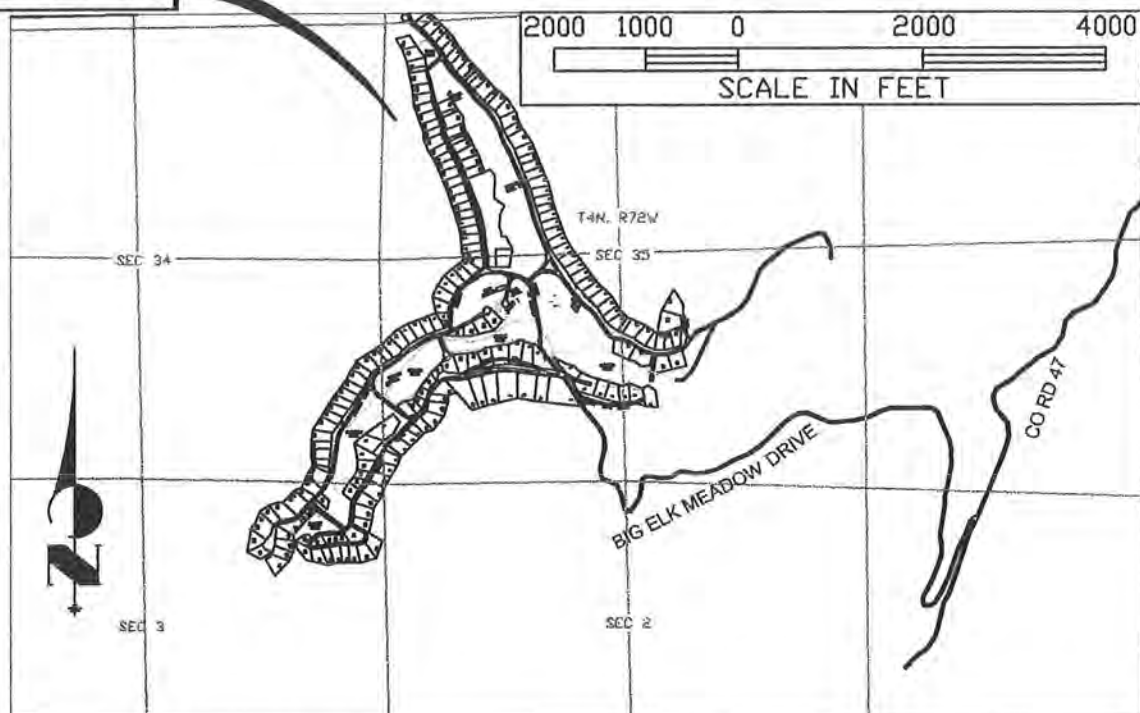




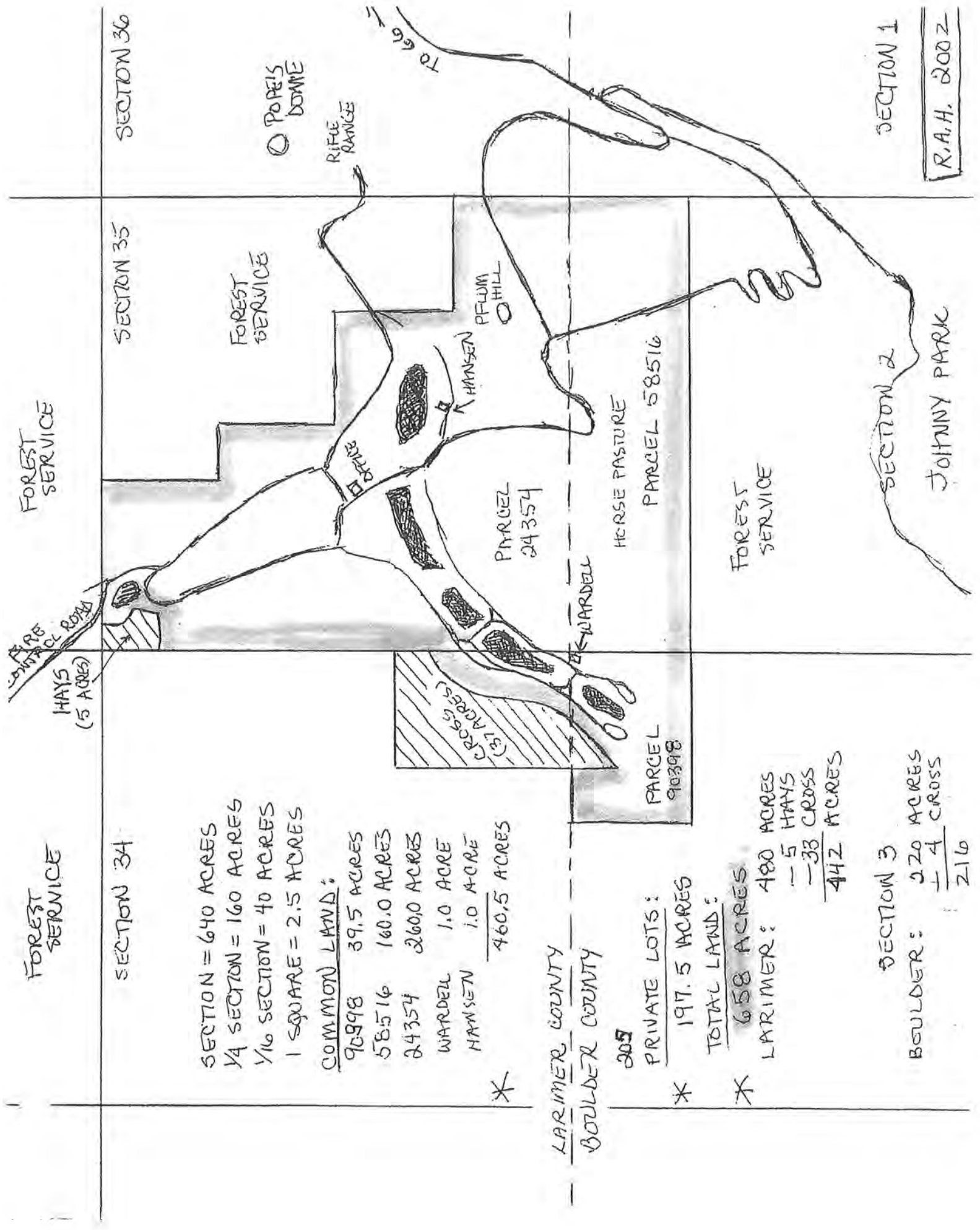
**VICINITY MAP
BIG ELK MEADOWS, COLORADO**

FIGURE 1

PROJECT SITE



LOCAL MAP
BIG ELK MEADOWS, COLORADO



FOREST SERVICE

SECTION 34

SECTION = 640 ACRES
 1/4 SECTION = 160 ACRES
 1/16 SECTION = 40 ACRES
 1 SQUARE = 2.5 ACRES

COMMON LAND:

90998	39.5 ACRES
58516	160.0 ACRES
24354	260.0 ACRES
WARDEN	1.0 ACRE
HANSEN	1.0 ACRE
	<u>460.5 ACRES</u>

*

LARIMER COUNTY
 BOULDER COUNTY

205

PRIVATE LOTS:

197.5 ACRES

*

TOTAL LAND:

658 ACRES

*

LARIMER: 480 ACRES
 - 5 HAYS
 - 33 CROSS
442 ACRES

SECTION 3

BOULDER: 220 ACRES
 + 4 CROSS
216

SECTION 35

FOREST SERVICE

RIFE RANGE

POPE'S DOME

OFFICE

HANSEN

PFLUM HILL

PARCEL 24354

HERSE PASTURE

PARCEL 58516

WARDEN

PARCEL 90398

CROSS (37 ACRES)

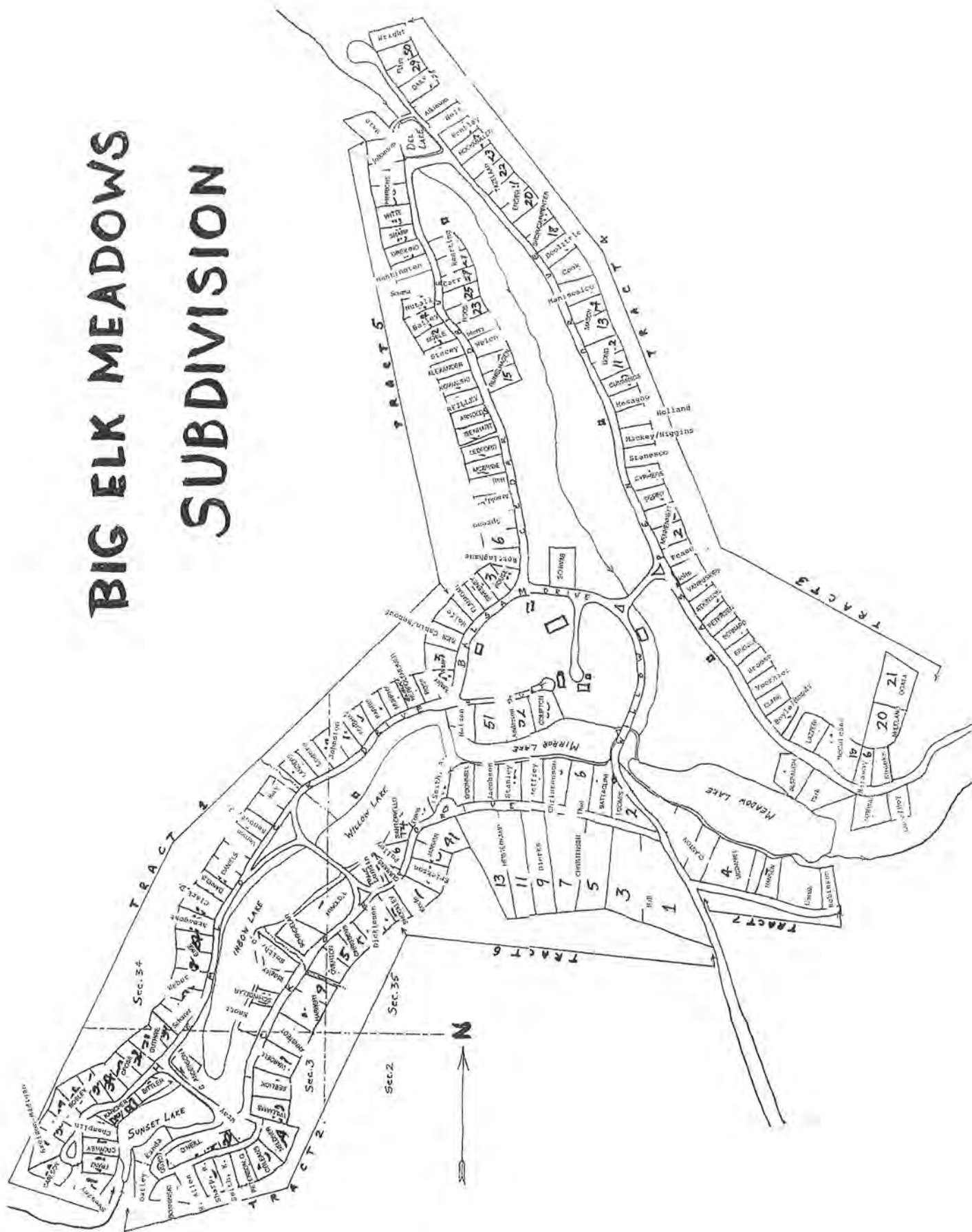
SECTION 2

JOHNNY PARK

SECTION 1

R.A.H. 2002

BIG ELK MEADOWS SUBDIVISION



ATTACHMENT "A"

Larimer County:

That part of the E1/2 of SE ¼, Sec. 34, T.4 N., R. 72 W., which lies to the South and East of the westerly property lines of subdivided lots in Big Elk Meadows Subdivision and W ½ of NW ¼ and SE ¼ of NW ¼ and W ½ of NE ¼ of NW ¼ and SW ¼ and W ½ of SE ¼ and SE ¼ of SE ¼, Sec. 35, T.4 N., R. 72 W.;

Boulder County:

That part of the NE ¼ of NE ¼, Sec. 3, T.3 N., R. 72 W., which lies to the South East of the westerly property lines of subdivided lots in Big Elk Meadows Subdivision, and E ½ of NW ¼ of NE ¼, Sec. 3, T.3 N., R. 72 W.; and N ½ of N ½, Sec. 2, T.3 N., R.72 W.;

Larimer and/or Boulder Counties:

The Big Elk Meadows Subdivision, the plat(s) of which are recorded as herein above described, inter alia; and

(A) LESS all currently platted lots and blocks, otherwise situated within the area known as Big Elk Meadows Subdivision, which belong to owners other than said BIG ELK MEADOWS ASSOCIATION;

(B) AND LESS a five acre parcel, more or less which lies in the NW corner of the NW ¼ of Sec. 35, T.4 N., R.72 W. to be surveyed and platted as part of the Big Elk Meadows Subdivision to wit:

That potion of the NW ¼ of NW ¼ of Sec.35, T.4 N., R. 72 W., of the 6th Principal Meridian, Larimer County, Colorado as described as follows: Beginning at the Northwest corner of said Sec. 35, thence along the North line of said NW ¼ of Sec.35, South 84 42'50" East 130.70 feet to the approximate center of Deer Creek, thence along said approximate center line the following six courses and distances: (1) South 28 44'42" West 32.06 feet, (2) South 29 22'17" East 89.78 feet, (3) North 83 07'21" East 85.59 feet, (4) South 01 23'44" West 37.40 feet, (5) South 86 38'05" East 50.15 feet, (6) South 18 44'22" East 55.91 feet; thence leaving said approximate center line North 83 18'44" East 53.31 feet; thence South 71 20'35" East 11.60 feet to the westerly right of way of Aspen drive, Big Elk Meadows; thence along said right of way South 42 03'10" East 69.64 feet; thence North 71 20'35" West 32.11 feet; thence South 51 02'36" West 83.01 feet; thence South 21 22'18" East 72.62 feet; thence South 33 48'18" East 70.92 feet to the North line of Lot 41, Tract 5, Big Elk Meadows; thence along said North line South 78 28'10" West 198.5 feet to the Westerly line of said Tract 5, thence along said westerly line South 11 31'50" East 343.44 feet; thence South 78 28'10" West 276.95 feet to the West line of said NW ¼ of said Sec. 35; thence along said West line North 0 11'46" East 850.47 feet to the point of beginning containing five acres more or less.

COST ESTIMATE

***BIG ELK MEADOWS ASSOCIATION
BIG ELK WATER ASSOCIATION***

***FLOOD DAMAGE REPAIR /
REPLACEMENT***

PREPARED BY:

**ELK RIDGE CONSULTING
1995 E. COALTON RD.
APT. 84-202
SUPERIOR, CO 80027**

BY:

**LEONARD ARNOLD
970-215-3567
larnold@elkridgeconsulting.com**

NOVEMBER 29, 2013

INTRODUCTION

On September 11, 2013, the Northern Colorado mountain areas from Boulder to Fort Collins were subjected to a rain event that, by most observers, was a 500 to 1000 year event. Water in the individual watersheds accumulated in each stream and adversely affected all the communities in low lying areas.

Big Elk Meadows is situated on the Little Thompson Creek, and consists of 205 lots and 160 residences. Most homes were situated high enough above the flood waters and only four residences sustained total damages. The infrastructure of Big Elk Meadows involved five dams and a domestic water system; all were destroyed.

This estimate is prepared to account for the reconstruction costs of the water retention and measuring systems. It is structured to address the following seven tasks:

<u>Task Designation</u>	<u>Task</u>
A	Upper Flow Measurement System
B	Sunset Dam Reconstruction
C	Rainbow Dam Reconstruction
D	Willow Dam Reconstruction
E	Mirror Dam Reconstruction
F	Meadow Dam Reconstruction
G	Lower Flow Monitoring System

These tasks are prepared in the order that follows water flow from the entry to the exit of the Big Elk Meadows property. This estimate has been prepared after three visits to the site. Access to the community is limited.

The following activities are underway and will aid a more accurate analysis of cost:

- Aerial Photographs
- Topography Mapping
- Master Plan Preparation

This estimate is based on an initial survey with hand held range finders.

TASK A – Upper Flow Measurement System (Priority 1)

Scope: The entire flow monitoring system, including flume, meters, etc., was destroyed.

