

To Walkingstick 1 Estates Homeowners:

We would like to give you a status report on some of the issues your board has been addressing during the past few months.

CLUBHOUSE REPAIRS:

After over 25 years of use parts of our infrastructure is in need of replacement or repair.

In our annual meeting in 2024 we discussed two alternatives for repairing the tennis courts.

1. Replace the three retaining walls around the tennis courts at a cost of approximately \$120,000
2. Reinforce the three walls with "soil nails" at a cost of approximately \$42,000.

Once the walls were replaced or repaired then the tennis courts would be resurfaced at a cost of \$20,000 and the parking would be repaired and re striped at a cost of approximately \$8500. The wall repairs must be accomplished before the court resurfacing and parking lot repairs since equipment will be driving over the surfaces during the wall repair.

The board voted to approve the soil nail option which was presented at the annual meeting.

During the preparation to begin the repairing process it was discovered that the current retaining walls did not have the proper rebar steel support to allow the soil nails to work safely and that the retaining wall around the clubhouse building had deteriorated. As a result we are rebidding the replacement of the three walls as presented in option 1.

We have received questions regarding financing the project.

The \$300 special assessment was only part of the project cost and raised \$32,000. Quarterly dues were also increased from \$240 to \$300 which will raise an additional amount of approximately \$26,000 by the end of 2025. If the cost of the wall replacement is \$120,000 our share or 70% will be \$84,000. We have the funds to repair the wall this year assuming no increase in cost and everyone pays their dues, but will have to resurface the tennis courts and parking lot in 2026 as we accumulate funds. We have a reserve fund of \$65,000 which we must retain for emergencies.

We are also working with the Villas Board on this project since they own 30% of the clubhouse and will be responsible to pay for 30% of the repairs. There has been hesitation on the part of the villas Board on this project since most of their residents do not use the tennis courts. They suggested other alternatives which we investigated. Exploring all options has been a time consuming exercise which has obviously delayed the project. Keep in mind that this has been done by volunteers that all have full time jobs in addition to their HOA duties.

Once we have the final bids on everything we plan to have an annual meeting to give a report of the final cost and the decision of the board.

POOL Repairs:

In addition to the repairs noted above we have discovered a problem with the pool circulation system or skimmers that has been getting progressively worse. The repairs will include breaking up and replacing part of the concrete decking in order to uncover and repair the underground suction line and both skimmers.

Without these repairs the pool filter system will not work properly which is essential to pool safety.

The first estimate for this repair is \$14,000 and should be completed before the next pool season begins in 2026.

HOA FINANCIAL ADVISOR:

Our financial advisor of many years, Gail Barker retired at the end of last year.

We hired a new accountant, but with a barrage of management issues facing your volunteer Board, which has a limited amount of time, we have come to the conclusion that we need a property manager as well as a financial advisor. We have had a final interview with a Management Company and after references are checked out we plan to sign a contract with them and make the transition to their services effective October 1, 2025.

Hiring this management company should make it more convenient for residents to contact the HOA with questions, improve communications between the HOA board and residents, provide timely notice of covenant violations, streamline the billing process and provide much needed advice on following the very onerous laws recently enacted by the Colorado legislature regarding administration of HOA activities.

The new management company will be using email as the primary method of contacting homeowners so it is absolutely necessary that we have everyone's email address and phone number. The law going into effect on October 1, 2025 REQUIRES that we have three ways to contact each homeowner... by US mail, email and phone.

We are missing email addresses and phone numbers for approximately 35 of 108 homeowners. Those homeowners will be contacted by receiving this letter by mail. If you do not have the required information on file, please respond as soon as possible but no later than September 25, 2025 by returning the required information to:

Walkingstick 1 HOA
PO Box 8358
Pueblo Co.
81008

WASTE MANAGEMENT:

As you know Waste Management has been our provider for many years. The annual cost of their service is approximately \$25,000 or about \$19.50 per month per garbage container and includes 4 containers for the clubhouse.

They have recently began using an automated pick up system in order to reduce cost. Because of this they no longer pick up items not in the approved W/M containers.

We have asked about having more than one container and are awaiting a response on how to accomplish that. The cost will probably be \$8 per month for an extra container which will be billed directly to the homeowner.

ACCOUNTS RECEIVABLE:

At the end of July, 2025 we had over \$14,000 of unpaid Homeowner dues.

If you owe dues please pay as soon as possible. There are so many issues facing the Board that we do not have the time to be a collection agency also. We need the funds to pay our bills. Some of the individuals owe over \$1000. This has become such a problem we are exploring the possibility of implementing a monthly late fee on unpaid balances based on the % of the amount owed.

We hope this letter answers any questions you may have regarding these issues.

Thank you,

The Walkingstick Estates 1 Board

9/1/25

Keith
Laurel
Chip
Rachel
Claudio