

DRAFT
MINUTES OF THE ANNUAL MEETING
OF THE RANCH AT ROARING FORK
HOMEOWNERS ASSOCIATION
August 7, 2010

The Annual Meeting of the members of the Ranch at Roaring Fork Homeowners Association was called together at 10:20 a.m. on August 7, 2010, at the gazebo. Brian Pettet presided as President of the meeting. All attendees were mailed a packet which contained the Agenda, the Minutes from the 2009 Annual Meeting, Board of Director Statements, Election Ballots and Proxy, and a Sample Ballot.

The President, Brian Pettet, called the meeting to order after establishing a quorum of the members by the number present and by proxy.

There was a motion by Peter Breitenstein to accept the minutes of the 2009 Annual Meeting, seconded by Martha Schlauch, and unanimously approved.

Brian asked for a moment of silence to honor those that were not with us, given that the Ranch had lost a few members in the past year.

Brian then introduced himself and the members of the Board who were present: Ryan Grobler, Chris Rowberry, Paul Schlauch, Gordon Nelson and Dennis Reynolds. It was noted that DeeDee O'Brien was not able to attend. Brian then asked that any past Board or committee members stand and be acknowledged. He also introduced Steve Coley, the Ranch General Manager. Steve acknowledged the Ranch staff: Rick Carsten, Gustavo Amador, Guadalupe Martinez, and Michele Willey. Steve next acknowledged the golf course personnel Tom and Nancy Vail. The homeowners applauded the staff for their contributions.

Pettet then provided a review of the past 3 years, and said that the Board has been active, transparent and visible for the community. He gave a present to Chris Rowberry and said how much he had enjoyed working with him.

There have been many changes to the Ranch over the past few years, some of which have been self imposed, as well as the outside changes. We had the fire, which affected the economic value of the Ranch, but also caused a bonding together of the community. We also experienced a flood event this spring, which destroyed some of the road in the open space. There is a new wildlife fence and deer guard being built next to Highway 82, and we were able to increase the size of the deer guard from 24 feet to 40 feet.

Brian asked each of the Board members to review some of the accomplishments of the past year.

Paul Schlauch discussed the fire litigation, and how the Ranch had retained expert counsel, and that there was a settlement with the defendant's insurance company. The terms of the settlement are a confidential matter, and should not be disseminated outside of the Ranch ownership. A portion of the lawsuit remains unsettled. It involves our and other plaintiffs' claims against a separate \$500,000 insurance policy. It is possible the Ranch may receive additional funds from this remaining litigation.

Brian also spoke about delinquent HOA dues, and how the Ranch has moved forward with fair but firm collection policies. He also spoke about how the Ranch needed to start on capital planning, and how to finance infrastructure upgrades. Other items that were mentioned that had happened this past year were that new horse sheds were built, the tennis court was resurfaced, including a basketball hoop, that a new Ranch manager had been hired, fish stocking and crack filling on the roadways.

Gordon Nelson spoke about a 5 year contract was being prepared for golf course management, and maintenance of the golf course and condo areas with Other Side of the Fence, Tom Vail's company. He also discussed that there will be a need to replace the golf course irrigation system, and that could potentially be as much as \$600,000. There will be a shift in the financial management of the Ranch, away from CPMG. We are in the process of auditing our original governing documents so that they can be updated, and are working on a comprehensive master plan to manage the Ranch's open space.

Steve Coley spoke about the upcoming plans this fall to stabilize the bank of the Roaring Fork River that was impacted by the high waters of this past spring.

Brian Pettet then spoke about the fast changes coming to us, with the aging populations and that the baby boomer generation are not buying houses or second homes as they have in the past, or retiring to places like the Ranch. There are more people living in the Roaring Fork valley, and that is causing values to change, driven by the perspective of the new members of the community, which is why we need to set policies and standards for open space maintenance and management.

Brian also spoke about our nationwide aging population, and how that may affect the Ranch, such as discussion about motorized transportation back to our open space, and how decisions to allow this sort of thing would not be an ad hoc decision.

Minutes

The minutes of the August 2, 2009 Annual Meeting of the Association were posted on the Ranch website as well as distributed to the members present. Sue Reynolds made a motion that the minutes be approved as distributed; the motion was seconded by Ryan Grobler and was unanimously approved.