• Design:	\$ 5,000
• Permitting:	- 0 -
• Construction:	
Excavate new site (100 cy)	2,000
Flume purchase	3,000
Flume installation	500
Concrete flow structure (500 cy)	10,000
Rip rap channel (60 cy)	1,800
Re-channel stream	1,000
Sutron metering device	6,000
Sutron metering installation	1,000
Miscellaneous	3,000
• Other (project management -15%)	4,995
• Contingency (10%)	<u>3,800</u>
• Total	\$ 42,095

TASK B – Sunset Lake Dam Reconstruction (Priority 3)

Scope: Sunset Lake is a small reservoir that serves as a detention area for a decreed 8.6 acre foot water storage. The following facts were used in calculating this replacement cost:

• Damaged length	210 lf
• Road top width	24 feet
• Height to dam top	24 feet
• Face	3 to 1 slope
• Toe	2 to 1 slope

Cost Estimate (Subcontracted)

• Design (non-jurisdictional)	\$ 20,000
• Permitting	- 0 -
• Construction	
Fill 5920 cy (1) (1/4 on site)	133,200
Rip rap face 1182 cy	47,280
Rip rap toe 824 cy	24,720
Gravel top 40 cy	1,200
Gate structure 1 ea	3,000
Outlet pipe (12") 150 lf	5,250
Inlet structure 1 ea	5,000



Inlet Monitoring



Outlet Monitoring

Outlet structure 1 ea	3,000
Seeding 15,200 sf	300
Bridge/outfall repair (LS)	2,500
• Other (project management – 5%)	15,000
• Contingency (10%)	<u>28,000</u>
• Total	\$ 288,450

TASK C – Rainbow Lake Dam Reconstruction (Priority 1)

Scope: Rainbow Lake is a 28.13 acre foot retention that will serve as the initial storage reservoir. It is the most critical water storage facility and would be fast-tracked. The following facts were used in calculating this replacement cost:

- Damaged length 225 lf
- Road top width 30 feet
- Height 18 feet
- Face 3 to 1 slope
- Toe 2 to 1 slope

Cost Estimate (Subcontracted)

• Design (non-jurisdictional)	\$ 20,000
• Permitting	-0 -
• Construction	
Fill (1) 11,250 cy (1/2 on site)	168,750
Rip rap face 1166 cy	46,400
Rip rap toe 800 cy	32,000
Gravel top 63 cy	1,890
Gate structure 1 ea	3,000
Outlet pipe 135 lf	4,725
Inlet structure 1 ea	5,000
Outlet structure 1 ea	3,000
Seeding 25,000 sf	500
• Other (project management)	21,700
• Contingency (10%)	<u>43,400</u>
• Total	\$ 330,365

TASK D – Willow Lake Dam Reconstruction (Priority 2)

Scope: Willow Lake is a 22.8 acre foot lake that is above our drinking water inlet. It is less critical if Rainbow Dam is constructed first. The following facts were used in calculating this replacement cost:

- Damaged length 210 lf
- Width 24 feet

- Height 22 feet
- Face 3 to 1 slope
- Toe 2 to 1 slope

Cost Estimate (Subcontracted)

• Design (non-jurisdictional)	\$ 20,000
• Permitting	- 0 -
• Construction	
Fill (1) 13,530 cy (1/2 on site)	202,950
Rip rap face 1088 cy	43,250
Rip rap toe 715 cy	21,450
Gravel top 62 cy	1,860
Gate structure 1 ea	3,000
Outlet pipe 144 lf	5,040
Inlet structure 1 ea	5,000
Outlet structure 1 ea	3,000
Seeding 25,200 sf	500
• Other (project management)	24,400
• Contingency (10%)	<u>48,000</u>
• Total	\$ 358,500

TASK E – Mirror Lake Dam Reconstruction (Priority 2)

Scope: Mirror Lake Dam serves as our main road into Big Elk Meadows, and is our current surface water source for our water treatment facility. It is a 17.15 acre foot lake and currently has a stream diversion cut into it to channel water to our water treatment plant. The following facts were used in calculating this replacement cost:

• Design (non-jurisdictional)	\$ 20,000
• Permitting	- 0 -
• Construction	
Fill (1) 14,220 cy (1) (3/4 on site)	106,650
Rip rap face 1700 cy	68,000
Rip rap toe/overflow 782 cy	31,280
Gravel top 133 cy	3,990
Gate structure (repair)	2,000
Release structure	3,000
Outlet pipe 135 lf	4,600
Seeding 26,400	530
• Other (project management)	15,000
• Contingency	<u>25,000</u>
• Total	\$ 280,050

TASK F – Meadow Lake Dam Reconstruction (Priority 2)

Scope: Meadow Lake Dam is our final dam in the property, and is a State of Colorado jurisdictional dam. It was recently reconstructed with a new outlet structure. The following facts were used in calculating this replacement cost:

- Jurisdictional dam
- Damaged length 200 lf
- Width 30 feet
- Height 34 feet (formerly 20')
- Face 3 to 1 slope
- Toe 2 to 1 slope

Cost Estimate (Subcontracted)

- | | |
|------------------------------------|---------------|
| • Design | \$ 80,000 |
| • Permitting | 5,000 |
| • Construction | |
| Fill (1) 20,450 cy (1/2 on site) | 381,750 |
| Rip rap face 1510 cy (1/2 on site) | 30,200 |
| Rip rap toe 1037 cy (1/2 on site) | 20,740 |
| Gravel top 64 cy | 1,920 |
| Gate | 5,000 |
| Gate structure | 10,000 |
| Outlet pipe 210 lf | 7,000 |
| Inlet structure | 15,000 |
| Outlet structure | 10,000 |
| Seeding 34,000 sf | 680 |
| • Other (project management) | 30,000 |
| • Contingency (10%) | <u>51,000</u> |
| • Total | \$ 563,290 |

TASK G – Lower Flow Monitoring System (Priority 1)

Scope: The lower flow monitoring system has been totally destroyed. The flume, concrete structure, meter and all other portions will need to be replaced.

- | | |
|-------------------------|---------------------|
| • Design | With Upper Estimate |
| • Permitting | - 0 - |
| • Construction | |
| Excavate new site | \$ 2,000 |
| Flume purchase | 3,000 |
| Flume installation | 500 |
| Concrete flow structure | 10,000 |
| Rip rap channel | 1,800 |

	Re-channel stream	1,000
	Sutron metering device	6,000
	Sutron metering installation	1,000
	Miscellaneous	3,000
•	Other (project management)	5,000
•	Contingency	<u>3,800</u>
•	Total	\$ 40,095

Note (1): Some dams have been totally lost, with all fill material unavailable. These items, noted with (1), could be substantially reduced in cost should an on-site gravel pit be approved by FEMA historic review.

Big Elk Meadows Association

Balance Sheets 2011

Big Elk Meadows Association

P.O. Box 440
Lyons, Colorado 80540

ADJUSTED

Balance Sheet

As of May 2011

7/8/2011
9:39:29 PM

Assets

Cash in Bank	\$9,014.19
Investments	\$2,078.24
Accounts Receivable	\$16,077.45
Buildings	\$162,493.21
Recreational Facilities	\$121,348.06
Pool	\$52,668.03
Lake Improvements	\$62,697.00
Dam Improvements	\$185,524.93
Road Improvements	\$62,482.91
Machinery	\$186,751.04
Vehicles	\$90,013.55
Land	\$190,727.81
Water Augmentation	\$321,834.65
Prepaid Water Augmentation Exp	\$10,866.32
Accumulated Depreciation	(\$737,312.21)
Total Assets	<u>\$737,265.18</u>

Liabilities

FICA Payable	\$3,384.13
Federal Withholding	\$147.21
Colorado Withholding	\$1,069.60
Accounts Payable BEWA	(\$254.80)
Grader Loan - 2007 - 2014	\$22,312.25
Weed Cutter Loan-6/1/08-5/1/12	\$4,155.53
Memorial Tree Fund	(\$81.88)
Pool Restoration Fund	\$600.00
Adopt-a-Tree Fund	\$1,761.58
Pool Slide Donations	\$355.00
Unemployment Taxes	(\$45.24)
Total Liabilities	<u>\$33,403.38</u>

Equity

Retained Earnings	\$693,573.78
Retained Earnings	(\$24,461.50)
Current Earnings	\$12,798.63
Historical Balancing Account	\$21,950.89
Total Equity	<u>\$703,861.80</u>
Total Liability & Equity	<u>\$737,265.18</u>

	A	B	C	D	E	F	G
1	BIG ELK MEADOWS ASSOCIATION				5/31/2011		
2	BUDGET 2011-2012						
3	ACCT. DESCRIPTION	BUDGET 2010-11	ACTUALS YTD		APPROVED		
4	INCOME						
5	4001 MEMBERSHIP DUES (11-12: 163 X \$1303.56)	\$208,314.00	\$205,304.27	\$212,480.28			
6	4011 LESSEES PAYMENTS (HANSEN \$150)	\$150.00	\$150.00	\$150.00			
7	4021 USERS FEES (4 Members who rent their homes to others)	\$5,000.00	\$3,976.90	\$5,000.00			
8	4031 SERVICES (\$3500 LAR. CNTY. + EMPLOYEES HELP)	\$6,000.00	\$4,179.25	\$4,000.00			
9	4041 INTEREST (DWS SCUDDER MM .2% currently) + Q/M Pay	\$4,000.00	\$3,925.47	\$4,000.00			
10	4051 RENT(on BEM cabin across from garage) No rent now.	\$0.00		\$0.00			
11	4061 MISCELLANEOUS INCOME (Late fees, sale of remotes for	\$500.00	\$329.99	\$300.00			
12	4071 BEW FAIRSHARE (SUM OF BEW ITEMS WITH "is")	\$100,900.00	\$113,125.83	\$104,760.00			
13	4081 PROPERTY TRANSFER FEES	\$600.00	\$300.00	\$600.00			
14	4091 FISHING PERMITS (90 X \$85) + \$1,350 in contributions	\$8,000.00	\$5,190.00	\$6,000.00			
15	4101 SPECIAL ASSESSMENT	\$0.00		\$0.00			
16	CO Healthy Rivers Grant	\$11,720.00		\$0.00			
17	INCOME TOTALS	\$345,184.00	\$336,481.71	\$337,290.28			
18	EXPENSES						
19	GRADER LOAN EXPENSE (INTEREST)	\$2,090.00	\$1,447.14	\$1,525.00			
20	BOAT/WEED CUTTER LOAN EXPENSE (INTEREST)	\$432.00	\$602.86	\$104.94			
21	6111 SALARY OPERATIONS ADMINISTRATOR (\$20.20/hr+CO	\$50,000.00	\$46,990.51	\$52,000.00			
22	6121 SALARY OFFICE ACCOUNTANT (\$10,598) +400/mo health	\$16,000.00	\$15,819.43	\$16,400.00			
23	6131 SALARY OPERAT. & MAINT.(B) (17.34/hour)	\$36,000.00	\$38,581.51	\$39,000.00			
24	6141 OUTSIDE LABOR (ALL HOURLY WORK)	\$3,000.00	\$108.00	\$1,000.00			
25	6161 SALARY OPERATIONS & MAINTENANCE (A)/OFFICE (\$1	\$27,000.00	\$26,878.97	\$28,000.00			
26	6211 PAYROLL TAXES (FICA, CUTA, FUTA ETC.)	\$12,900.00	\$10,937.59	\$13,500.00			
27	6221 REAL ESTATE TAXES (1 LESSEE LOT)	\$20.00		\$20.00			
28	6241 FIRE, CASUALTY INSUR.	\$19,000.00	\$15,992.75	\$17,000.00			
29	6251 TAXES & LICENSES	\$500.00	\$2,023.19	\$500.00			
30	6261 WORKMEN'S COMP	\$4,000.00	\$3,198.00	\$3,600.00			
31	6271 HEALTH BENEFITS \$2333/mo + inc.	\$29,000.00	\$34,490.16	\$35,000.00			
32	6311 OFFICE MAINTENANCE (New flooring)	\$500.00	\$138.16	\$500.00			
33	6321 GARAGE MAINTENANCE (Repair roof)	\$1,000.00	\$1,294.62	\$1,000.00			
34	6322 MAINTENANCE BUILDING IMPROVEMENTS	\$0.00	\$350.00	\$0.00			
35	6331 CABIN MAINTENANCE (front steps, deck cover)	\$2,500.00	\$213.19	\$1,500.00			
36	6340 FACILITIES INFRASTRUCTURE	\$13,478.00		\$9,510.07			
37	7021 2003 DODGE TRUCK MAINTENANCE/Sander	\$3,000.00	\$2,747.86	\$3,500.00			
38	7031 2001 DODGE TRUCK & PLOW MAINTENANCE	\$4,000.00	\$5,170.08	\$4,000.00			
39	7041 GRADER MAINTENANCE (Tires)		\$1,859.96	\$4,000.00			

	A	B	C	D	E	F	G
40	7051	FUEL (GAS & DIESEL)	\$8,000.00	\$8,050.28	\$9,000.00		
41	7061	OIL, LUBE ETC. (PURCHASED IN BULK ALT. YEARS)	\$250.00		\$250.00		
42	7121	ROADS & BRIDGES (Improvements to surface)	\$12,000.00	\$8,369.41	\$8,000.00		
43	7131	SAND PURCHASE	\$1,200.00		\$1,200.00		
44	7141	TRACTOR & MOWER MAINT.	\$200.00	\$807.64	\$1,000.00		
45	7211	FISH STOCKING (depending on lake health)	\$8,000.00	\$7,942.15	\$8,000.00		
46	7221	WEED CONTROL-LAKES (LAKE HEALTH) Alum loan	\$17,220.00	\$14,759.05	\$1,000.00		
47	7231	DAMS & SPILLWAYS (Meadow Dam and Flume Repair)	\$6,000.00	\$10,691.25	\$10,000.00		
48	7311	LIFEGUARD (\$9.00/hr + training)	\$7,500.00	\$7,200.00	\$7,500.00		
49	7321	POOL SUPPLIES	\$3,000.00	\$2,818.65	\$3,000.00		
50	7331	POOL MAINTENANCE (boiler and concrete decking)	\$5,000.00		\$5,000.00		
51	7341	POOL PROPANE	\$4,000.00	\$7,405.15	\$5,000.00		
52	7411	TENNIS	\$500.00		\$500.00		
53	7421	OTHER COMMON AREAS (Dumpster slab)	\$1,000.00	\$51.72	\$1,000.00		
54	7611	TELEPHONE / High speed Internet	\$4,000.00	\$4,952.52	\$5,000.00		
55	7621	ELECTRICITY	\$4,000.00	\$4,529.89	\$4,800.00		
56	7631	PROPANE GARAGE	\$3,000.00	\$1,440.05	\$1,500.00		
57	7641	TRASH SERVICE (MacDonald Farms & WM Contract)	\$12,000.00	\$7,574.86	\$9,000.00		
58	7711	LEGAL SERVICE	\$1,000.00	\$75.95	\$1,000.00		
59	7721	OFFICE SUPPLIES	\$4,000.00	\$4,412.55	\$4,000.00		
60	7731	POSTAGE	\$2,000.00	\$1,637.81	\$1,500.00		
61	7741	TAX RETURN PREPARATION	\$500.00	\$475.00	\$500.00		
62	7751	SPECIAL PROJECTS (Bar-B-Q, Dir, Volunteer awds)	\$600.00	\$601.48	\$600.00		
63	7801	SHOP SUPPLIES	\$3,500.00	\$2,366.03	\$3,500.00		
64	7811	CONFERENCES & EDUCATION	\$500.00	\$515.26	\$500.00		
65	7821	GATE MAINTENANCE	\$500.00	\$1,433.28	\$500.00		
66	7831	MISCELLANEOUS EXP.	\$500.00	\$116.26	\$500.00		
67	7824	SAND SHED POWER INSTALL	\$0.00		\$0.00		
68	7822	EMPLOYEE MILEAGE		\$308.81	\$1,200.00		
69	7823	ATV MAINTENANCE	\$1,200.00		\$600.00		
70	7832	GRADER LOAN PRINCIPAL (ends March 2014)	\$6,076.00	\$7,072.05	\$6,635.00		
71	7833	WEED CUTTER LOAN PRINCIPAL (ends May 2012)	\$3,518.00	\$3,518.00	\$3,845.27		
72	EXPENSE TOTALS		\$345,184.00	\$317,969.08	\$337,290.28		
73	LOAN INTEREST						
74	INCOME - EXPENSE		\$0.00	\$18,512.63	\$0.00		
75	RESERVE FUND EXPENSE FOR 2011-2012						
76		Replace BEMA radios mandatory FCC			\$5,000.00		
77							
78							

