

The annual meeting of the members of the High Park Road Association was held at the Cedaredge Community Center on October 21, 2006.

The meeting was called to order by Gary Fischer.

In attendance: Richard Belden
Steven Burr
Mindi Conerly (attorney)
Michael and Diana Keune
Gary Fischer
Judy Fairchild
Mr. Fairchild
Clayton Frazier
Harold Frazier
Daniel Gates
Bruce and Tanya Marvin
Jim Moorehead
Ward Rabb
Jim Root
Ed Seubert
Dawn Sudmeier
Diane Wilkerson
Doyle Worthington
Shirley Zubowicz
Jim Brown (attorney)

Represented by Proxy:

Charles T. Frey Estate (Proxy to Gary Fischer)
Minrec, Inc. (Proxy to Bruce Marvin)

Dispensed with reading of the minutes from the last meeting.

Board of Director member elections were held for the position currently held by Ed Seubert. Nominations of Ward Rabb and Ed Seubert.. Ed Seubert elected by majority vote.

Ed Seubert gave opinion that there are only 49 voting units even in the even of the split of a unit.

Report on progress of road construction by Richard Belden – Will start placing surface gravel next week.

Dan Gates will move the gate – hopefully this year to keep fall and winter traffic out.

The new gate code will be 2323.

Gary – When the Fischer Frey section of the road is completed, a letter will be sent out advising of completion and soliciting input from unit members regarding major issues.

Ed – All roads, including spur roads will be graveled – an estimated 11 to 12 miles.

Richard – the spur roads will be completed next spring. Everything will be 20 feet wide except for a few sharp corners.

Mindi – There is an obligation to provide access for all governing documents to all members. She suggested a web site – include that cost in the budget.

Dan – All winter users must sign a winter road use agreement.

Mindi – The governing documents need to be updated to current legal requirements, to address deficiencies, to clarify processes and to make desired modifications. The purpose of the Association needs to be clarified – particularly if the function extends beyond specific road issues, such as issues normally addressed by home owners' associations. The cost could range from \$500 to more than \$10,000 depending on the extent of modifications and the degree of agreement among the Board members.

Dawn – Expressed concern that, until there is more diverse representation on the Board and a broader voting balance, major modifications might be a waste of money if they have to be revised later.

Mindi suggested that she draft modifications to the Articles of Incorporation and By Laws first and present them to the Board of Directors for review and comment.

Gary prefers that the immediate modifications address only legal compliance and that full review/modification wait until the developers divest of more units.

Ed prefers to perform a full review and modification at this time.

Motion by Ward Rabb – Make technical, legal compliance and clarification modifications to the Articles of Incorporation and By Laws. Mindi will make a draft of the proposed revisions and submit them to the members for review and comment. Second by Diane. Motion defeated.

Motion by Ed Seubert to make full review and modifications of all relevant documents. Failed for a lack of second.

Jim Brown – Motions by the members are only advisory to the Board of Directors.

Mindi – The members can defeat any proposal from the Board of Directors.

Discussion regarding the proposed budget:

Richard – Every year the road will have to be graded and the drain ditches cleaned.

Discussion concerning whether or not to collect a reserve fund based on long-term projected costs.

Motion by Jim Root for a \$100/unit assessment for 2006/2007. Second by Tanya.
Motion defeated

Motion by Ed Seubert that there be no assessment for 2006/2007. Second by Jim Root.
Motion carried.

Meeting adjourned by consensus.

Submitted by:

A handwritten signature in blue ink, appearing to be 'Bruce Marvin', written in a cursive style.

Bruce Marvin
Secretary/Treasurer
High Park Road Association

HIGH PARK ROAD ASSOCIATION

INCOME/EXPENSE STATEMENT:

| | |
|-------------------------------------|--------------|
| Checking Account Balance (10/10/06) | \$4,821.18 |
| Assessments Received | \$5,400.00 |
| Expenses Paid: | |
| Road Maintenance | (\$775.00) |
| General Maintenance | (\$245.06) |
| Insurance | (\$1,766.00) |
| Legal | (\$2,580.00) |
| Miscellaneous | (\$45.00) |
| Total Expenses Paid | (\$5,411.06) |
| Checking Account Balance (10/10/06) | \$4,810.12 |
| Assessments Receivable | \$0.00 |
| Total | \$4,810.12 |

HIGH PARK ROAD ASSOCIATION
2006/2007 BUDGET OPTIONS

| BUDGET: (OPTION A) | 2005/2006 BUDGET | 2005/2006 ACTUAL | 2006/2007 PROPOSED BUDGET |
|---|---------------------|---------------------|---------------------------------|
| Annual Road Maintenance | \$12,000.00 | \$5,527.00 | \$5,000.00 |
| General Maintenance | \$200.00 | \$250.02 | \$300.00 |
| Insurance | \$1,200.00 | \$1,275.00 | \$1,510.00 |
| Legal | \$500.00 | \$2,208.73 | \$2,500.00 |
| Miscellaneous | \$100.00 | \$38.37 | \$100.00 |
| Total Proposed 2006/2007 Budget | | | \$9,410.00 |
| Less 2005/2006 Remaining Balance | | | (\$10,496.18) |
| Budget Shortfall To Be Satisfied From Assessments | | | (\$1,086.18) |
| Total Proposed 2006/2007 Assessments @50 units = | | | \$0.00 /unit |

| BUDGET: (OPTION B) | 2005/2006 BUDGET | 2005/2006 ACTUAL | 2006/2007 PROPOSED BUDGET |
|---|---------------------|---------------------|---------------------------------|
| Annual Road Maintenance | \$12,000.00 | \$5,527.00 | \$12,000.00 (see note below) |
| General Maintenance | \$200.00 | \$250.02 | \$300.00 |
| Insurance | \$1,200.00 | \$1,275.00 | \$1,510.00 |
| Legal | \$500.00 | \$2,208.73 | \$2,500.00 |
| Miscellaneous | \$100.00 | \$38.37 | \$100.00 |
| Total Proposed 2006/2007 Budget | | | \$16,410.00 |
| Less 2005/2006 Remaining Balance | | | (\$10,496.18) |
| Plus Accumulated Gravel Replacement Fund | | | \$7,000.00 |
| Budget Shortfall To Be Satisfied From Assessments | | | \$12,913.82 |
| Total Proposed 2006/2007 Assessments @50 units = | | | \$258.28 /unit |

NOTE: The basis for the \$12,000 amount is as follows:

Estimated 20 year gravel replacement cost (2006 dollars) - \$110,000
 Inflate at 20% - \$132,000
 Divide by 20 year period - \$6,600
 Add \$5,000 for annual grading - \$11,600