

MINUTES OF THE ANNUAL MEETING
OF THE RANCH AT ROARING FORK
HOMEOWNERS ASSOCIATION
August 2, 2008

The Annual Meeting of the members of the Ranch at Roaring Fork Homeowners Association was called the meeting together at 10:10 a.m. on July 21, 2007, at the Gazebo. Mike Gerber presided as President and DeeDee O'Brien served as Secretary of the meeting. All attendees were given a meeting packet which contained the Agenda, the Minutes from the 2007 Annual meeting, the Manager's Report, the Financial Report, Committee Reports, and a 2008 Drinking Water Report.

Attendance

The President, Mike Gerber, presented the role of members and declared that 85 were present in person or by proxy. He then introduced himself and the members of the Board who were present- DeeDee O'Brien, John Hermon and Dan Bishop, Bob Jacobson, Chris Rowberry, Brian Pettet. He also introduced Jim Williamson from Colorado Property Management Group as well as George "Doc" Doxey, the Ranch General Manager. Doc introduced the Ranch staff – Rick Carsten, Gustavo Amador, Carlos Carillo, Michele Willey and 2 summer interns, Tina Liljedhal and Chase Martin. Doc next introduced golf course personnel Tom Vail, Nancy Vail, Brendel Maigatter, Melissa Nelson and Oscar Gomez. As well As long time resident and winter horse caregiver Franklin Hallowell. The homeowners applauded the staff for their contributions.

Election

Gerber stated that to comply with recent state bills, including Senate Bill 100, the voting for the 2008 election would be done with secret ballots. He introduced the candidates running for the 2 vacant Board seats; Dennis Reynolds and Paul Schlauch. Gerber then called for any nominations to the Board from the floor. He also asked if anyone wanted to change their vote. Both issues received no responses, therefore, Mr. Gerber declared the polls closed and the independent election judge commenced counting the votes.

Minutes

The minutes of the July 21, 2007 Annual Meeting of the Association were distributed to the members present and on motion duly made and, were unanimously approved.

Manager's Report

A written report was provided on pages 9-11 of the meeting material binder. Doc expanded on the report stating that he believed that the Ranch has really never looked better and that the years of work, effort and investment are really paying off. Then Doc commented; it was a hard winter, then the spring fire, and high water runoffs, gave staff more than normal problems. However, staff prepared for the floods – building up dirt in areas, and in particular around the wells and sewer areas. This spring, there was a Pine Beetle problem on as many as 171 susceptible trees – and the professional sprayers are in the process of taking care of these trees.

Mike Gerber then thanked Doc for his hard work.

Treasurer's Report

Jim Williamson, the CFO of Colorado Property Management gave an overview of the current financial report provided in the packet on page 12 and stated that a copy of the June 2008 financial report is available from the Ranch office. He stated there was \$124,000 net income for the year. And also that \$1,620,000 cash in our funds account, \$1,200,000 of that was restricted funds from the Bailey fund.

Committee Reports

Written summaries from each committee (Architectural, Condominium, Golf & Tennis, Horse, Fishing and Waterways and Noise Abatement) were included with the meeting packet. Some chairpersons of committees made additional comments.

Architectural

John Thorpe wrote the report and although he wasn't at the meeting, put the report in the booklet that Doc prepared.

Condominiums

John Herman gave the report, as follows: there is a negative net reserve mainly due to the sewer line breaking and needing repairing for \$26,000. He stressed three items:

- Condominium owners have to pay both the HOA common dues plus the condominium dues.
- Condominium owners cannot improve the landscaping on the common area and must obtain permission to improve the property outside the entry of their units.

- Condominium owners are encouraged to get involved and inputting their ideas forward through the committee format.

Fishing and Waterways

Peter Breitenstein reported there is a new stream, and has a loan of \$375,000. Breitenstein believes there is not enough money for maintenance since the new stream requires more attention and without more maintenance funds, other areas will not be maintained. Breitenstein described the problem resulting in long green weeds in the water and the only ingredient that can be controlled is the silt deposited in the waterways. He would like more money from outside sources (in addition to the badges) such as through:

- Contributions
- Ranch Waterways Trust
- Money for bigger fish
- Fishing derby
- Can we take in things and sell on EBay?

There was a question from the floor regarding what need more money for. The answer: silt curing, better water flows and more engineering studies.

Gerber explained that there is cash in the fishing fund, just different opinions as to the amount of adequate cash in the fishing funds.

Golf and Tennis

Dan Bishop reported the golf greens look good but behind the scenes, there are problems, primarily the sprinkler system – Tom has been “bandaiding” it. Areas also needing attention: bunkers, trees, new shade for the clubhouse. Tom is getting irrigation estimates and so far they range from \$250,000 which is just for pipes and parts, to much more for a fully installed system.