	A	B	C	D	E	F	G
79		FAIRSHARE CALCULATION 2011-2012					
80	6035	CABIN USE FEE	\$1,200.00	\$1,300.00	\$1,200.00		
81	6115	SALARY OPERATIONS ADMINISTRATOR	\$20,000.00	\$20,545.14	\$20,800.00		
82	6125	SALARY OFFICE ACCOUNTANT	\$6,400.00	\$6,948.16	\$6,560.00		
83	6135	SALARY OPERATIONS & MAINTENANCE (B)	\$19,440.00	\$22,651.27	\$21,060.00		
84	6145	OUTSIDE LABOR	\$1,200.00	\$43.20	\$400.00		
85	6165	SALARY OPERATIONS & MAINTENANCE (A)	\$10,800.00	\$11,019.63	\$11,200.00		
86	6215	PAYROLL TAXES	\$5,160.00	\$4,670.04	\$5,400.00		
87	6245	FIRE, CASUALTY INSURANCE	\$7,600.00	\$7,029.50	\$6,800.00		
88	6255	TAXES & LICENSES	\$200.00	\$2,467.49	\$200.00		
89	6265	WORKMEN'S COMP	\$1,600.00	\$1,379.60	\$1,440.00		
90	6275	HEALTH BENEFITS	\$11,600.00	\$14,395.31	\$14,000.00		
91	6315	OFFICE MAINTENANCE	\$200.00	\$59.50	\$200.00		
92	6325	GARAGE MAINTENANCE	\$400.00	\$517.85	\$400.00		
93	6335	CABIN MAINTENANCE	\$1,000.00	\$98.75	\$600.00		
94	7025	2003 DODGE TRUCK MAINTENANCE	\$1,200.00	\$1,081.92	\$1,400.00		
95	7035	2001 DODGE TRUCK MAINTENANCE	\$1,600.00	\$1,269.34	\$1,600.00		
96	7055	FUEL (GAS & DEISEL)	\$3,200.00	\$3,126.25	\$3,600.00		
97	7065	OIL AND LUBE	\$100.00	\$17.23	\$100.00		
98	7615	TELEPHONE	\$1,600.00	\$2,021.50	\$2,000.00		
99	7625	ELECTRICITY	\$1,000.00	\$1,811.96	\$1,200.00		
100	7635	PROPANE GARAGE	\$1,200.00	\$532.45	\$600.00		
101	7715	LEGAL SERVICE	\$400.00	\$102.18	\$400.00		
102	7725	OFFICE SUPPLIES	\$1,600.00	\$1,707.74	\$1,600.00		
103	7735	POSTAGE	\$800.00	\$1,013.23	\$600.00		
104	7805	SHOP SUPPLIES	\$1,400.00	\$897.01	\$1,400.00		
105		TOTAL FAIRSHARE	\$100,900.00	\$106,706.25	\$104,760.00		
106			*				
107		*BEW F/S expense total \$106,706.25					
108		BEMA F/S income total \$113,125.83					
109		because the May 2010 payment was not deposited					
110		in BEMA until the first week in June.					
111							
112							
113							
114							
115		BIG ELK WATER ASSOCIATION			5/31/2011		
116		BUDGET 2011-2012					
117							

	A	B	C	D	E	F	G
118	ACCT.	DESCRIPTION	BUDGET 2010-11	YTD ACTUAL	APPROVED		
119	INCOME						
120	4005	MEMBERSHIP FEES (11-12:157 X \$759.90)	\$116,965.00	\$115,340.47	\$119,304.30		
121	4015	TAP FEES (Bank foreclosure)	\$0.00	\$16,000.00	\$16,000.00		
122	4025	SERVICES (EMPLOYEES' HELP)	\$500.00		\$100.00		
123	4035	INTEREST (DWS SCUDDER MM .2% currently) + Q/M pay	\$2,000.00	\$2,222.36	\$2,000.00		
124	4045	MISCELLANEOUS INCOME (Late fees)	\$500.00	\$493.21	\$500.00		
125	4055	WATER CHARGES (1,800,000 GALX.025/GAL +200,000 X	\$52,000.00	\$46,616.00	\$52,000.00		
126	4085	PROPERTY TRANSFER FEES (6 X \$100)	\$600.00	\$300.00	\$600.00		
127	4065	SPECIAL ASSESSMENT	\$0.00				
128	INCOME TOTALS		\$172,565.00	\$180,972.04	\$190,504.30		
129							
130	EXPENSES						
131	6005	WATER PROJECTS LOAN INTEREST (Bank of the West)		\$1,647.42	\$0.00		
132	6035	CABIN USE FEE (\$100/MONTH WHEN CARETAKER OCC	\$1,200.00	\$1,300.00	\$1,200.00		
133	6115	SALARY OPERATIONS ADMIN.(F/S 40% OF BEM ACC 61	\$20,000.00	\$20,545.14	\$20,800.00		
134	6125	SALARY OFFICE ACCOUNTANT (F/S 40% OF BEM ACC	\$6,400.00	\$6,948.16	\$6,560.00		
135	6135	SALARY OPERATIONS & MAINT. (B) (F/S 54% Of BEM AC	\$19,440.00	\$22,651.27	\$21,060.00		
136	6145	OUTSIDE LABOR (F/S 40% OF BEM ACC 6141)*	\$1,200.00	\$43.20	\$400.00		
137	6165	SALARY OPER. & MAINT. (A) (F/S 40% OF BEM ACC 616	\$10,800.00	\$11,019.63	\$11,200.00		
138	6215	PAYROLL TAXES (F/S 40% OF BEM ACC 6211)*	\$5,160.00	\$4,670.04	\$5,400.00		
139	6245	FIRE, CASUALTY INSUR (F/S 40% OF BEM ACC 6241)*	\$7,600.00	\$7,029.50	\$6,800.00		
140	6255	TAXES & LICENSES (50% OF BEM ACC 6251)*	\$200.00	\$2,467.49	\$200.00		
141	6265	WORKMENS COMP (F/S 40% OF BEM ACC 6261)*	\$1,600.00	\$1,379.60	\$1,440.00		
142	6275	HEALTH BENEFITS (F/S 40% OF BEM ACC 6271)*	\$11,600.00	\$14,395.31	\$14,000.00		
143	6315	OFFICE MAINTENANCE (F/S 40% OF BEM ACC 6311)*	\$200.00	\$59.50	\$200.00		
144	6325	GARAGE MAINTENANCE (F/S 40% OF BEM ACC 6321)*	\$400.00	\$517.85	\$400.00		
145	6335	CABIN MAINTENANCE (F/S 40% OF BEM ACC 6331)*	\$1,000.00	\$98.75	\$600.00		
146	6340	FACILITIES INFRASTRUCTURE	\$9,915.00	\$7,915.00	\$19,694.30		
147	7015	BACKHOE MAINTENANCE	\$2,000.00	\$3,689.56	\$1,000.00		
148	7025	2003 DODGE TRUCK (F/S 40% OF BEM ACC 7021)*	\$1,200.00	\$1,081.92	\$1,400.00		
149	7035	2001 DODGE TRUCK MAINTENANCE (F/S 40% OF BEM	\$1,600.00	\$1,269.34	\$1,600.00		
150	7055	FUEL (GAS & DEISEL) (F/S 40% OF BEM ACC 7051)*	\$3,200.00	\$3,126.25	\$3,600.00		
151	7065	OIL, LUBE ETC. (F/S 40% OF BEM ACC 7061)*	\$100.00	\$17.23	\$100.00		
152	7515	WATER TREAT. SUPPLIES/TESTING .	\$10,000.00	\$13,717.94	\$15,000.00		
153	7525	PUMP & WELL HOUSE MAINT.	\$1,750.00		\$2,000.00		
154	7535	MICROFILTRATION SYSTEM and MIEX MAINTENANCE	\$15,000.00	\$12,666.37	\$17,000.00		
155	7545	MAINS MAINTENANCE (bleeders, meter protection)	\$10,000.00	\$4,624.09	\$5,000.00		
156	7555	WELL MAINTENANCE	\$1,000.00		\$1,000.00		

	A	B	C	D	E	F	G
157	7615	TELEPHONE (F/S 40% OF BEM ACC 7611)*	\$1,600.00	\$2,021.50	\$2,000.00		
158	7625	ELECTRICITY (F/S 25% OF BEM ACC 7621)*	\$1,000.00	\$1,811.96	\$1,200.00		
159	7625	ELECTRICITY (DIRECT BILLS FOR PUMPHOUSES)	\$7,500.00	\$8,308.99	\$8,500.00		
160	7635	PROPANE GARAGE (F/S 40% OF BEM ACC 7631)*	\$1,200.00	\$532.45	\$600.00		
161	7715	LEGAL SERVICE (F/S 40% OF BEM ACC 7711)*	\$400.00	\$102.18	\$400.00		
162	7725	OFFICE SUPPLIES (F/S 40% OF BEM ACC 7721)*	\$1,600.00	\$1,707.74	\$1,600.00		
163	7735	POSTAGE (F/S 40% OF BEM ACC 7731)*	\$800.00	\$1,013.23	\$600.00		
164	7745	ACC. & BOOKKEEPING	\$500.00	\$475.00	\$500.00		
165	7805	SHOP SUPPLIES (F/S 40% OF BEM ACC 7801)*	\$1,400.00	\$897.01	\$1,400.00		
166	7815	WATER METER EXPENSE (\$185 per meter)	\$0.00	\$510.92	\$2,000.00		
167	7825	CONFERENCES & EDUCATION	\$2,000.00	\$1,404.90	\$2,000.00		
168	7835	MISCELLANEOUS EXP.	\$0.00	\$57.00	\$0.00		
169		HICKORY MAIN/DISCHARGE LOAN PAYMENTS	\$12,000.00	\$12,034.38	\$12,050.00		
170		EXPENSE TOTALS	\$172,565.00	\$173,757.82	\$190,504.30		
171							
172		INCOME - EXPENSE	\$0.00	\$7,214.22	\$0.00		
173							
174		RESERVE FUND EXPENSES FOR 2011-12					
175							
176		Note: CPI increase for the Denver/Boulder/Greeley area is 2%					
177		If we ask for a raise in annual assessments of 2% and it passes,					
178		the new BEMA annual assessment would be \$1,303.56 (\$25.56)					
179		and 163 X \$1,303.56 = \$212,480.28, an increase of \$4,166.28					
180							
181		Note: CPI increase for the Denver/Boulder/Greeley area is 2%					
182		If we ask for a raise in annual assessments of 2% and it passes,					
183		the new BEWA annual assessment would be \$759.90 (\$14.90)					
184		and 157 X \$759.90 = \$119,304.30, an increase of \$2,339.30					
185							
186							
187					R.A.H.		

Big Elk Meadows Association

Balance Sheets 2012

ADJUSTED

Big Elk Meadows Association

P.O. Box 440
Lyons, Colorado 80540

Balance Sheet

As of May 2012

7/15/2012
9:04:13 AM

Assets

Cash in Bank	\$3,518.98
Investments	\$5,984.23
Investments - Water Compliance	\$2,014.20
Accounts Receivable	\$11,811.88
Buildings	\$162,493.21
Recreational Facilities	\$121,348.06
Pool	\$54,935.89
Lake Improvements	\$62,697.00
Dam Improvements	\$204,524.93
Road Improvements	\$62,482.91
Machinery	\$187,915.70
Vehicles	\$90,013.55
Land	\$190,727.81
Water Augmentation	\$374,612.48
Prepaid Water Augmentation Exp	\$10,866.32
Accumulated Depreciation	(\$766,093.21)
Total Assets	<u>\$779,853.94</u>

Liabilities

FICA Payable	\$3,604.08
Federal Withholding	\$543.73
Colorado Withholding	\$1,118.60
Accounts Payable BEWA	(\$154.80)
Water Compliance	\$64,097.24
Grader Loan - 2007 - 2014	\$14,152.25
Weed Cutter Loan-6/1/08-5/1/12	\$310.26
Memorial Tree Fund	(\$81.88)
Pool Restoration Fund	\$119.09
Adopt-a-Tree Fund	\$698.58
Pool Slide Donations	\$355.00
Unemployment Taxes	(\$253.62)
Total Liabilities	<u>\$84,508.53</u>

Equity

Retained Earnings	\$693,573.78
Retained Earnings	(\$11,662.87)
Current Earnings	(\$8,516.39)
Historical Balancing Account	\$21,950.89
Total Equity	<u>\$695,345.41</u>
Total Liability & Equity	<u>\$779,853.94</u>

	A	B	C	D	E	F
1	BIG ELK MEADOWS ASSOCIATION				5/31/2012	
2	BUDGET 2012-2013					
3	ACCT. DESCRIPTION	BUDGET 2011-12	ACTUALS YTD	PROPOSED		
4	INCOME					
5	4001 MEMBERSHIP DUES (12-13: 163 X \$1350.49)	\$212,480.28	\$212,105.24	\$220,129.87		
6	4011 LESSEES PAYMENTS (HANSEN \$150)	\$150.00	\$150.00	\$150.00		
7	4021 USERS FEES (4 Members who rent their homes to others)	\$5,000.00	\$4,220.82	\$5,000.00		
8	4031 SERVICES (\$3500 LAR. CNTY. + EMPLOYEES HELP)	\$4,000.00	\$5,151.75	\$4,000.00		
9	4041 INTEREST (DWS INVESTMENTS MM. 1% currently) + Q/M	\$4,000.00	\$4,438.40	\$4,000.00		
10	4051 RENT(on BEM cabin across from garage) No rent now.	\$0.00		\$0.00		
11	4061 MISCELLANEOUS INCOME (Late fees, sale of remotes for	\$300.00	\$280.23	\$300.00		
12	4071 BEW FAIRSHARE (SUM OF BEW ITEMS WITH "****")	\$104,760.00	\$100,211.53	\$104,875.00		
13	4081 PROPERTY TRANSFER FEES (10 X \$100)	\$600.00	\$1,000.00	\$1,000.00		
14	4091 FISHING PERMITS (90 X \$85) + \$1,350 in contributions	\$6,000.00	\$6,125.00	\$6,000.00		
15	4101 SPECIAL ASSESSMENT	\$0.00				
16	INCOME TOTALS	\$337,290.28	\$333,682.97	\$345,454.87		
17	EXPENSES					
18	GRADER LOAN EXPENSE (INTEREST)	\$1,525.00	\$815.28	\$800.00		
19	BOAT/WEED CUTTER LOAN EXPENSE (INTEREST)	\$104.94	\$104.94	\$0.00		
20	6111 SALARY OPERATIONS ADMINISTRATOR (\$20.93/hr+COL	\$52,000.00	\$46,910.09	\$50,000.00		
21	6121 SALARY OFFICE ACCOUNTANT (\$10,979) +400/mo health	\$16,400.00	\$16,089.19	\$1,000.00		
22	6131 SALARY OPERAT. & MAINT.(B) (17.96/hour)+OT+COL	\$39,000.00	\$40,210.95	\$45,000.00		
23	6141 OUTSIDE LABOR (ALL HOURLY WORK)	\$1,000.00	\$404.25	\$500.00		
24	6161 SALARY OPERATIONS & MAINTENANCE (A)/OFFICE (\$1	\$28,000.00	\$27,087.47	\$30,000.00		
25	6211 PAYROLL TAXES (FICA, CUTA, FUTA ETC.)	\$13,500.00	\$11,792.88	\$13,450.00		
26	6221 REAL ESTATE TAXES (1 LESSEE LOT)	\$20.00		\$20.00		
27	6241 FIRE, CASUALTY INSUR.	\$17,000.00	\$19,778.75	\$20,000.00		
28	6251 TAXES & LICENSES	\$500.00	\$973.86	\$800.00		
29	6261 WORKMEN'S COMP	\$3,600.00	\$3,884.00	\$4,000.00		
30	6271 HEALTH BENEFITS \$3962/mo + inc.	\$35,000.00	\$42,356.40	\$35,000.00		
31	6281 EMPLOYEE IRA MATCH	\$0.00		\$1,350.00		
32	6311 OFFICE MAINTENANCE (new flooring)	\$500.00	\$703.13	\$2,500.00		
33	6321 GARAGE /SHOP MAINTENANCE BLDG.	\$1,000.00	\$565.00	\$1,000.00		
34	6331 CABIN MAINTENANCE (front steps, deck cover)	\$1,500.00	\$1,526.79	\$1,500.00		
35	6340 FACILITIES INFRASTRUCTURE	\$9,510.07	\$9,100.00	\$8,249.87		
36	7021 2003 DODGE TRUCK MAINTENANCE	\$3,500.00	\$2,393.16	\$4,000.00		
37	7031 2001 DODGE TRUCK & PLOW MAINTENANCE	\$4,000.00	\$5,454.17	\$5,000.00		
38	7041 GRADER MAINTENANCE (Tires)	\$4,000.00		\$4,000.00		
39	7051 FUEL (GAS & DIESEL)	\$9,000.00	\$9,097.18	\$9,500.00		