President's Address

Brian Pettet began the meeting by asking “What does the Ranch mean to you?” There was lively participation by those in attendance. We heard: friends, water, beauty, wildlife, community, special, views, investment, home, fishing, golf, escape, paradise, safe, adult camp, outdoors, tennis, open spaces, peaceful, cool, horses and love.

Pettet commented that one of the Board of Director’s major goals has been to be more communicative and transparent. They have implemented regular monthly Board meetings, homeowner surveys, a major maintenance reserve study, newsletters and the posting of documents on the website.

2010 Board of Director’s Goals

Pettet listed a few more issues that are on top of the list of priorities:

- 2010 Budget
- Condominium Advisory Committee
- Continued Community Involvement
- 2008 Fire Mitigation
- Common Recreational Area Master Plan
- Revising the CC&Rs

Treasurer’s Report

Dennis Reynolds gave an overview of the current financial condition of the Ranch at Roaring Fork and noted that the current financial statement is posted on the Ranch website.

- Reynolds stated that a draft of the 2008 Audit has been approved by the Board and should be available in September.
- He explained the complexity of the financials and noted that the fixed assets are not reflected on the balance sheet as they are not owner by the HOA, actually the Association is owned by the property owners.
- The Board monitors the homeowners’ payable accounts and one property owner is currently in arrears.
- Reynolds reviewed Capital expenditures: \$49,000 for the tennis court repairs, \$21,000 for road maintenance and \$21,000 for golf course irrigation repairs.
- The Condominiums continue to experience infrastructure problems with the plumbing and sewer system. Unexpected expenses have exceeded the budget and are presenting long term problems for the condominium reserve account. The Condominium Advisory Committee (CAC) will need to evaluate and forecast capital expenses in conjunction with the 2010 budget.

Bailey Funds

Chris Rowberry explained that the Board of Directors used data from the April 2009 Homeowner Survey results along with information from the 2008 Major Maintenance Reserve Study to draft a sample ballot. He noted that both the Survey results and study were placed on the website. Attendee comments were delayed until later after other Directors' presentations had been made.

Golf Course Irrigation

Dan Bishop updated those in attendance on the significant irrigation problems with the wiring for the controllers and valves in the system. Considering the scope of failure and the age of the system it was decided to replace the wiring with a system that will service the entire golf course. This work will be funded by the Common Operating Reserve.

Resident Questions/ Input

Jerry Katz-

Understands the significant cost and had hoped the sound wall along the condominiums would be built. He is willing to participate on the next stage of planning and development of a highway impact mitigation plan.

Charles Froelicher-

Agreed with Katz and strongly urges the HOA not to sell assets to pay bills.

Franklin Hallowell-

Agreed with Froelicher and does not want to sell open space.

Susie Katz-

Please do the landscaping to help mitigate the impacts from the highway.

Polly Tucker-

Addressed the meeting as a Surrey Street resident and served 9 years on the Board working directly with the land sale and noise abatement project. She stated that the highway impact issue should not be combined with any other issue when communicating with the property owners in a survey or ballot. Polly also noted that traffic noise is projected to increase over the next few years.

Betsy Stuckey-

Betsy asked if a rubberized Highway surface was available.

Unknown-

Can the speed limits be reduced on Highway 82?

Gwen Ballard-

Asked what the percentage of owners would be required for a decision to use the Bailey funds for other Ranch purposes?

Mike Fordyce-

Mike wanted to inform others that changes to the highway such as development across the highway could require a traffic light and would increase the noise levels. He also took this opportunity to thank the Board for the tennis court repairs.

Jan Kosglow-

Jan commented that the poplar trees along the highway are beginning to die and we need new different kinds of trees along the highway. She also noted the best time to plant a tree is 10 years ago.

Dan Bishop-

Dan noted that the new golf course plantings and irrigation system will need to be designed with each other in mind.

Mike Gerber-

Should the homeowners decide to reallocate the Bailey funds, don't use all of the money for deferred maintenance and please clarify the use of the funds on the ballot.

At the conclusion of the Q&A period there was no further business and the Meeting, it was adjourned and lunch was served.

DeeDee O'Brien
Acting Secretary