

Minutes of the 2007 Annual General Meeting of Thousand Peaks Ranch Association held at Park County Office Building on Sunday June 24, 2007.

Present: Board Members: Dennis Kist, president; Sandra Hagan, Vice-president; Beth Brubaker, Treasurer; Malcolm Shaw, Secretary. Absent: Ed Schade.

Owners: Joanne Mills, George and Nancy Biggs, Jory Rayton, Jeff "Rusty" Evans, Margo Wilder, Chris Fournier, Grady Halamicek, Robert Dragonfly and Lynn Lafleur, Mr. and Mrs. Vern Wagner, Bill and Evelyn Pepin.

Guest expert: Leon Kot, NRCS.

The Meeting opened with introductions and a quorum count. The President inquired as to any challenges to the finding of a quorum being present. No challenges were raised. A quorum being present, the president called the meeting to order at 2.15 pm.

Minutes of Last Meeting

The secretary read these to the meeting. On motion from Mr. Evans and second, these were approved unanimously by voice vote.

Presentation of NRCS Grant Program

Mr. Kot was introduced by the president, who explained that this grant program had been available to the Association from some five years ago, and had been communicated to, but not made known to the general Board, by prior presidents.

The program (known as EQIP) is part of the 1995 Farm Bill, through which landowners may receive cash and in-kind grants, for benefiting the environment through better range management. The example Mr. Kot gave was that through the past decade of drought, nutritionally beneficial native grasses have declined, and sage as well as other noxious weeds have invaded. Such desirable improvements to the Ranch, as improvement of water sources, cross-fencing, re-seeding and water capture facilities, therefore, qualify under the program.

For a cost to the Association of \$4,000 per year over three years of the program, the Association can implement approximately \$35,000 in improvements, with NRCS's help.

The president explained that he had undertaken a tour of the Ranch's facilities, with a view to allowing grazing in the southern area of the ranch, rather than just the east and west sections, as presently happens. There are old catchment basins, disused wells, windmills and tanks on the south side, to which this improvement effort could be applied, with the consent of and easements from the respective owners.

Mr. Kot also stated that a case can be made for re-erection of the decrepit boundary fences in certain areas under the program, since this will fence out livestock from other concerns, which can be construed as beneficial range management.

In questions, Ms. Mills asked if it would not be possible for lot owners, after the Association spends funds on improvements, to enclose the improvement and deny access to it. The response was that long-term easements would need to be in place with each lot owner. Mr. Rayton opined that any and all well-managed improvements would benefit the Ranch and lot values for the better. The Vice-president voiced the concern that the ranch must protect individual water rights as these are improved, and that present and future lessees should undertake, as part of their lease, not to claim ongoing rights to improved water sources. Mr. Wagner also stated that the ranch, with overall grazing, can potentially support up to triple the present number of grazing cattle, year-round, giving a consequent boost to the income from the grazing lease. The treasurer stipulated that even the present, restricted lease nets the Association \$7,000 per year. The commitment to NRCS is for an average of \$4,000 per year, of which much may be in-kind. Priorities, according to Mr. Wagner,

are improvements to the windmills and springs, resetting old boundary fences and installing two cattle guards, to redirect cattle south.

Motion to approve implementation of the NRCS program forthwith from Mr. Rayton, on second, was carried by unanimous voice vote.

Treasurer's Report - Beth Brubaker

July 1, 2006 through June 23, 2007

Bank Account status:

Checking Balance, July 1, 2006	\$51.85
Savings Balance, July 1, 2006	\$59,787.34
	\$59,839.19

Income:

Dues	\$40,201.54
Cattle Lease	\$7,400.00
Interest	\$409.77
Total Income	\$48,011.31

Expenditures:

Attorney Fees	\$7,570.12
Road Work	\$21,363.37
Snow Removal	\$33,460.00

Bond

\$170.10

Mailings to members	\$528.91
Refund to member	\$50.00
Fairplay Postmaster	\$28.00
Park County Assessor	\$25.00
Fencing	\$350.00
Teller/Park Weed Control	\$299.44
Web design/maintenance	\$799.00

Bank Charge

\$27.00

Total expenditures (\$64,670.94)

Cash in hand:

Savings Balance, June 23, 2007	\$43,098.63
Checking Balance, June 23, 2007	\$80.93
Total in hand	\$43,179.56

Dues Outstanding at June 23, 2007	\$12,400.00
2007	\$7,900.00
2006	\$1,900.00
2005, 2004, 2003, 2002, 2001	\$2,600.00

The major differences in this year's expenditures over last year's, have been related to snow removal.

The Treasurer showed a chart reflecting improvements in collections of long-term outstanding dues.

There are presently four lots in foreclosure for outstanding dues.

Ms. Mills moved to accept the report, seconded, carried by verbal unanimous vote.

Report from the president.