	A	B	C	D	E	F
40	7061	OIL, LUBE ETC. (PURCHASED IN BULK ALT. YEARS)	\$250.00		\$250.00	
41	7121	ROADS & BRIDGES (Improvements to surface)	\$8,000.00	\$6,132.35	\$8,000.00	
42	7131	SAND PURCHASE	\$1,200.00		\$600.00	
43	7141	TRACTOR & MOWER MAINT.	\$1,000.00	\$280.27	\$500.00	
44	7211	FISH STOCKING (depending on lake health)	\$8,000.00	\$5,811.66	\$8,000.00	
45	7221	WEED CONTROL-LAKES (LAKE HEALTH) Alum loan	\$1,000.00	\$1,741.50	\$1,500.00	
46	7231	DAMS & SPILLWAYS (Meadow Dam and Flume Repair)	\$10,000.00	\$417.93	\$5,000.00	
47	7311	LIFEGUARD (\$9.00/hr + training)	\$7,500.00	\$8,241.75	\$8,500.00	
48	7321	POOL SUPPLIES	\$3,000.00	\$1,972.29	\$3,000.00	
49	7331	POOL MAINTENANCE (boiler and concrete decking)	\$5,000.00	\$5,628.55	\$1,000.00	
50	7341	POOL PROPANE	\$5,000.00	\$6,166.36	\$6,500.00	
51	7411	TENNIS	\$500.00	\$98.32	\$500.00	
52	7421	OTHER COMMON AREAS (Dumpster slab, Picnic roof)	\$1,000.00	\$1,271.54	\$5,000.00	
53	7611	TELEPHONE / High speed Internet	\$5,000.00	\$4,626.09	\$5,000.00	
54	7621	ELECTRICITY	\$4,800.00	\$4,903.72	\$5,500.00	
55	7631	PROPANE GARAGE	\$1,500.00	\$2,156.39	\$2,000.00	
56	7641	TRASH SERVICE (MacDonald Farms & WM Contract)	\$9,000.00	\$8,763.49	\$10,000.00	
57	7711	LEGAL SERVICE	\$1,000.00	\$7,547.00	\$1,000.00	
58	7721	OFFICE SUPPLIES	\$4,000.00	\$6,209.94	\$4,000.00	
59	7731	POSTAGE	\$1,500.00	\$1,600.05	\$1,500.00	
60	7741	TAX RETURN PREPARATION	\$500.00	\$550.00	\$550.00	
61	7751	SPECIAL PROJECTS (Bar-B-Q, Dir, Volunteer awds)	\$600.00	\$452.30	\$500.00	
62	7801	SHOP SUPPLIES	\$3,500.00	\$2,732.14	\$3,000.00	
63	7811	CONFERENCES & EDUCATION	\$500.00	\$263.07	\$500.00	
64	7821	GATE MAINTENANCE	\$500.00	\$54.08	\$1,000.00	
65	7831	MISCELLANEOUS EXP.	\$500.00	\$2,584.81	\$500.00	
66	7824	SAND SHED POWER INSTALL	\$0.00		\$1,500.00	
67	7822	EMPLOYEE MILEAGE	\$1,200.00	\$1,110.27	\$1,200.00	
68	7823	ATV MAINTENANCE	\$600.00	\$550.00	\$500.00	
69	7832	GRADER LOAN PRINCIPAL (ends March 2014)	\$6,635.00	\$7,480.00	\$8,160.00	
70	7833	WEED CUTTER LOAN PRINCIPAL (ends May 2012)	\$3,845.27	\$3,520.17	\$0.00	
71	7834	WRIGHT WATER ENGINEERS LOAN (ends May 2014)			\$13,025.00	
72		EXPENSE TOTALS	\$337,290.28	\$332,113.53	\$345,454.87	
73		INCOME - EXPENSE	\$0.00	\$1,569.44	\$0.00	
74		RESERVE FUND EXPENSE FOR 2011-2012				
75		Replace BEMA radios mandatory FCC	\$5,000.00	\$1,676.50		
76		RESERVE FUND EXPENSE FOR 2012-2013				
77						
78						

	A	B	C	D	E	F
79		FAIRSHARE CALCULATION 2011-2012				
80	6035	CABIN USE FEE	\$1,200.00	\$1,200.00	\$1,200.00	
81	6115	SALARY OPERATIONS ADMINISTRATOR	\$20,800.00	\$18,684.03	\$20,000.00	
82	6125	SALARY OFFICE ACCOUNTANT	\$6,560.00	\$6,435.68	\$400.00	
83	6135	SALARY OPERATIONS & MAINTENANCE (B)	\$21,060.00	\$21,713.92	\$24,300.00	
84	6145	OUTSIDE LABOR	\$400.00	\$161.70	\$200.00	
85	6165	SALARY OPERATIONS & MAINTENANCE (A)	\$11,200.00	\$10,834.99	\$12,000.00	
86	6215	PAYROLL TAXES	\$5,400.00	\$4,717.14	\$5,380.00	
87	6245	FIRE, CASUALTY INSURANCE	\$6,800.00	\$7,911.50	\$8,000.00	
88	6255	TAXES & LICENSES	\$200.00	\$1,447.00	\$320.00	
89	6265	WORKMEN'S COMP	\$1,440.00	\$1,553.60	\$1,600.00	
90	6275	HEALTH BENEFITS	\$14,000.00	\$16,942.56	\$14,000.00	
91	6315	OFFICE MAINTENANCE	\$200.00	\$302.84	\$1,000.00	
92	6325	GARAGE MAINTENANCE	\$400.00	\$226.00	\$400.00	
93	6335	CABIN MAINTENANCE	\$600.00	\$610.71	\$600.00	
94	7025	2003 DODGE TRUCK MAINTENANCE	\$1,400.00	\$957.26	\$1,600.00	
95	7035	2001 DODGE TRUCK MAINTENANCE	\$1,600.00	\$2,181.66	\$2,000.00	
96	7055	FUEL (GAS & DEISEL)	\$3,600.00	\$3,638.87	\$3,800.00	
97	7065	OIL AND LUBE	\$100.00	\$0.00	\$100.00	
98	7615	TELEPHONE	\$2,000.00	\$1,850.37	\$2,000.00	
99	7625	ELECTRICITY	\$1,200.00	\$1,225.94	\$1,375.00	
100	7635	PROPANE GARAGE	\$600.00	\$862.56	\$800.00	
101	7715	LEGAL SERVICE	\$400.00	\$3,117.80	\$400.00	
102	7725	OFFICE SUPPLIES	\$1,600.00	\$2,925.42	\$1,600.00	
103	7735	POSTAGE	\$600.00	\$946.62	\$600.00	
104	7805	SHOP SUPPLIES	\$1,400.00	\$1,084.86	\$1,200.00	
105		TOTAL FAIRSHARE	\$104,760.00	\$111,533.03	\$104,875.00	
106						
107						
108						
109						
110						
111						
112						
113						
114						
115		BIG ELK WATER ASSOCIATION			5/31/2012	
116		BUDGET 2011-2012				
117						

	A	B	C	D	E	F
118	ACCT.	DESCRIPTION	BUDGET 2011-12	ACTUALS YTD	PROPOSED	
119	INCOME					
120	4005	MEMBERSHIP FEES (12-13:157 X \$787.26)	\$119,304.30	\$118,911.16	\$123,599.82	
121	4015	TAP FEES (Bank foreclosure)	\$16,000.00			
122	4025	SERVICES (EMPLOYEES' HELP)	\$100.00	\$556.32	\$200.00	
123	4035	INTEREST (DWS INVESTMENTS MM, 1% currently) + Q/M	\$2,000.00	\$2,265.11	\$2,000.00	
124	4045	MISCELLANEOUS INCOME (Late fees)	\$500.00	\$195.40	\$300.00	
125	4055	WATER CHARGES (1,800,000 GAL X .025/GAL + 200,000 X .	\$52,000.00	\$49,697.71	\$52,000.00	
126	4085	PROPERTY TRANSFER FEES (10 X \$100)	\$600.00	\$900.00	\$1,000.00	
127	4065	SPECIAL ASSESSMENT		\$1,300.00		
128	INCOME TOTALS		\$190,504.30	\$173,825.70	\$179,099.82	
129						
130	EXPENSES					
131	6005	WATER PROJECTS LOAN INTEREST (Bank of the West)	\$0.00	\$2,877.36	\$0.00	
132	6035	CABIN USE FEE (\$100/MONTH WHEN CARETAKER OCC	\$1,200.00	\$1,200.00	\$1,200.00	
133	6115	SALARY OPERATIONS ADMIN. (F/S 40% OF BEM ACC 61	\$20,800.00	\$18,684.03	\$20,000.00	
134	6125	SALARY OFFICE ACCOUNTANT (F/S 40% OF BEM ACC 6	\$6,560.00	\$6,435.68	\$400.00	
135	6135	SALARY OPERATIONS & MAINT. (B) (F/S 54% OF BEM AC	\$21,060.00	\$21,713.92	\$24,300.00	
136	6145	OUTSIDE LABOR (F/S 40% OF BEM ACC 6141)*	\$400.00	\$161.70	\$200.00	
137	6165	SALARY OPER. & MAINT. (A) (F/S 40% OF BEM ACC 616	\$11,200.00	\$10,834.99	\$12,000.00	
138	6215	PAYROLL TAXES (F/S 40% OF BEM ACC 6211)*	\$5,400.00	\$4,717.14	\$5,380.00	
139	6245	FIRE, CASUALTY INSUR (F/S 40% OF BEM ACC 6241)*	\$6,800.00	\$7,911.50	\$7,600.00	
140	6255	TAXES & LICENSES (50% OF BEM ACC 6251)*	\$200.00	\$1,447.00	\$320.00	
141	6265	WORKMENS COMP (F/S 40% OF BEM ACC 6261)*	\$1,440.00	\$1,553.60	\$1,600.00	
142	6275	HEALTH BENEFITS (F/S 40% OF BEM ACC 6271)*	\$14,000.00	\$16,942.56	\$14,000.00	
143	6315	OFFICE MAINTENANCE (F/S 40% OF BEM ACC 6311)*	\$200.00	\$302.84	\$1,000.00	
144	6325	GARAGE MAINTENANCE (F/S 40% OF BEM ACC 6321)*	\$400.00	\$226.00	\$400.00	
145	6335	CABIN MAINTENANCE (F/S 40% OF BEM ACC 6331)*	\$600.00	\$610.71	\$600.00	
146	6340	FACILITIES INFRASTRUCTURE	\$19,694.30	\$1,867.50	\$6,074.82	
147	7015	BACKHOE MAINTENANCE	\$1,000.00		\$1,000.00	
148	7025	2003 DODGE TRUCK (F/S 40% OF BEM ACC 7021)*	\$1,400.00	\$957.26	\$1,600.00	
149	7035	2001 DODGE TRUCK MAINTENANCE (F/S 40% OF BEM A	\$1,600.00	\$2,181.66	\$2,000.00	
150	7055	FUEL (GAS & DIESEL) (F/S 40% OF BEM ACC 7051)*	\$3,600.00	\$3,638.87	\$3,800.00	
151	7065	OIL, LUBE ETC. (F/S 40% OF BEM ACC 7061)*	\$100.00		\$100.00	
152	7515	WATER TREAT. SUPPLIES/TESTING	\$15,000.00	\$12,991.09	\$17,000.00	
153	7525	PUMP & WELL HOUSE MAINT.	\$2,000.00		\$2,000.00	
154	7535	MICROFILTRATION SYSTEM and MIEX MAINTENANCE	\$17,000.00	\$17,539.97	\$20,000.00	
155	7545	MAINS MAINTENANCE (bleeders, meter protection)	\$5,000.00	\$821.75	\$2,500.00	
156	7555	WELL MAINTENANCE	\$1,000.00		\$500.00	

	A	B	C	D	E	F
157	7615	TELEPHONE (F/S 40% OF BEM ACC 7611)*	\$2,000.00	\$1,850.37	\$2,000.00	
158	7625	ELECTRICITY (F/S 25% OF BEM ACC 7621)*	\$1,200.00	\$1,225.94	\$1,375.00	
159	7625	ELECTRICITY (DIRECT BILLS FOR PUMPHOUSES)	\$8,500.00	\$8,657.20	\$9,000.00	
160	7635	PROPANE GARAGE (F/S 40% OF BEM ACC 7631)*	\$600.00	\$862.56	\$800.00	
161	7715	LEGAL SERVICE (F/S 40% OF BEM ACC 7711)*	\$400.00	\$3,117.80	\$400.00	
162	7725	OFFICE SUPPLIES (F/S 40% OF BEM ACC 7721)*	\$1,600.00	\$2,925.42	\$1,600.00	
163	7735	POSTAGE (F/S 40% OF BEM ACC 7731)*	\$600.00	\$946.62	\$600.00	
164	7745	ACC. & BOOKKEEPING	\$500.00	\$475.00	\$500.00	
165	7805	SHOP SUPPLIES (F/S 40% OF BEM ACC 7801)*	\$1,400.00	\$1,084.86	\$1,200.00	
166	7815	WATER METER EXPENSE (\$200 per meter)	\$2,000.00	\$1,924.00	\$2,000.00	
167	7825	CONFERENCES & EDUCATION	\$2,000.00	\$1,214.08	\$2,000.00	
168	7835	MISCELLANEOUS EXP.	\$0.00	\$373.74	\$0.00	
169		HICKORY MAIN/DISCHARGE LOAN PAYMENTS (\$1004.3	\$12,050.00	\$12,051.60	\$12,050.00	
170		EXPENSE TOTALS	\$190,504.30	\$169,448.96	\$179,099.82	
171						
172		INCOME - EXPENSE	\$0.00	\$4,376.74	\$0.00	
173						
174		RESERVE FUND EXPENSES FOR 2011-12				
175		RESERVE FUND EXPENSES FOR 2012-13				
176		Water treatment upgrades			\$25,000.00	
177						
178		Note: CPI increase for the Denver/Boulder/Greeley area is 3.6%				
179		If we ask for a raise in annual assessments of 3.6% and it passes,				
180		the new BEMA annual assessment would be \$1,350.49 (\$46.93)				
181		and 163 X \$1,350.43 = \$220,129.87, an increase of \$7,649.59				
182						
183		Note: CPI increase for the Denver/Boulder/Greeley area is 3.6%				
184		If we ask for a raise in annual assessments of 3.6% and it passes,				
185		the new BEWA annual assessment would be \$787.26 (\$27.36)				
186		and 157 X \$787.26 = \$123,599.82, an increase of \$4,295.52				
187						
188						
189					R.A.H.	

Big Elk Meadows Association

Balance Sheets 2013

ADJUSTED

Big Elk Meadows Association

P.O. Box 440
Lyons, Colorado 80540

Balance Sheet

As of May 2013

7/22/2013
1:59:29 PM

Assets

Cash in Bank	\$6,622.67	
Investments	\$15,082.45	
Accounts Receivable	\$14,528.29	
Buildings	\$166,900.11	
Recreational Facilities	\$121,348.06	
Pool	\$54,935.89	
Lake Improvements	\$63,419.00	
Dam Improvements	\$280,073.75	
Road Improvements	\$62,482.91	
Machinery	\$187,915.70	
Vehicles	\$90,013.55	
Land	\$190,727.81	
Water Augmentation	\$513,150.58	
Prepaid Water Augmentation Exp	\$10,866.32	
Accumulated Depreciation	(\$790,960.21)	
Total Assets		<u>\$987,106.88</u>

Liabilities

FICA Payable	\$4,750.75	
Federal Withholding	(\$388.76)	
Colorado Withholding	\$1,087.23	
CWCB Water Compliance loan	\$272,700.00	
Grader Loan - 2007 - 2014	\$5,992.25	
WWE Loan Principal	(\$11,208.51)	
Memorial Tree Fund	\$228.38	
Pool Restoration Fund	\$119.09	
Adopt-a-Tree Fund	\$274.58	
Pool Slide Donations	\$355.00	
IRA Employee Contributions	(\$1,975.00)	
Unemployment Taxes	\$709.93	
Total Liabilities		<u>\$272,644.94</u>

Equity

Retained Earnings	\$693,543.78	
Retained Earnings	(\$20,149.26)	
Current Earnings	\$19,116.53	
Historical Balancing Account	\$21,950.89	
Total Equity		<u>\$714,461.94</u>