Bishop offered a solution for the deteriorated tennis surface: new plastic mat was passed out to all. This surface could handle other activities, such as basket ball, roller skating. The cost for a new concrete surface could cost over \$100,000 and the mat system would cost \$42,000 to \$54,000. The next Board of Directors will need to address this matter.

Horse

Catherine Gros provided the report was written and put in the packet. Polly Tucker said that the horse amenity continues to be a valuable asset to the Ranch. The new trails cut by Ranch staff have added to the enjoyment, the facility undergoes regular improvements and the mares and the geldings have been separated to create a safer experience for all. Franklin Hallowell was thanked for his efforts to feed the herd twice each day during the

winter months and monitor their general health.

Noise Abatement

Jo read an additional report from George Hopfenbeck regarding the history of the berm (attached). The committee focused this year on 2 things; first was the money needed to build, they spoke to DHM Design Inc who reviewed the whole history, which was done at no cost to us. Brian Petit spoke to Russell George about the current outlook from the Dept. of Transportation, possibly the delay in building the berm has been good, since so many new good things have been found, such as new “green” units.

Homeowner Survey

Brian Pettet reported the survey revealed that the ownership of the Ranch was getting more involved, higher percentage owner occupied, getting older, spending more time here. This survey gave us a first step in a vision, along with the maintenance study. The survey is on the Ranch website, www.ranchatroaringfork.com.

Stephanie McConaughy is a Research Professor at the University of Vermont and she offered her comments and concerns related to the survey to the members; pointing out key factors that will assist the Board of Directors as they consider the priority, costs of projects and the sources of revenue as they plan for the future.

Major Maintenance Reserve Study

Mike Gerber spoke of the Borne Engineering report – our reserve maintenance study. He said the study was broken into different categories, mainly general, condominiums, golf, and waste water treatment plant. This study is posted on the Ranch website. Borne is doing an executive summary, including:

- Infiltration problem, needed money for the WWTP, etc.
- If nothing is done, our deficit will be over 7 figures in 20 years
- The executive summary will be put on the Ranch website shortly
- The Board needs to do a balancing plan between needs and money

April Fire Update

The next topic was an update of the April wildfire situation, given by Doc. The Board of Directors contracted with Natural Resource Consultants to assess the trees and identify all the problem trees. Now we are working on getting recommendations and proposals for tree removal and restoration. We learned that the best option for chipping the burned

trees was to broadcast the wood chips right at the tree location rather than move it and reduce the amount of burning of the debris.

Ranch Entrance

Mike Gerber reviewed the various plans for a Ranch entrance that were presented by Ron Liston at the 2006 Annual Meeting. They included items including: new entranceway, tennis courts, new gazebo, parking, etc. However, a source of funds for these improvements is required. One option would be to develop the Relay Station property. Gerber pointed out the need for the Board to understand the desire and vision of the residents in order to make appropriate decisions.

Domestic Water Financing

Gerber spoke about the domestic water financing. \$409,000 was borrowed against the Bailey Funds, and we are booking interest on that at 5%. We now have several options to address this loan:

- Do nothing
- Special assessment
- Pay back over of time
- Pay 5% interest for using the Bailey funds
- Use the Bailey funds to retire the loan

New Board

Gerber thanked the John Hermon who is going off the Board for his efforts and accomplishments. He then announced that Dennis Reynolds and Paul Schlauch were unopposed and elected to the Board

Thanks to Mike Gerber for his long and good service were offered by Polly Tucker, Bob Tucker, and Dan Bishop, representing the Board. They presented Mike a framed aerial photograph of the Ranch @ Roaring Fork with a plaque thanking him for his 12 years of service and leadership.

Resident Questions/ Input

One of the questions was about homeowners cutting downed trees for firewood. It was decided that since litigation is such a problem, that this could no longer be allowed.

Another question dealt with our necessarily doing an audit yearly. The answer was yes, either an audit or a review, which in the past had not been done.

There was then discussion about selling assets (in addition to the parcel across the street). Previous Boards had not opted to sell an asset to fund maintenance, now with the information from the Homeowner survey and Major Maintenance study; the new board will have additional information to help guide these discussions.

Questions and comments were given about the Bailey Funds , as noted previously, the Board of Directors have been resistant to release these funds for any projects pending the final word concerning the noise abatement issue.

Dan Bishop answered questions about the alternative tennis court surfaces.

Last question was if we could make landscape Surrey. The answer was that since it is a combination of State right-of-way, and County road, and because of liability issues, we have not done this.

At the conclusion of the Q&A period, there being no further business to come before the Meeting, it was adjourned.

DeeDee O'Brien
Acting Secretary