

Minutes of the Annual Meeting of the Sherwood Forest Improvement Assoc. 07-11-2010
(REVISED 07-19-2010)

Board members present: Bill Henricks, Connie Henricks, Garen Farenbach, Corey Sommerville, John Purkey, Linda Pruitt, Angel Crane and Will Herdman

Pre-qualification of member status and handing out of ballots started at 1:00 PM and ended at 1:45 PM.

Meeting was called to order at 2:00PM. Sergeant Mikesell of the Teller County Sheriff's Dept. spoke briefly regarding keeping civil demeanor for this meeting. He was accompanied by a deputy.

1. The Secretary read the minutes of the semi-annual meeting. Kathleen Hayes moved and Mark Knight seconded and the minutes were approved by unanimous vote.
2. The Treasurer read the treasurers report and explained the different areas of the report and answered some brief questions regarding certain items for clarification. It was pointed out by an attendee that the notation for check #1109 was confusing, and it was determined that it was a printer error and should read 1,544.00. The change did not alter the bottom line of total paid as it was calculated correctly. Bill Duesler moved and Marty Bretz seconded and the motion to accept was defeated by a majority vote.
3. The President presented the proposed budget for the coming fiscal year. Ben Crane moved and Kim Purkey seconded and acceptance of the budget was defeated by a 25 against to 15 for acceptance vote. Having been defeated, it will be necessary to revert to the previous fiscal year budget.
4. Old Business: Jerry Burnham explained the outcome of the restitution hearing regarding the plea agreement by Larry King. Restitution went to binding arbitration as the defendant was not negotiating in good faith. The Judge stated that he would rely on the negotiated outcome that the CPA represented to him. The outcome was that the principle amount owed was \$13,000 with an additional \$2,500 for CPA expenses for a total of \$15,500. In addition, 8% interest will be added to the amount owed calculated from the time the funds were missing and 12% interest on the adjusted amount. The restitution clerk of Teller County is calculating the interest and the final amount to be sent to the Judge for acceptance and the Judge will then set the payment schedule. This should be forthcoming in the near future.
5. New Business: Jack Scheuerman, the agent of record (recorded at the Secretary of State), and the legal advisor for the Association, was introduced. Mr. Scheuerman gave a brief discussion regarding the duties of the agent of record, and what the obligations of the

membership is in a Colorado common interest owned association (CCIOA). Members are legally obligated to pay for the expenses of upkeep, taxes etc. by means of the dues payments. In additional discussion, he stated that under the Non Profit Corporation Act members of the Board acted in good faith by consulting legal advice (Wood and Ramirez law firm) regarding the placement of liens on properties and is therefore exempt from any legal action. He further noted that having reviewed the recorded documents, including deeds and plat maps that the association may not (in his opinion) qualify as a common interest owned association. He did point out that there are court cases regarding very similar situations that were adjudicated in favor of the associations. His view was that his opinion differed from that of Wood and Ramirez and that to be correctly determined which opinion was correct, it would have to be adjudicated by the courts, as the opinion of the lawyers did not constitute a declaratory judgment. Other topics of discussion focused on water rights issues regarding who may have rights to the water in the wells and that to determine these rights would also take a declaratory judgment, either as individuals or as an association. He suggested that this was something that is important to be researched by individuals or by the association.

6. Voting was held for the proposed amendments to the documents as presented. The vote was 85 nay to 47 yes. The votes were comprised of absentee and attending member votes. The existing recorded documents stand as the governing instruments.

7. The representative for the concerned citizens committee (Ken Pearce) was asked to speak briefly regarding the goals and direction that the proposed board, if elected, planned to pursue. Mr. Pearce stated that they intended to find what the people wanted and to communicate more.

8. Voting was held for the board of directors (to consist of 9 members with two alternates allowed) who will in turn internally elect the president, vice president, secretary and treasurer. Please refer to the attached sheets for the results of the voting.

9. All ballots were confirmed and validated by Corey Sommerville, Larry Dietche, and Dave Vovilla. All validation and vote results were signed and the corporate seal was affixed.

10. It was moved and seconded and approved unanimously to adjourn at 6:40 PM.

11. The new board members elected are: Ken Pearce, Mark Knight, Shannon Brooks, Tina Kline, Catherin Dimauro, Kent Templeton, Kim Cruz, Dave Vovilla and Jill Tipton.

12. No longer serving as board members are: Bill Henricks, Connie Henricks, Jerry Burnham, Linda Pruitt, Will Herdman, Marty Bretz, Correy Somerville, Garen Farenbach, John Purkey and Angel Crane.

Note: Item 6a on the agenda was not addressed in the manner or extent that was intended due to the adverse temperament of the majority of people present in the audience, therefore the minutes do not reflect any discussion or its outcome.

Submitted by Connie Henricks