Total Liability & Equity

\$987,106.88

	A	B	C	D	E
1	BIG ELK MEADOWS ASSOCIATION				5/31/2013
2	BUDGET 2013-2014				
3	ACCT. DESCRIPTION		BUDGET 2012-13	ACTUALS YTD	APPROVED
4	INCOME				
5	4001 MEMBERSHIP DUES (13-14: 164 X \$1470.49)		\$220,129.87	\$217,446.23	\$241,160.36
6	4011 LESSEES PAYMENTS (HANSEN \$150)		\$150.00	\$150.00	\$150.00
7	4021 USERS FEES (4 Members who rent their homes to others)		\$5,000.00	\$2,564.48	\$5,000.00
8	4031 SERVICES (\$3500 LAR. CNTY. + EMPLOYEES HELP)		\$4,000.00	\$5,035.50	\$4,000.00
9	4041 INTEREST (DWS INVESTMENTS MM .1% currently) + Q/M		\$4,000.00	\$3,977.76	\$3,500.00
10	4051 RENT(on BEM cabin across from garage) No rent now.		\$0.00	\$0.00	\$0.00
11	4061 MISCELLANEOUS INCOME (Late fees, sale of remotes for		\$300.00	\$3,296.85	\$1,500.00
12	4071 BEW FAIRSHARE (SUM OF BEW ITEMS WITH "****")		\$104,875.00	\$101,677.26	\$101,855.00
13	4081 PROPERTY TRANSFER FEES (10 X \$100)		\$1,000.00	\$700.00	\$1,000.00
14	4091 FISHING PERMITS (90 X \$85) + \$1,350 in contributions		\$6,000.00	\$6,955.00	\$6,000.00
15	4101 SPECIAL ASSESSMENT				
16	INCOME TOTALS		\$345,454.87	\$341,803.08	\$364,165.36
17	EXPENSES				
18	GRADER LOAN EXPENSE (INTEREST)		\$800.00	\$490.56	\$400.00
19	6111 SALARY OPERATIONS ADMINISTRATOR (\$21.37/hr+COL		\$50,000.00	\$51,651.88	\$50,000.00
20	6121 SALARY-OFFICE AGGOUNTANT (\$40,979) +400/me-healt		\$1,000.00	\$2,115.58	\$0.00
21	6131 SALARY OPERAT. & MAINT.(B) (19.36/hour)+OT+COL		\$45,000.00	\$44,768.64	\$45,000.00
22	6141 OUTSIDE LABOR (ALL HOURLY WORK)		\$500.00	\$67.50	\$200.00
23	6161 SALARY OPERATIONS & MAINTENANCE (A)/OFFICE (\$1		\$30,000.00	\$31,366.76	\$30,000.00
24	6211 PAYROLL TAXES (FICA, CUTA, FUTA ETC.)		\$13,450.00	\$12,559.44	\$13,450.00
25	6221 REAL ESTATE TAXES (1 LESSEE LOT)		\$20.00	\$10.04	\$20.00
26	6241 FIRE, CASUALTY INSUR.		\$20,000.00	\$18,937.50	\$20,000.00
27	6251 TAXES & LICENSES		\$800.00	\$187.37	\$500.00
28	6261 WORKMEN'S COMP		\$4,000.00	\$3,923.00	\$4,500.00
29	6271 HEALTH BENEFITS \$2007/mo ->\$2609/mo		\$35,000.00	\$37,051.77	\$27,100.00
30	6281 EMPLOYEE IRA MATCH		\$1,350.00	\$1,615.00	\$1,350.00
31	6311 OFFICE MAINTENANCE (new flooring)		\$2,500.00	\$0.00	\$2,500.00
32	6321 GARAGE /SHOP MAINTENANCE BLDG.		\$1,000.00	\$338.43	\$1,000.00
33	6331 CABIN MAINTENANCE (front steps, deck cover, carpet)		\$1,500.00	\$173.18	\$2,500.00
34	6340 FACILITIES INFRASTRUCTURE		\$8,249.87	\$0.00	\$21,478.89
35	7021 2003 DODGE TRUCK MAINTENANCE		\$4,000.00	\$1,489.46	\$5,000.00
36	7031 2001 DODGE TRUCK & PLOW MAINTENANCE		\$5,000.00	\$4,703.16	\$5,000.00
37	7041 GRADER MAINTENANCE (Tires)		\$4,000.00	\$5,725.30	\$2,000.00
38	7051 FUEL (GAS & DIESEL)		\$9,500.00	\$12,398.52	\$8,500.00
39	7061 OIL, LUBE ETC. (PURCHASED IN BULK ALT. YEARS)		\$250.00	\$23.79	\$200.00

	A	B	C	D	E
40	7121	ROADS & BRIDGES (Improvements to surface)	\$8,000.00	\$173.18	\$5,000.00
41	7131	SAND PURCHASE	\$600.00	\$6.60	\$500.00
42	7141	TRACTOR & MOWER MAINT.	\$500.00	\$179.08	\$1,500.00
43	7211	FISH STOCKING (depending on lake health)	\$8,000.00	\$5,710.00	\$8,000.00
44	7221	WEED CONTROL-LAKES (LAKE HEALTH) Alum loan	\$1,500.00	\$1,658.99	\$1,700.00
45	7231	DAMS & SPILLWAYS	\$5,000.00	\$6,234.82	\$5,000.00
46	7311	LIFEGUARD (\$9.50/hr + training)	\$8,500.00	\$9,527.63	\$9,500.00
47	7321	POOL SUPPLIES	\$3,000.00	\$1,354.05	\$2,500.00
48	7331	POOL MAINTENANCE (cover/fencing)	\$1,000.00	\$408.83	\$1,500.00
49	7341	POOL PROPANE	\$6,500.00	\$4,841.73	\$5,500.00
50	7411	TENNIS COURTS (resurace one)	\$500.00	\$0.00	\$1,500.00
51	7421	OTHER COMMON AREAS (Dumpster slab, Picnic roof)	\$5,000.00	\$2,254.09	\$7,000.00
52	7611	TELEPHONE / High speed Internet	\$5,000.00	\$5,849.62	\$5,000.00
53	7621	ELECTRICITY	\$5,500.00	\$5,403.79	\$5,500.00
54	7631	PROPANE GARAGE	\$2,000.00	\$1,717.22	\$1,500.00
55	7641	TRASH SERVICE (MacDonald Farms & WM Contract)	\$10,000.00	\$9,560.72	\$10,000.00
56	7711	LEGAL SERVICE	\$1,000.00	\$1,677.61	\$1,000.00
57	7721	OFFICE SUPPLIES	\$4,000.00	\$4,299.30	\$4,000.00
58	7731	POSTAGE	\$1,500.00	\$1,478.24	\$1,500.00
59	7741	TAX RETURN PREPARATION	\$550.00	\$475.00	\$500.00
60	7751	SPECIAL PROJECTS (Bar-B-Q, Dir, Volunteer awds)	\$500.00	\$1,033.87	\$1,000.00
61	7801	SHOP SUPPLIES	\$3,000.00	\$3,351.10	\$4,000.00
62	7811	CONFERENCES & EDUCATION	\$500.00	\$289.53	\$500.00
63	7821	GATE MAINTENANCE	\$1,000.00	\$870.30	\$1,000.00
64	7831	MISCELLANEOUS EXP.	\$500.00	\$1,019.04	\$500.00
65	7824	SAND SHED POWER INSTALL	\$1,500.00	\$3,100.00	\$0.00
66	7822	EMPLOYEE MILEAGE	\$1,200.00	\$1,837.33	\$1,200.00
67	7823	ATV MAINTENANCE	\$500.00	\$400.56	\$500.00
68	7832	GRADER LOAN PRINCIPAL (ends March 2014)	\$8,160.00	\$8,160.00	\$6,800.00
69	7834	WRIGHT WATER ENGINEERS LOAN (ends May 2014)	\$13,025.00	\$11,939.40	\$13,025.00
70		CWCB LOAN PAYMENT (February 1, 2014)	\$0.00	\$4,607.81	\$16,741.47
71		EXPENSE TOTALS	\$345,454.87	\$329,016.32	\$364,165.36
72		INCOME - EXPENSE	\$0.00	\$12,786.76	\$0.00
73					
74		RESERVE FUND EXPENSE FOR 2012-2013			
75		RESERVE FUND EXPENSE FOR 2013-2014			
76		Heated pressure washer			\$3,000.00
77					
78		FAIRSHARE CALCULATION 2013-2014			

	A	B	C	D	E
79	6035	CABIN USE FEE	\$1,200.00	\$700.00	\$1,200.00
80	6115	SALARY OPERATIONS ADMINISTRATOR	\$20,000.00	\$20,660.75	\$20,000.00
81	6125	SALARY OFFICE ACCOUNTANT	\$400.00	\$0.00	\$0.00
82	6135	SALARY OPERATIONS & MAINTENANCE (B)	\$24,300.00	\$24,175.07	\$24,300.00
83	6145	OUTSIDE LABOR	\$200.00	\$27.00	\$80.00
84	6165	SALARY OPERATIONS & MAINTENANCE (A)	\$12,000.00	\$12,546.70	\$12,000.00
85	6215	PAYROLL TAXES	\$5,380.00	\$5,023.78	\$5,380.00
86	6245	FIRE, CASUALTY INSURANCE	\$8,000.00	\$7,575.00	\$8,000.00
87	6255	TAXES & LICENSES	\$320.00	\$74.95	\$200.00
88	6265	WORKMEN'S COMP	\$1,600.00	\$1,569.20	\$1,800.00
89	6275	HEALTH BENEFITS	\$14,000.00	\$14,820.71	\$10,840.00
90	6315	OFFICE MAINTENANCE	\$1,000.00	\$0.00	\$1,000.00
91	6325	GARAGE MAINTENANCE	\$400.00	\$135.37	\$400.00
92	6335	CABIN MAINTENANCE	\$600.00	\$69.27	\$1,000.00
93	7025	2003 DODGE TRUCK MAINTENANCE	\$1,600.00	\$595.78	\$2,000.00
94	7035	2001 DODGE TRUCK MAINTENANCE	\$2,000.00	\$1,881.26	\$2,000.00
95	7055	FUEL (GAS & DEISEL)	\$3,800.00	\$4,959.41	\$3,400.00
96	7065	OIL AND LUBE	\$100.00	\$9.52	\$80.00
97	7615	TELEPHONE	\$2,000.00	\$2,339.85	\$2,000.00
98	7625	ELECTRICITY	\$1,375.00	\$1,350.95	\$1,375.00
99	7635	PROPANE GARAGE	\$800.00	\$686.89	\$600.00
100	7715	LEGAL SERVICE	\$400.00	\$671.04	\$400.00
101	7725	OFFICE SUPPLIES	\$1,600.00	\$1,719.72	\$1,600.00
102	7735	POSTAGE	\$600.00	\$591.30	\$600.00
103	7805	SHOP SUPPLIES	\$1,200.00	\$1,340.44	\$1,600.00
104		TOTAL FAIRSHARE	\$104,875.00	\$103,523.95	\$101,855.00
105					
106					
107					
108					
109					
110					
111					
112					
113					
114					
115	BIG ELK WATER ASSOCIATION				5/31/2013
116	BUDGET 2013-2014				
117					

	A	B	C	D	E
118	ACCT.	DESCRIPTION	BUDGET 2012-13	ACTUALS YTD	APPROVED
119	INCOME				
120	4005	MEMBERSHIP FEES (13-14:158 X \$787.26)	\$123,599.82	\$121,026.67	\$124,387.08
121	4015	TAP FEES (Bank foreclosure)	\$0.00	\$8,000.00	\$16,000.00
122	4025	SERVICES (EMPLOYEES' HELP)	\$200.00	\$350.00	\$200.00
123	4035	INTEREST (DWS INVESTMENTS MM .1% currently) + Q/M	\$2,000.00	\$2,220.24	\$2,000.00
124	4045	MISCELLANEOUS INCOME (Late fees)	\$300.00	\$1,498.32	\$500.00
125	4055	WATER CHARGES (1,800,000 GAL X .025/GAL + 200,000 X .	\$52,000.00	\$48,676.43	\$52,000.00
126	4085	PROPERTY TRANSFER FEES (10 X \$100)	\$1,000.00	\$500.00	\$1,000.00
127	4065	SPECIAL ASSESSMENT	\$0.00	\$0.00	\$0.00
128	INCOME TOTALS		\$179,099.82	\$182,271.66	\$196,087.08
129					
130	EXPENSES				
131	6035	CABIN USE FEE (\$100/MONTH WHEN CARETAKER OCC	\$1,200.00	\$1,195.41	\$1,200.00
132	6115	SALARY OPERATIONS ADMIN. (F/S 40% OF BEM ACC 61	\$20,000.00	\$20,260.77	\$20,000.00
133	6125	SALARY OFFICE ACCOUNTANT (F/S 40% OF BEM ACC 6	\$400.00	\$0.00	\$0.00
134	6135	SALARY OPERATIONS & MAINT. (B) (F/S 54% OF BEM AC	\$24,300.00	\$17,907.45	\$24,300.00
135	6145	OUTSIDE LABOR (F/S 40% OF BEM ACC 6141)*	\$200.00	\$27.00	\$80.00
136	6165	SALARY OPER. & MAINT. (A) (F/S 40% OF BEM ACC 616	\$12,000.00	\$12,546.71	\$12,000.00
137	6215	PAYROLL TAXES (F/S 40% OF BEM ACC 6211)*	\$5,380.00	\$4,931.95	\$5,380.00
138	6245	FIRE, CASUALTY INSUR (F/S 40% OF BEM ACC 6241)*	\$7,600.00	\$7,620.78	\$8,000.00
139	6255	TAXES & LICENSES (50% OF BEM ACC 6251)*	\$320.00	\$883.69	\$200.00
140	6265	WORKMENS COMP (F/S 40% OF BEM ACC 6261)*	\$1,600.00	\$1,569.20	\$1,800.00
141	6275	HEALTH BENEFITS (F/S 40% OF BEM ACC 6271)*	\$14,000.00	\$14,828.65	\$10,840.00
142	6315	OFFICE MAINTENANCE (F/S 40% OF BEM ACC 6311)*	\$1,000.00	\$0.00	\$1,000.00
143	6325	GARAGE MAINTENANCE (F/S 40% OF BEM ACC 6321)*	\$400.00	\$135.37	\$400.00
144	6335	CABIN MAINTENANCE (F/S 40% OF BEM ACC 6331)*	\$600.00	\$111.03	\$1,000.00
145	6340	FACILITIES INFRASTRUCTURE	\$6,074.82	\$0.00	\$24,982.08
146	7015	BACKHOE MAINTENANCE (new forks)	\$1,000.00	\$2,099.58	\$2,000.00
147	7025	2003 DODGE TRUCK (F/S 40% OF BEM ACC 7021)*	\$1,600.00	\$594.98	\$2,000.00
148	7035	2001 DODGE TRUCK MAINTENANCE (F/S 40% OF BEM /	\$2,000.00	\$1,825.26	\$2,000.00
149	7055	FUEL (GAS & DEISEL) (F/S 40% OF BEM ACC 7051)*	\$3,800.00	\$5,116.44	\$3,400.00
150	7065	OIL, LUBE ETC. (F/S 40% OF BEM ACC 7061)*	\$100.00	\$9.52	\$80.00
151	7515	WATER TREAT. SUPPLIES/TESTING .	\$17,000.00	\$17,396.82	\$15,000.00
152	7525	PUMP & WELL HOUSE MAINT.	\$2,000.00	\$90.00	\$2,000.00
153	7535	MICROFILTRATION SYSTEM and MIX MAINTENANCE	\$20,000.00	\$21,168.33	\$20,000.00
154	7545	MAINS MAINTENANCE (bleeders, meter protection)	\$2,500.00	\$169.75	\$2,500.00
155	7555	WELL MAINTENANCE	\$500.00	\$60.35	\$500.00
156	7615	TELEPHONE (F/S 40% OF BEM ACC 7611)*	\$2,000.00	\$2,109.78	\$2,000.00

	A	B	C	D	E
157	7625	ELECTRICITY (F/S 25% OF BEM ACC 7621)*	\$1,375.00	\$1,350.95	\$1,375.00
158	7625	ELECTRICITY (DIRECT BILLS FOR PUMPHOUSES)	\$9,000.00	\$11,354.15	\$9,000.00
159	7635	PROPANE GARAGE (F/S 40% OF BEM ACC 7631)*	\$800.00	\$686.89	\$600.00
160	7715	LEGAL SERVICE (F/S 40% OF BEM ACC 7711)*	\$400.00	\$1,040.47	\$400.00
161	7725	OFFICE SUPPLIES (F/S 40% OF BEM ACC 7721)*	\$1,600.00	\$1,761.97	\$1,600.00
162	7735	POSTAGE (F/S 40% OF BEM ACC 7731)*	\$600.00	\$435.91	\$600.00
163	7745	ACC. & BOOKKEEPING	\$500.00	\$475.00	\$500.00
164	7805	SHOP SUPPLIES (F/S 40% OF BEM ACC 7801)*	\$1,200.00	\$1,390.61	\$1,600.00
165	7815	WATER METER EXPENSE (\$240 per meter)	\$2,000.00	\$2,000.00	\$3,600.00
166	7825	CONFERENCES & EDUCATION	\$2,000.00	\$878.82	\$2,000.00
167	7835	MISCELLANEOUS EXP.	\$0.00	\$67.92	\$100.00
168		HICKORY MAIN/DISCHARGE LOAN PAYMENTS (\$1004.3	\$12,050.00	\$12,051.60	\$12,050.00
169		EXPENSE TOTALS	\$179,099.82	\$166,153.11	\$196,087.08
170					
171		INCOME - EXPENSE	\$0.00	\$16,118.55	\$0.00
172					
173		RESERVE FUND EXPENSES FOR 2012-2013			
174		Water treatment upgrades	\$25,000.00		
175					
176		RESERVE FUND EXPENSES FOR 2013-2014			
177		Water treatment supply shed			\$5,000.00
178					
179		Note: We are obligated to pay the \$272,700.00 Colorado Water			
180		Conservation loan back at 4.5% over 30 years (2014 - 2043)			
181		with a \$16,741.47 payment every February 1, from BEMA.			
182		In order to cover this new expense and continue maintaining BEM			
183		and paying our employees, we are asking for a dues increase of			
184		\$120.00 (\$16,741.47/164 + \$17.92 COL). This would make the			
185		proposed BEMA annual assessment \$1470.49 if members agree			
186		at the annual meeting in May.			
187					
188		Note: we propose to leave the BEWA annual assessment at			
189		\$787.26 as it is this year, since we are able to balance the			
190		budget with this amount.			R.A.H

Big Elk Water Association

Balance Sheets 2011

Big Elk Water Association

P.O. Box 440
Lyons, Colorado 80540

Balance Sheet

As of May 2011

6/1/2011
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Assets

Cash in Bank	\$15,501.67
Investments	\$5,640.24
Accounts Receivable Other	\$170.43
Vehicles	\$63,055.06
Accounts Receivable	\$26,072.28
Water Filters	\$21,168.02
Machinery	\$143,875.25
Water Mains	\$254,595.16
Water Treatment Plant	\$205,692.75
Inonization Plant	\$194,000.99
Water Rights	\$10,422.46
Accumulated Depreciation	(\$476,699.34)
Total Assets	<u>\$463,494.97</u>

Liabilities

Accounts Payable BEMA	(\$8,878.81)
LOOMIS - Water Projects Loan	\$84,447.12
B.O.T.W. - Water Projects Loan	(\$669.60)
Total Liabilities	<u>\$74,898.71</u>

Equity

Current Year Earnings	\$15,664.09
Retained Earnings	\$372,652.48
Historical Balancing Account	\$279.69
Total Equity	<u>\$388,596.26</u>

Total Liability & Equity	<u>\$463,494.97</u>
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Big Elk Water Association

P.O. Box 440
Lyons, Colorado 80540

Profit & Loss [With Year to Date]

May 2011

6/1/2011
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	Selected Period	% of Sales	Year to Date	% of YTD Sales
Income				
Membership Fees	(\$1,414.42)	(6.5%)	\$113,926.05	63.4%
Tap Fees	\$16,000.00	73.3%	\$16,000.00	8.9%
Interest	\$383.57	1.8%	\$2,222.36	1.2%
Misc. Revenue	\$188.56	0.9%	\$493.21	0.3%
Water Charges	\$6,479.50	29.7%	\$46,616.00	26.0%
Real Estate Transaction Fee	\$200.00	0.9%	\$300.00	0.2%
Total Income	\$21,837.21	100.0%	\$179,557.62	100.0%
Expenses				
Water Projects Loan - Interest	\$301.57	1.4%	\$3,817.51	2.1%
Cabin Use Fee	\$200.00	0.9%	\$1,300.00	0.7%
Salary Operations Admin.	\$3,232.00	14.8%	\$20,545.14	11.4%
Salary Office Accountant	\$1,135.22	5.2%	\$6,948.16	3.9%
Salary Oper Admin (B)	\$3,857.80	17.7%	\$22,651.27	12.6%
Outside Labor	\$0.00	0.0%	\$43.20	0.0%
Salary Op & Ofc. Admin (A)	\$1,524.48	7.0%	\$11,019.63	6.1%
Payroll Taxes	\$712.99	3.3%	\$4,670.04	2.6%
Insurance	\$0.00	0.0%	\$7,029.50	3.9%
Taxes & Licenses & Permits	\$63.76	0.3%	\$2,467.49	1.4%
Workmen's Comp	(\$23.20)	(0.1%)	\$1,379.60	0.8%
Health Benefits	\$2,478.06	11.3%	\$14,395.31	8.0%
Office Maintenance	\$3.51	0.0%	\$59.50	0.0%
Garage Maintenance	\$0.00	0.0%	\$517.85	0.3%
Cabin Maintenance	\$0.00	0.0%	\$98.75	0.1%
Facilities Infrastructure	\$0.00	0.0%	\$7,915.00	4.4%
Backhoe Maintenance	\$0.00	0.0%	\$3,689.56	2.1%
2003 Dodge Truck Maint.	\$0.00	0.0%	\$1,081.92	0.6%
2001 Dodge Truck Maint.	\$0.00	0.0%	\$1,269.34	0.7%
Fuel (Gas & Diesel)	\$556.43	2.5%	\$3,126.25	1.7%
Oil, Lube, etc.	\$0.00	0.0%	\$17.23	0.0%
Water Treatment Supp. & Testing	\$1,202.93	5.5%	\$13,717.94	7.6%
Micro-MIEX-Pumphouse Maint.	\$0.00	0.0%	\$12,666.37	7.1%
Mains Maintenance	\$104.74	0.5%	\$4,624.09	2.6%
Telephone	\$315.11	1.4%	\$2,021.50	1.1%
Electricity	\$808.49	3.7%	\$10,120.95	5.6%
Propane Garage	\$59.76	0.3%	\$532.45	0.3%
Legal Services	\$7.98	0.0%	\$102.18	0.1%
Office Supplies	\$143.66	0.7%	\$1,707.74	1.0%
Postage	\$192.34	0.9%	\$1,013.23	0.6%
Tax Return Preparation	\$0.00	0.0%	\$475.00	0.3%
Shop Supplies	\$96.18	0.4%	\$897.01	0.5%
Water Meter Expense	\$29.11	0.1%	\$510.92	0.3%
Conference Fees & Education	\$0.00	0.0%	\$1,404.90	0.8%
Misc. Expense	\$0.00	0.0%	\$57.00	0.0%
Total Expenses	\$17,002.92	77.9%	\$163,893.53	91.3%
Operating Profit	\$4,834.29	22.1%	\$15,664.09	8.7%
Other Expenses				
Net Profit/(Loss)	\$4,834.29	22.1%	\$15,664.09	8.7%

BIG ELK WATER ASSOCIATION

P.O. Box 440
Lyons, Colorado 80540

July 26, 2011

Dear Member or Lessee,

Each year the treasurer looks at the end-of-year figures for both associations and reports to the general membership. Enclosed is the **End of the Year Report** for May 31, 2011. It gives a line item breakdown for the **Big Elk Water Association** operating income and expenses. This association ended the year with a profit of: \$180,972.04 (Income) -\$173,757.82 (Expense) = \$7,214.22

We have also included the new budget which was approved by the Board in June for June 1, 2011 to May 31, 2012.

The **Big Elk Water Association Reserve Fund** has been increased by \$17,125.65:

\$4,016.26	May 31, 2010 Reserve Fund
7,214.22	Income - Expense
10,000.00	Hickory Main/Discharge loan
<u>-88.57</u>	Misc. float
 \$21,141.91	 May 31, 2011 Reserve Fund

We borrowed \$90,000 from a member and paid off the bank principal with a small amount left over for continuing work on the water system. The bank interest rate was variable, and we were concerned about its going up and our inability to budget for the future. The member's loan is at a fixed 4.25% giving us an exact amount to expect to pay each year (\$12,050).

Sincerely,


Roberta A. Heisterkamp
Treasurer

BIG ELK WATER ASSOCIATION

05/31/11

ACCT.	DESCRIPTION	BUDGET 2010-11	YTD AMOUNTS	DIFFERENCE	% DIFF.
INCOME					
4005	Membership Fees	\$116,965	\$115,340.47	\$1,624.53	-1.4%
4015	Tap Fees		\$16,000.00	-\$16,000.00	100.0%
4025	Services	\$500		\$500.00	-100.0%
4035	Interest	\$2,000	\$2,222.36	-\$222.36	11.1%
4045	Misc. Revenue	\$500	\$493.21	\$6.79	-1.4%
4055	Water Charges	\$52,000	\$46,616.00	\$5,384.00	-10.4%
4085	RE Transaction Fees	\$600	\$300.00	\$300.00	-50.0%
4065	Special Assessment			\$0.00	100.0%
INCOME TOTALS		\$172,565	\$180,972.04	-\$8,407.04	4.9%
EXPENSES					
6005	Water Projects BOW int.		\$1,647.42	-\$1,647.42	100.0%
6035	Cabin Use Fee	\$1,200	\$1,300.00	-\$100.00	108.3%
6115	Salary Operations Admin.	\$20,000	\$20,545.14	-\$545.14	102.7%
6125	Salary Office Accountant	\$6,400	\$6,948.16	-\$548.16	108.6%
6135	Salary Oper. Admin. (B)	\$19,440	\$22,651.27	-\$3,211.27	116.5%
6145	Outside Labor	\$1,200	\$43.20	\$1,156.80	3.6%
6165	Salary Oper. Admin (A)	\$10,800	\$11,019.63	-\$219.63	102.0%
6215	Payroll Taxes	\$5,160	\$4,670.04	\$489.96	90.5%
6245	Fire, Casualty Insurance	\$7,600	\$7,029.50	\$570.50	92.5%
6255	Taxes & Licenses	\$200	\$2,467.49	-\$2,267.49	1233.7%
6265	Workmen's Comp.	\$1,600	\$1,379.60	\$220.40	86.2%
6275	Health Benefits	\$11,600	\$14,395.31	-\$2,795.31	124.1%
6315	Office Maintenance	\$200	\$59.50	\$140.50	29.8%
6325	Garage Maintenance	\$400	\$517.85	-\$117.85	129.5%
6335	Cabin Maintenance	\$1,000	\$98.75	\$901.25	9.9%
6340	Facilities Infrastructure	\$9,915	\$7,915.00	\$2,000.00	79.8%
7015	Backhoe Maintenance	\$2,000	\$3,689.56	-\$1,689.56	184.5%
7025	2003 Dodge Truck Maint.	\$1,200	\$1,081.92	\$118.08	90.2%
7035	2001 Dodge Truck Maint.	\$1,600	\$1,269.34	\$330.66	79.3%
7055	Fuel (Gas & Diesel)	\$3,200	\$3,126.25	\$73.75	97.7%
7065	Oil & Lube	\$100	\$17.23	\$82.77	17.2%
7515	Water Treatment Supplies	\$10,000	\$13,717.94	-\$3,717.94	137.2%
7535	Micro System & MIEIX Maint.	\$16,750	\$12,666.37	\$4,083.63	75.6%
7545	Mains Maintenance	\$10,000	\$4,624.09	\$5,375.91	46.2%
7555	Well Maintenance	\$1,000		\$1,000.00	0.0%
7615	Telephone / Internet	\$1,600	\$2,021.50	-\$421.50	126.3%
7625	Electricity	\$8,500	\$10,120.95	-\$1,620.95	119.1%

7635 Propane Garage	\$1,200	\$532.45	\$667.55	44.4%
7715 Legal Service	\$400	\$102.18	\$297.82	25.5%
7725 Office Supplies	\$1,600	\$1,707.74	-\$107.74	106.7%
7735 Postage	\$800	\$1,013.23	-\$213.23	126.7%
7745 Tax Return Preparation	\$500	\$475.00	\$25.00	95.0%
7805 Shop Supplies	\$1,400	\$897.01	\$502.99	64.1%
7815 Water Meter Expense		\$510.92	-\$510.92	100.0%
7825 Conferences & Education	\$2,000	\$1,404.90	\$595.10	70.2%
7835 Misc. Expense		\$57.00	-\$57.00	100.0%
Hickory Main / Discharge Loan	\$12,000	\$12,034.38	-\$34.38	100.3%
EXPENSE TOTALS	\$172,565	\$173,757.82	-\$1,192.82	100.7%
Income - Expense	\$0	\$7,214.22	-\$7,214.22	100.0%

		B	C	D	E
1	BIG ELK MEADOWS ASSOCIATION				5/31/11
2	BUDGET 2011-2012				
3	ACCT. DESCRIPTION				
4	INCOME	BUDGET 2010-11	ACTUALS YTD	APPROVED	
5	4001 MEMBERSHIP DUES (11-12: 163 X \$1303.56)	\$208,314.00	\$205,304.27	\$212,480.28	
6	4011 LESSEES PAYMENTS (HANSEN \$150)	\$150.00	\$150.00	\$150.00	
7	4021 USERS FEES (4 Members who rent their homes to others)	\$5,000.00	\$3,976.90	\$5,000.00	
8	4031 SERVICES (\$3500 LAR. CNTY. + EMPLOYEES HELP)	\$6,000.00	\$4,179.25	\$4,000.00	
9	4041 INTEREST (DWS SCUDDER MM .2% currently) + Q/M Payees	\$4,000.00	\$3,925.47	\$4,000.00	
10	4051 RENT(on BEM cabin across from garage) No rent now.	\$0.00		\$0.00	
11	4061 MISCELLANEOUS INCOME (Late fees, sale of remotes for gate)	\$500.00	\$329.99	\$300.00	
12	4071 BEW FAIRSHARE (SUM OF BEW ITEMS WITH "+")	\$100,900.00	\$113,125.83	\$104,760.00	
13	4081 PROPERTY TRANSFER FEES	\$600.00	\$300.00	\$600.00	
14	4091 FISHING PERMITS (90 X \$85) + \$1,350 in contributions	\$8,000.00	\$5,190.00	\$6,000.00	
15	4101 SPECIAL ASSESSMENT	\$0.00		\$0.00	
16	CO Healthy Rivers Grant	\$11,720.00		\$0.00	
17	INCOME TOTALS	\$345,184.00	\$336,481.71	\$337,290.28	
18	EXPENSES				
19	GRADER LOAN EXPENSE (INTEREST)	\$2,090.00	\$1,447.14	\$1,525.00	
20	BOAT/WEED CUTTER LOAN EXPENSE (INTEREST)	\$432.00	\$602.86	\$104.94	
21	6111 SALARY OPERATIONS ADMINISTRATOR (\$20.20/hr+COL+OT)	\$50,000.00	\$46,990.51	\$52,000.00	
22	6121 SALARY OFFICE ACCOUNTANT (\$10,598) +400/mo health	\$16,000.00	\$15,819.43	\$16,400.00	
23	6131 SALARY OPERAT. & MAINT.(B) (17.34/hour)	\$36,000.00	\$38,581.51	\$39,000.00	
24	6141 OUTSIDE LABOR (ALL HOURLY WORK)	\$3,000.00	\$108.00	\$1,000.00	
25	6161 SALARY OPERATIONS & MAINTENANCE (A)/OFFICE (\$11.91/hr)	\$27,000.00	\$26,878.97	\$28,000.00	
26	6211 PAYROLL TAXES (FICA, CUTA, FUTA ETC.)	\$12,900.00	\$10,937.59	\$13,500.00	
27	6221 REAL ESTATE TAXES (1 LESSEE LOT)	\$20.00		\$20.00	
28	6241 FIRE, CASUALTY INSUR.	\$19,000.00	\$15,992.75	\$17,000.00	
29	6251 TAXES & LICENSES	\$500.00	\$2,023.19	\$500.00	
30	6261 WORKMEN'S COMP	\$4,000.00	\$3,198.00	\$3,600.00	
31	6271 HEALTH BENEFITS \$2333/mo + inc.	\$29,000.00	\$34,490.16	\$35,000.00	
32	6311 OFFICE MAINTENANCE (New flooring)	\$500.00	\$138.16	\$500.00	
33	6321 GARAGE MAINTENANCE (Repair roof)	\$1,000.00	\$1,294.62	\$1,000.00	
34	6322 MAINTENANCE BUILDING IMPROVEMENTS	\$0.00	\$350.00	\$0.00	
35	6331 CABIN MAINTENANCE (front steps, deck cover)	\$2,500.00	\$213.19	\$1,500.00	
36	6340 FACILITIES INFRASTRUCTURE	\$13,478.00		\$9,510.07	
37	7021 2003 DODGE TRUCK MAINTENANCE/Sander	\$3,000.00	\$2,747.86	\$3,500.00	
38	7031 2001 DODGE TRUCK & PLOW MAINTENANCE	\$4,000.00	\$5,170.08	\$4,000.00	

	B	C	D	E
39	7041 GRADER MAINTENANCE (Tires)			
40	7051 FUEL (GAS & DIESEL)	\$8,000.00	\$1,859.96	\$4,000.00
41	7061 OIL, LUBE ETC. (PURCHASED IN BULK ALT. YEARS)	\$250.00	\$8,050.28	\$9,000.00
42	7121 ROADS & BRIDGES (Improvements to surface)	\$12,000.00	\$8,369.41	\$250.00
43	7131 SAND PURCHASE	\$1,200.00		\$8,000.00
44	7141 TRACTOR & MOWER MAINT.	\$200.00		\$1,200.00
45	7211 FISH STOCKING (depending on lake health)	\$8,000.00	\$807.64	\$1,000.00
46	7221 WEED CONTROL-LAKES (LAKE HEALTH) Alum loan	\$17,220.00	\$7,942.15	\$8,000.00
47	7231 DAMS & SPILLWAYS (Meadow Dam and Flume Repair)	\$6,000.00	\$14,759.05	\$1,000.00
48	7311 LIFE GUARD (\$9.00/hr + training)	\$7,500.00	\$10,691.25	\$10,000.00
49	7321 POOL SUPPLIES	\$3,000.00	\$7,200.00	\$7,500.00
50	7331 POOL MAINTENANCE (boiler and concrete decking)	\$5,000.00	\$2,818.65	\$3,000.00
51	7341 POOL PROPANE	\$4,000.00		\$5,000.00
52	7411 TENNIS	\$500.00	\$7,405.15	\$5,000.00
53	7421 OTHER COMMON AREAS (Dumpster slab)	\$1,000.00	\$51.72	\$500.00
54	7611 TELEPHONE / High speed Internet	\$4,000.00	\$4,952.52	\$1,000.00
55	7621 ELECTRICITY	\$4,000.00	\$4,529.89	\$5,000.00
56	7631 PROPANE GARAGE	\$3,000.00	\$1,440.05	\$4,800.00
57	7641 TRASH SERVICE (MacDonald Farms & WM Contract)	\$12,000.00	\$7,574.86	\$1,500.00
58	7711 LEGAL SERVICE	\$1,000.00	\$75.95	\$9,000.00
59	7721 OFFICE SUPPLIES	\$4,000.00	\$4,412.55	\$1,000.00
60	7731 POSTAGE	\$2,000.00	\$1,637.81	\$4,000.00
61	7741 TAX RETURN PREPARATION	\$500.00	\$475.00	\$1,500.00
62	7751 SPECIAL PROJECTS (Bar-B-Q, Dir, Volunteer awds)	\$600.00	\$601.48	\$500.00
63	7801 SHOP SUPPLIES	\$3,500.00	\$2,366.03	\$600.00
64	7811 CONFERENCES & EDUCATION	\$500.00	\$515.26	\$3,500.00
65	7821 GATE MAINTENANCE	\$500.00	\$1,433.28	\$500.00
66	7831 MISCELLANEOUS EXP.	\$500.00	\$116.26	\$500.00
67	7824 SAND SHED POWER INSTALL	\$0.00		\$0.00
68	7822 EMPLOYEE MILEAGE			
69	7823 ATV MAINTENANCE	\$1,200.00	\$308.81	\$1,200.00
70	7832 GRADER LOAN PRINCIPAL (ends March 2014)	\$6,076.00	\$7,072.05	\$600.00
71	7833 WEED CUTTER LOAN PRINCIPAL (ends May 2012)	\$3,518.00	\$3,518.00	\$6,635.00
72	EXPENSE TOTALS	\$345,184.00	\$317,969.08	\$3,845.27
73	LOAN INTEREST			\$337,290.28
74	INCOME - EXPENSE	\$0.00	\$18,512.63	\$0.00
75	RESERVE FUND EXPENSE FOR 2011-2012			
76	Replace BEMA radios mandatory FCC			\$5,000.00

	A	B	C	D	E
77					
78					
79		FAIRSHARE CALCULATION 2011-2012			
80		6035 CABIN USE FEE	\$1,200.00	\$1,300.00	\$1,200.00
81		6115 SALARY OPERATIONS ADMINISTRATOR	\$20,000.00	\$20,545.14	\$20,800.00
82		6125 SALARY OFFICE ACCOUNTANT	\$6,400.00	\$6,948.16	\$6,560.00
83		6135 SALARY OPERATIONS & MAINTENANCE (B)	\$19,440.00	\$22,651.27	\$21,060.00
84		6145 OUTSIDE LABOR	\$1,200.00	\$43.20	\$400.00
85		6165 SALARY OPERATIONS & MAINTENANCE (A)	\$10,800.00	\$11,019.63	\$11,200.00
86		6215 PAYROLL TAXES	\$5,160.00	\$4,670.04	\$5,400.00
87		6245 FIRE, CASUALTY INSURANCE	\$7,600.00	\$7,029.50	\$6,800.00
88		6255 TAXES & LICENSES	\$200.00	\$2,467.49	\$200.00
89		6265 WORKMEN'S COMP	\$1,600.00	\$1,379.60	\$1,440.00
90		6275 HEALTH BENEFITS	\$11,600.00	\$14,395.31	\$14,000.00
91		6315 OFFICE MAINTENANCE	\$200.00	\$59.50	\$200.00
92		6325 GARAGE MAINTENANCE	\$400.00	\$517.85	\$400.00
93		6335 CABIN MAINTENANCE	\$1,000.00	\$98.75	\$600.00
94		7025 2003 DODGE TRUCK MAINTENANCE	\$1,200.00	\$1,081.92	\$1,400.00
95		7035 2001 DODGE TRUCK MAINTENANCE	\$1,600.00	\$1,269.34	\$1,600.00
96		7055 FUEL (GAS & DEISEL)	\$3,200.00	\$3,126.25	\$3,600.00
97		7065 OIL AND LUBE	\$100.00	\$17.23	\$100.00
98		7615 TELEPHONE	\$1,600.00	\$2,021.50	\$2,000.00
99		7625 ELECTRICITY	\$1,000.00	\$1,811.96	\$1,200.00
100		7635 PROPANE GARAGE	\$1,200.00	\$532.45	\$600.00
101		7715 LEGAL SERVICE	\$400.00	\$102.18	\$400.00
102		7725 OFFICE SUPPLIES	\$1,600.00	\$1,707.74	\$1,600.00
103		7735 POSTAGE	\$800.00	\$1,013.23	\$600.00
104		7805 SHOP SUPPLIES	\$1,400.00	\$897.01	\$1,400.00
105		TOTAL FAIRSHARE	\$100,900.00	\$106,706.25	\$104,760.00
106			*		
107		*BEW F/S expense total \$106,706.25			
108		BEMA F/S income total \$113,125.83			
109		because the May 2010 payment was not deposited			
110		in BEMA until the first week in June.			
111					
112					
113					
114					

	B	C	D	E
115	BIG ELK WATER ASSOCIATION			5/31/11
116	BUDGET 2011-2012			
117				
118	ACCT. DESCRIPTION			
119	INCOME	BUDGET 2010-11	YTD ACTUAL	APPROVED
120	4005 MEMBERSHIP FEES (11-12-157 X \$759.90)	\$116,965.00	\$115,340.47	\$119,304.30
121	4015 TAP FEES (Bank foreclosure)	\$0.00	\$16,000.00	\$16,000.00
122	4025 SERVICES (EMPLOYEES' HELP)	\$500.00		\$100.00
123	4035 INTEREST (DWS SCUDDER MM .2% currently) + Q/M payers	\$2,000.00	\$2,222.36	\$2,000.00
124	4045 MISCELLANEOUS INCOME (Late fees)	\$500.00	\$493.21	\$500.00
125	4055 WATER CHARGES (1,800,000 GAL X .025/GAL + 200,000 X .035/GAL)	\$52,000.00	\$46,616.00	\$52,000.00
126	4085 PROPERTY TRANSFER FEES (6 X \$100)	\$600.00	\$300.00	\$600.00
127	4065 SPECIAL ASSESSMENT	\$0.00		
128	INCOME TOTALS	\$172,565.00	\$180,972.04	\$190,504.30
129				
130	EXPENSES			
131	6005 WATER PROJECTS LOAN INTEREST (Bank of the West)		\$1,647.42	\$0.00
132	6035 CABIN USE FEE (\$100/MONTH WHEN CARETAKER OCCUPIES)*	\$1,200.00	\$1,300.00	\$1,200.00
133	6115 SALARY OPERATIONS ADMIN.(F/S 40% OF BEM ACC 6111)*	\$20,000.00	\$20,545.14	\$20,800.00
134	6125 SALARY OFFICE ACCOUNTANT (F/S 40% OF BEM ACC 6121)*	\$6,400.00	\$6,948.16	\$6,560.00
135	6135 SALARY OPERATIONS & MAINT. (B) (F/S 54% OF BEM ACC 6131)*	\$19,440.00	\$22,651.27	\$21,060.00
136	6145 OUTSIDE LABOR (F/S 40% OF BEM ACC 6141)*	\$1,200.00	\$43.20	\$400.00
137	6165 SALARY OPER. & MAINT. (A) (F/S 40% OF BEM ACC 6161)*	\$10,800.00	\$11,019.63	\$11,200.00
138	6215 PAYROLL TAXES (F/S 40% OF BEM ACC 6211)*	\$5,160.00	\$4,670.04	\$5,400.00
139	6245 FIRE, CASUALTY INSUR (F/S 40% OF BEM ACC 6241)*	\$7,600.00	\$7,029.50	\$6,800.00
140	6255 TAXES & LICENSES (50% OF BEM ACC 6251)*	\$200.00	\$2,467.49	\$200.00
141	6265 WORKMENS COMP (F/S 40% OF BEM ACC 6261)*	\$1,600.00	\$1,379.60	\$1,440.00
142	6275 HEALTH BENEFITS (F/S 40% OF BEM ACC 6271)*	\$11,600.00	\$14,395.31	\$14,000.00
143	6315 OFFICE MAINTENANCE (F/S 40% OF BEM ACC 6311)*	\$200.00	\$59.50	\$200.00
144	6325 GARAGE MAINTENANCE (F/S 40% OF BEM ACC 6321)*	\$400.00	\$517.85	\$400.00
145	6335 CABIN MAINTENANCE (F/S 40% OF BEM ACC 6331)*	\$1,000.00	\$98.75	\$600.00
146	6340 FACILITIES INFRASTRUCTURE	\$9,915.00	\$7,915.00	\$19,694.30
147	7015 BACKHOE MAINTENANCE	\$2,000.00	\$3,689.56	\$1,000.00
148	7025 2003 DODGE TRUCK (F/S 40% OF BEM ACC 7021)*	\$1,200.00	\$1,081.92	\$1,400.00
149	7035 2001 DODGE TRUCK MAINTENANCE (F/S 40% OF BEM ACC 7031)*	\$1,600.00	\$1,269.34	\$1,600.00
150	7055 FUEL (GAS & DEISEL) (F/S 40% OF BEM ACC 7051)*	\$3,200.00	\$3,126.25	\$3,600.00
151	7065 OIL, LUBE ETC. (F/S 40% OF BEM ACC 7061)*	\$100.00	\$17.23	\$100.00
152	7515 WATER TREAT. SUPPLIES/TESTING.	\$10,000.00	\$13,717.94	\$15,000.00

	B	C	D	E
153	7525 PUMP & WELL HOUSE MAINT.	\$1,750.00		\$2,000.00
154	7535 MICROFILTRATION SYSTEM and MIEX MAINTENANCE	\$15,000.00	\$12,666.37	\$17,000.00
155	7545 MAINS MAINTENANCE (bleeders, meter protection)	\$10,000.00	\$4,624.09	\$5,000.00
156	7555 WELL MAINTENANCE	\$1,000.00		\$1,000.00
157	7615 TELEPHONE (F/S 40% OF BEM ACC 7611)*	\$1,600.00	\$2,021.50	\$2,000.00
158	7625 ELECTRICITY (F/S 25% OF BEM ACC 7621)*	\$1,000.00	\$1,811.96	\$1,200.00
159	7625 ELECTRICITY (DIRECT BILLS FOR PUMPHOUSES)	\$7,500.00	\$8,308.99	\$8,500.00
160	7635 PROPANE GARAGE (F/S 40% OF BEM ACC 7631)*	\$1,200.00	\$532.45	\$600.00
161	7715 LEGAL SERVICE (F/S 40% OF BEM ACC 7711)*	\$400.00	\$102.18	\$400.00
162	7725 OFFICE SUPPLIES (F/S 40% OF BEM ACC 7721)*	\$1,600.00	\$1,707.74	\$1,600.00
163	7735 POSTAGE (F/S 40% OF BEM ACC 7731)*	\$800.00	\$1,013.23	\$600.00
164	7745 ACC. & BOOKKEEPING	\$500.00	\$475.00	\$500.00
165	7805 SHOP SUPPLIES (F/S 40% OF BEM ACC 7801)*	\$1,400.00	\$897.01	\$1,400.00
166	7815 WATER METER EXPENSE (\$185 per meter)	\$0.00	\$510.92	\$2,000.00
167	7825 CONFERENCES & EDUCATION	\$2,000.00	\$1,404.90	\$2,000.00
168	7835 MISCELLANEOUS EXP.	\$0.00	\$57.00	\$0.00
169	HICKORY MAIN/DISCHARGE LOAN PAYMENTS	\$12,000.00	\$12,034.38	\$12,050.00
170	EXPENSE TOTALS	\$172,565.00	\$173,757.82	\$190,504.30
171				
172	INCOME - EXPENSE	\$0.00	\$7,214.22	\$0.00
173				
174	RESERVE FUND EXPENSES FOR 2011-12			
175				
176	Note: CPI increase for the Denver/Boulder/Greeley area is 2%			
177	If we ask for a raise in annual assessments of 2% and it passes,			
178	the new BEMA annual assessment would be \$1,303.56 (\$25.56)			
179	and 163 X \$1,303.56 = \$212,480.28, an increase of \$4,166.28			
180				
181	Note: CPI increase for the Denver/Boulder/Greeley area is 2%			
182	If we ask for a raise in annual assessments of 2% and it passes,			
183	the new BEWA annual assessment would be \$759.90 (\$14.90)			
184	and 157 X \$759.90 = \$119,304.30, an increase of \$2,339.30			
185				
186				
187				R.A.H.

Big Elk Water Association

Balance Sheets 2012

ADJUSTED

Big Elk Water Association

P.O. Box 440
Lyons, Colorado 80540

Balance Sheet**As of May 2012**

7/14/2012
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Assets

Cash in Bank	\$4,784.19
Investments	\$18,853.04
Accounts Receivable Other	\$170.43
Vehicles	\$63,055.06
Accounts Receivable	\$28,406.91
Water Filters	\$21,168.02
Machinery	\$144,638.41
Water Mains	\$254,595.16
Water Treatment Plant	\$205,692.75
Inonization Plant	\$194,000.99
Water Rights	\$10,422.46
Accumulated Depreciation	(\$539,701.34)
Total Assets	<u>\$406,086.08</u>

Liabilities

LOOMIS - Water Projects Loan	\$75,817.70
B.O.T.W. - Water Projects Loan	(\$669.60)
Total Liabilities	<u>\$75,148.10</u>

Equity

Current Year Earnings	(\$16,801.47)
Retained Earnings	\$347,459.76
Historical Balancing Account	\$279.69
Total Equity	<u>\$330,937.98</u>
Total Liability & Equity	<u>\$406,086.08</u>

Big Elk Water Association

Balance Sheets 2013

ADJUSTED

Big Elk Water Association

P.O. Box 440
Lyons, Colorado 80540

Balance Sheet**As of May 2013**

7/22/2013
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Assets

Cash in Bank	\$5,755.34	
Investments	\$25,876.44	
Accounts Receivable Other	\$87.98	
Vehicles	\$63,055.06	
Accounts Receivable	\$30,690.73	
Water Filters	\$21,168.02	
Machinery	\$147,351.23	
Water Mains	\$255,264.76	
Water Treatment Plant	\$205,692.75	
Inonization Plant	\$200,103.59	
Water Rights	\$10,422.46	
Accumulated Depreciation	(\$568,688.34)	
Total Assets		<u>\$396,780.02</u>

Liabilities

LOOMIS - Water Projects Loan	\$66,814.30	
Total Liabilities		\$66,814.30

Equity

Current Year Earnings	(\$972.26)	
Retained Earnings	\$330,658.29	
Historical Balancing Account	\$279.69	
Total Equity		\$329,965.72

Total Liability & Equity		<u>\$396,780.02</u>
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Big Elk Meadows Association
Membership

Smith, Susan	TRACT 1	LOT 1	89	Balsam	Lyons, CO 80540
BEM Cabin	TRACT 1	LOT 2	113	Balsam	Lyons, CO 80540
Wimp, Larry	TRACT 1	LOT 3	133	Balsam	Lyons, CO 80540
Wimp, Larry (Tap paid)	TRACT 1	LOT 4 *			Lyons, CO 80540
Emler	TRACT 1	LOT 5	153	Hemlock	Lyons, CO 80540
Ross	TRACT 1	LOT 6	183	Hemlock	Lyons, CO 80540
Black/Herbolsheimer	TRACT 1	LOT 7	195	Hemlock	Lyons, CO 80540
Murphy, Jim	TRACT 1	LOT 8	211	Hemlock	Lyons, CO 80540
Parris	TRACT 1	LOT 9	245	Hemlock	Lyons, CO 80540
Maher/Forshay	TRACT 1	LOT 10	261	Hemlock	Lyons, CO 80540
Johnston	TRACT 1	LOT 11	275	Hemlock	Lyons, CO 80540
Johnston	TRACT 1	LOT 12 *			Lyons, CO 80540
Logero	TRACT 1	LOT 13	311	Hemlock	Lyons, CO 80540
Landers	TRACT 1	LOT 14	335	Hemlock	Lyons, CO 80540
Ray	TRACT 1	LOT 15 *			Lyons, CO 80540
Ray (well water)	TRACT 1	LOT 16	379	Hemlock	Lyons, CO 80540
Renouf	TRACT 1	LOT 17	391	Hemlock	Lyons, CO 80540
Vernon	TRACT 1	LOT 18	407	Hemlock	Lyons, CO 80540
Daniels (tap pd.)	TRACT 1	LOT 19	421	Hemlock	Lyons, CO 80540
Daniels (tap pd.)	TRACT 1	LOT 20 *			Lyons, CO 80540
Daniels (tap paid)	TRACT 1	LOT 21 *			Lyons, CO 80540
Karg	TRACT 1	LOT 22	491	Hemlock	Lyons, CO 80540
Armagost	TRACT 1	LOT 23	505	Hemlock	Lyons, CO 80540
Eike	TRACT 1	LOT 24	527	Hemlock	Lyons, CO 80540
Eike	TRACT 1	LOT 25 *			Lyons, CO 80540
Weber	TRACT 1	LOT 26	565	Hemlock	Lyons, CO 80540
Weber	TRACT 1	LOT 27 *			Lyons, CO 80540
Scharer	TRACT 1	LOT 28 A	579	Hemlock	Lyons, CO 80540
Scharer	TRACT 1	LOT 29 *			Lyons, CO 80540
Guthrie	TRACT 1	LOT 30	653	Hemlock	Lyons, CO 80540
Guthrie	TRACT 1	LOT 31 *			Lyons, CO 80540
Cross (well water)	TRACT 1	LOT 32 *	773	Hemlock	Lyons, CO 80540
Cross	TRACT 1	LOT 33 *			Lyons, CO 80540
Bosley	TRACT 1	LOT 34 (lot only)	761	Hemlock	Lyons, CO 80540
Bosley	TRACT 1	LOT 35 *			Lyons, CO 80540
Bosley	TRACT 1	LOT 36 *			Lyons, CO 80540
Overton	TRACT 1	LOT 37	803	Hemlock	Lyons, CO 80540
Overton	TRACT 1	LOT 38 *			Lyons, CO 80540
Madigan/Axelson	TRACT 1	LOT 39	811	Hemlock	Lyons, CO 80540
Carlson	TRACT 1	LOT 40	817	Hemlock	Lyons, CO 80540
Schmidt	TRACT 1	LOT 41	829	Hemlock	Lyons, CO 80540
Franz	TRACT 1	LOT 42	833	Hemlock	Lyons, CO 80540
Vesely	TRACT 1	LOT 43	847	Hemlock	Lyons, CO 80540
Champlin	TRACT 1	LOT 44	758	Hemlock	Lyons, CO 80540
Karcher	TRACT 1	LOT 46	708	Hemlock	Lyons, CO 80540
Karcher(1/2)?Bit(1/2)	TRACT 1	LOT 47 *			Lyons, CO 80540
Bittler	TRACT 1	LOT 48	686	Hemlock	Lyons, CO 80540
Anderson, B	TRACT 1	LOT 49	654	Hemlock	Lyons, CO 80540
Nelsen	TRACT 1	LOT 50	12	Mirror Lake Court	Lyons, CO 80540

Miller	TRACT 1	LOT 51	36	Mirror Lake Court	Lyons, CO 80540
Anderson, S	TRACT 1	LOT 52	58	Mirror Lake Court	Lyons, CO 80540
Miller	TRACT 1	LOT 53	36	Mirror Lake Court	Lyons, CO 80540
Shockley/Fox	TRACT 2	LOT 1	538	Hickory	Lyons, CO 80540
Dickinson	TRACT 2	LOT 2	520	Hickory	Lyons, CO 80540
Arnold, Leonard	TRACT 2	LOT 3	527	Hickory	Lyons, CO 80540
Chrisbens	TRACT 2	LOT 4	592	Hickory	Lyons, CO 80540
Chris(1/2)/Over(1/2)	TRACT 2	LOT 5 *			Lyons, CO 80540
Schindelar, Esther	TRACT 2	LOT 6	455	Hickory	Lyons, CO 80540
Overton(1/2 5,7)	TRACT 2	LOT 7	452	Hickory	Lyons, CO 80540
Orth	TRACT 2	LOT 8	439	Hickory	Lyons, CO 80540
Harbert	TRACT 2	LOT 9	430	Hickory	Lyons, CO 80540
Ridgley	TRACT 2	LOT 10	421	Hickory	Lyons, CO 80540
Harbert	TRACT 2	LOT 11 *			Lyons, CO 80540
Schindelar, Eric	TRACT 2	LOT 12	393	Hickory	Lyons, CO 80540
Knott	TRACT 2	LOT 14	379	Hickory	Lyons, CO 80540
Ahnstedt	TRACT 2	LOT 15	386	Hickory	Lyons, CO 80540
Teague	TRACT 2	LOT 17	350	Hickory	Lyons, CO 80540
Stevens (tap pd)	TRACT 2	LOT 19(lot only)	308	Hickory	Lyons, CO 80540
Williams	TRACT 2	LOT 20	23	Hickory	Lyons, CO 80540
Wray	TRACT 2	LOT 21	4	Hickory	Lyons, CO 80540
O'Neill	TRACT 2	LOT 22	238	Hickory	Lyons, CO 80540
O'Neill	TRACT 2	LOT 23 *			Lyons, CO 80540
O'Neill	TRACT 2	LOT 24 *			Lyons, CO 80540
Guyot	TRACT 2	LOT 25	172	Hickory	Lyons, CO 80540
Clevenger/Devore	TRACT 2	LOT 26	175	Hickory	Lyons, CO 80540
Oatley	TRACT 2	LOT 27	173	Hickory	Lyons, CO 80540
Boshinski	TRACT 2	LOT 28	151	Hickory	Lyons, CO 80540
Allen/Haugen	TRACT 2	LOT 29	131	Hickory	Lyons, CO 80540
Sharp, B	TRACT 2	LOT 30	115	Hickory	Lyons, CO 80540
Puscher/Sampsel	TRACT 2	LOT 31	91	Hickory	Lyons, CO 80540
Peterson/Zeigler	TRACT 2	LOT 32	59	Hickory	Lyons, CO 80540
Orleans	TRACT 2	LOT 33	51	Hickory	Lyons, CO 80540
Neldner	TRACT 2	LOT 34	39	Hickory	Lyons, CO 80540
Bolin	TRACT 3	LOT 1	462	Aspen	Lyons, CO 80540
VanBuskirk	TRACT 3	LOT 2	538	Aspen	Lyons, CO 80540
Castle	TRACT 3	LOT 3	434	Aspen	Lyons, CO 80540
Evertson/Peterson	TRACT 3	LOT 4	394	Aspen	Lyons, CO 80540
Bernard	TRACT 3	LOT 5	374	Aspen	Lyons, CO 80540
Briggle	TRACT 3	LOT 6	370	Aspen	Lyons, CO 80540
Broome	TRACT 3	LOT 7	330	Aspen	Lyons, CO 80540
Stacey	TRACT 3	LOT 8	318	Aspen	Lyons, CO 80540
Clark, W/Mcqueede	TRACT 3	LOT 9	302	Aspen	Lyons, CO 80540
Boyle/Moody	TRACT 3	LOT 10	278	Aspen	Lyons, CO 80540
Alsbaugh	TRACT 3	LOT 11	211	Aspen	Lyons, CO 80540
Lazzeri	TRACT 3	LOT 12	244	Aspen	Lyons, CO 80540
Park	TRACT 3	LOT 13	181	Aspen	Lyons, CO 80540
McCutchen	TRACT 3	LOT 14	178	Aspen	Lyons, CO 80540
McCutchen	TRACT 3	LOT 15 *			Lyons, CO 80540

Thompson	TRACT 3	LOT 16	154	Aspen	Lyons, CO 80540
Jardine	TRACT 3	LOT 17	153	Aspen	Lyons, CO 80540
Sheeks	TRACT 3	LOT 18	134	Aspen	Lyons, CO 80540
Luce/Hoy	TRACT 3	LOT 19	117	Aspen	Lyons, CO 80540
McLeland	TRACT 3	LOT 20	84	Aspen	Lyons, CO 80540
Garcia	TRACT 3	LOT 21	74	Aspen	Lyons, CO 80540
Adler	TRACT 4	LOT 1	500	Aspen	Lyons, CO 80540
Menhennett	TRACT 4	LOT 2	536	Aspen	Lyons, CO 80540
Menhennett	TRACT 4	LOT 3 *			Lyons, CO 80540
Perry	TRACT 4	LOT 4	564	Aspen	Lyons, CO 80540
Cyphers Family LLP	TRACT 4	LOT 5	576	Aspen	Lyons, CO 80540
Stanesco	TRACT 4	LOT 6	592	Aspen	Lyons, CO 80540
Higgins/Mackey	TRACT 4	LOT 7	626	Aspen	Lyons, CO 80540
Holland	TRACT 4	LOT 8 (91?)	632	Aspen	Lyons, CO 80540
Zedalis	TRACT 4	LOT 9	652	Aspen	Lyons, CO 80540
Cummings	TRACT 4	LOT 10	682	Aspen	Lyons, CO 80540
Bond	TRACT 4	LOT 11	712	Aspen	Lyons, CO 80540
Bond	TRACT 4	LOT 12 *			Lyons, CO 80540
Mason	TRACT 4	LOT 13	735	Aspen	Lyons, CO 80540
Mason	TRACT 4	LOT 14 *			Lyons, CO 80540
Maniscalco	TRACT 4	LOT 15	780	Aspen	Lyons, CO 80540
Bernstein (Tap half p	TRACT 4	LOT 16*(lot only	814	Aspen	Lyons, CO 80540
Rogers	TRACT 4	LOT 17	850	Aspen	Lyons, CO 80540
Rogers(1/2,ShorCar(	TRACT 4	LOT 18 *			Lyons, CO 80540
Carpenter	TRACT 4	LOT 19	854	Aspen	Lyons, CO 80540
Enger	TRACT 4	LOT 20	898	Aspen	Lyons, CO 80540
Enger(1/2)/Sayler(1/	TRACT 4	LOT 21 *			Lyons, CO 80540
Sayler	TRACT 4	LOT 22	908	Aspen	Lyons, CO 80540
Hockmuller	TRACT 4	LOT 23 *			Lyons, CO 80540
Hockmuller	TRACT 4	LOT 24	950	Aspen	Lyons, CO 80540
Bentley	TRACT 4	LOT 25	972	Aspen	Lyons, CO 80540
Bentley	TRACT 4	LOT 26 *			Lyons, CO 80540
Scott, J	TRACT 4	LOT 27	1012	Aspen	Lyons, CO 80540
Daily	TRACT 4	LOT 28	1032	Aspen	Lyons, CO 80540
Fuhr	TRACT 4	LOT 29	1084	Aspen	Lyons, CO 80540
Fuhr	TRACT 4	LOT 30 *			Lyons, CO 80540
Fearn/Sees	TRACT 4	LOT 31	1114	Aspen	Lyons, CO 80540
Flanagan	TRACT 5	LOT 1	53	Balsam	Lyons, CO 80540
Sweeney	TRACT 5	LOT 2	31	Balsam	Lyons, CO 80540
Rouse	TRACT 5	LOT 3	15	Balsam	Lyons, CO 80540
Rouse	TRACT 5	LOT 4 *			Lyons, CO 80540
Rottinhaus	TRACT 5	LOT 5	31	Cedar	Lyons, CO 80540
Spreng	TRACT 5	LOT 6	71	Cedar	Lyons, CO 80540
Spreng	TRACT 5	LOT 7 *			Lyons, CO 80540
Grantham	TRACT 5	LOT 8(lot only)	83	Cedar	Lyons, CO 80540
Hall, Susan	TRACT 5	LOT 9	97	Cedar	Lyons, CO 80540
McBride	TRACT 5	LOT 10	125	Cedar	Lyons, CO 80540
Ledford	TRACT 5	LOT 11	137	Cedar	Lyons, CO 80540
Isenhardt	TRACT 5	LOT 12	171	Cedar	Lyons, CO 80540

Innes	TRACT 5	LOT 13	177	Cedar	Lyons, CO 80540
Reilley	TRACT 5	LOT 14	201	Cedar	Lyons, CO 80540
Rummelhagen	TRACT 5	LOT 15	208	Cedar	Lyons, CO 80540
Kowalski	TRACT 5	LOT 16	225	Cedar	Lyons, CO 80540
Rummelhagen	TRACT 5	LOT 17 *			Lyons, CO 80540
Alexander	TRACT 5	LOT 18	245	Cedar	Lyons, CO 80540
Welch	TRACT 5	LOT 19	246	Cedar	Lyons, CO 80540
Behrens	TRACT 5	LOT 20	259	Cedar	Lyons, CO 80540
Merry	TRACT 5	LOT 21	272	Cedar	Lyons, CO 80540
Noble	TRACT 5	LOT 22	273	Cedar	Lyons, CO 80540
Roos	TRACT 5	LOT 23	294	Cedar	Lyons, CO 80540
Bailey/Werner	TRACT 5	LOT 24	307	Cedar	Lyons, CO 80540
Roos	TRACT 5	LOT 25 *			Lyons, CO 80540
Nutall	TRACT 5	LOT 26(lot only)	323	Cedar	Lyons, CO 80540
Wells Fargo Bank	TRACT 5	LOT 27	332	Cedar	Lyons, CO 80540
Scoma	TRACT 5	LOT 28	339	Cedar	Lyons, CO 80540
Mont(1/2)Heart(1/2)	TRACT 5	LOT 29 *			Lyons, CO 80540
Huntington	TRACT 5	LOT 30	355	Cedar	Lyons, CO 80540
Hearting	TRACT 5	LOT 31	358	Cedar	Lyons, CO 80540
Dreiling	TRACT 5	LOT 32	367	Cedar	Lyons, CO 80540
Sharp,D	TRACT 5	LOT 34	391	Cedar	Lyons, CO 80540
Witte	TRACT 5	LOT 36	417	Cedar	Lyons, CO 80540
Hinrichs	TRACT 5	LOT 38	429	Cedar	Lyons, CO 80540
Johanson(1/2/Hinric1	TRACT 5	LOT 40 *			Lyons, CO 80540
Johanson	TRACT 5	LOT 41	451	Cedar	Lyons, CO 80540
Main	TRACT 5	LOT 41 A	1027	Aspen	Lyons, CO 80540
Schwab (Tap paid)	TRACT 5	LOT 42	39	Willow	Lyons, CO 80540
Hall, Cliff	TRACT 6	LOT 1	754	Hickory	Lyons, CO 80540
Loomis	TRACT 6	LOT 2	751	Hickory	Lyons, CO 80540
Hall,Cliff	TRACT 6	LOT 3 *			Lyons, CO 80540
Battaglini	TRACT 6	LOT 4	747	Hickory	Lyons, CO 80540
Christensen, Glenn	TRACT 6	LOT 5	748	Hickory	Lyons, CO 80540
Grieco	TRACT 6	LOT 6	745	Hickory	Lyons, CO 80540
Christensen,Glenn	TRACT 6	LOT 7 *			Lyons, CO 80540
Christenson,R	TRACT 6	LOT 8	743	Hickory	Lyons, CO 80540
Dierks	TRACT 6	LOT 9	742	Hickory	Lyons, CO 80540
Jeffrey	TRACT 6	LOT 10	741	Hickory	Lyons, CO 80540
Heisterkamp	TRACT 6	LOT 11	728	Hickory	Lyons, CO 80540
Solman	TRACT 6	LOT 12	737	Hickory	Lyons, CO 80540
Heisterkamp	TRACT 6	LOT 13 *			Lyons, CO 80540
Jacobson	TRACT 6	LOT 14	741	Hickory	Lyons, CO 80540
O'Connell	TRACT 6	LOT 15	681	Hickory	Lyons, CO 80540
Matsuda	TRACT 6	LOT 40	663	Hickory	Lyons, CO 80540
Martin/Irvan	TRACT 6	LOT 41	656	Hickory	Lyons, CO 80540
Davis	TRACT 6	LOT 42	645	Hickory	Lyons, CO 80540
Martin/Irvan	TRACT 6	LOT 43 *			Lyons, CO 80540
Santoriello	TRACT 6	LOT 44	615	Hickory	Lyons, CO 80540
Erickson	TRACT 6	LOT 45	604	Hickory	Lyons, CO 80540
Pulley	TRACT 6	LOT 46	605	Hickory	Lyons, CO 80540

Kenner	TRACT 6	LOT 47	564	Hickory	Lyons, CO 80540
Cummings/Martin	TRACT 6	LOT 48	559	Hickory	Lyons, CO 80540
Spencer	TRACT 6	LOT 49	558	Hickory	Lyons, CO 80540
Tolle/Lundin	TRACT 6	LOT 50	551	Hickory	Lyons, CO 80540
Robinson	TRACT 7	LOT 1	45	Meadow Lake Drive	Lyons, CO 80540
Unruh	TRACT 7	LOT 2	133	Meadow Lake Drive	Lyons, CO 80540
BEM (Hansen)	TRACT 7	LOT 3 (lessee)	95	Meadow	Lyons, CO 80540
McDaniel	TRACT 7	LOT 4	53	Meadow Lake Drive	Lyons, CO 80540
Clanton	TRACT 7	LOT 5	21	Meadow Lake Drive	Lyons, CO 80540
Clanton	TRACT 7	LOT 6 *			Lyons, CO 80540
Clanton (tap paid)	TRACT 7	LOT 7 *			Lyons, CO 80540