1. As may be seen from the minutes of the last Annual Meeting, the occasion was, to say the least,

eventful. The prior president was removed from office by vote of members present, the then-existent Board was dissolved, and new elections put in place a new Board altogether. The prior president sent in a challenge to the election, but the By-laws provide no procedure for a challenge to an election. The president suggested that the next Board review the By-laws and covenants for update and modification so that they are easier to use and understand.

2. Ed Schade, who accepted nomination and election to the new Board, attended only one meeting. He was removed but not replaced, which under the existing by-laws is the Board's prerogative.

3. Previous Boards have habitually assigned themselves various "terms of office," which were arbitrary at best. This Board chose to obey the letter of the by-laws and serve for one year only. The Board should, henceforward, hold elections every year, unless changes in the by-laws, defining different terms, are approved.

4. The Board put in place a new web site, this one not owned by any Board member, which has been well-viewed by members.

5. An additional attorney has been retained on a trial basis, for the matter of collections/liens and foreclosures.

6. The procedure for the Annual Meeting, in particular the proxy procedure, has been modified. Proxies are now given to individuals, which is normal parliamentary procedure, rather than to "the Board," which was prior practice, and which contravened both Roberts' Rules and the by-laws.

7. The illicit 5-year cattle lease, which was signed by the former president after his removal from office, has been renegotiated in the form of a 4-year lease, which now reflects the terms offered by the genuine high bidder in the 2006 bid process. This has been done with the good will of the lessee, who is desirous of maintaining a good relationship with the Association.

8. In the matter of the proposed subdivision of Lot 3, Board members as well as Mr. Evans and Ms. Mills have attended meetings on behalf of the Association, to oppose the measure. The application has been tabled pro tempore and will probably be withdrawn.

Motion to approve the president's report by Mr. Wagner, on second, carried by voice vote.

Roads: - The Secretary

The first order of business after the Annual Meeting of July '06 was to undertake the delayed construction Reinecker Road and finish entry/grading of Prairie Trail. Following this, roads were left alone until first snow. Light falls in September/October/December were left, essentially, to melt/evaporate.

Heavy storms came in January/February. Thanks are due to all members who contributed to solving an emergency situation; there was a high degree of self-help. Jory Rayton, Greg Kimsey, Lynn Glaser and John Martinez, in particular, helped to alleviate the situation.

We had 2-3 continuous days of snow, followed by high winds, blowing snow and below-zero wind-chills. Our sole contractor, M&M, had three pieces of equipment going at various times. Problems arose when Marvin Mundt became sick, overstressed equipment broke down, and poor communication with road crews left members not knowing where help was, or when it would arrive.

To mitigate the situation next year, should next winter be similarly severe, there are two new plans. Member Rusty Evans' company has V-plow equipment, plus a roller, plus access to a large-capacity loader. M&M has also added a second maintainer with V-plow to its roster.

M&M has now reduced its hourly rates, which makes the two enterprises compatible in price. In snow emergencies, an emergency plan will be deployed: the link road between Bare Trail/TPRA Road will be left

unplowed, and the emphasis will be for both crews to clear access for all residents to Cty. 24 on the north, and Hwy. 9 to the South, so that all residents can exit by one or other way. Thus, access to all parts may be cleared expeditiously, and the first crew on the job will bill more hours. This being so, it should be easier to keep ahead of the snow rather than starting at one end of the Ranch and working to the other, which has been the procedure to date. Individual effort may still be necessary. Mr. Shaw ended with a chart showing that, though the Association spent an inordinate amount on snow clearance this year, the total road expenditure was not abnormal, due to lower costs for new construction.

In questions, Mr. Biggs asked why it was necessary to grade road that did not need grading, since the summer work left large cobbles on the surface, which impeded small cars. Mr. Randy Mundt intervened in the discussion, taking the floor to state that his concern would never leave a road in this condition. On discussion of the location, however, it resulted that the affected stretch was graded by M&M. The president voiced that the Board would need to discuss the matter. Also, the Summer grading work was done without a Board discussion or decision, and future projects would be subject to a formal work order/PO process, rather than assumptions by contractors.

On motion from Mr. Rayton and second, the report was accepted by unanimous voice vote.

Review of Financial Records – The Treasurer

For several monthly meetings, the board has discussed a review of financial records, which has not been done in the past. The Treasurer has solicited CPA firms to do this, but bids have been in the thousands of dollars; a ludicrous proposition for an organization which might write sixty checks per year. Three persons volunteered at the meeting to undertake a review: Mr. Rayton, Ms. Wilder and Ms. Lafleur. These persons will constitute the Financial Review Committee.

Dues Increase/Emergency Assessment

The president postulated the possibility of major financial problems, should the Association experience another winter similar to the last. Discussion centered around both revising the by-laws, which are both archaic and self-contradicting; and levying a special emergency assessment, to be set aside for similar situations to those encountered in the spring. The latter argument met with general assent, and will be the subject of a letter to be included with copies of Annual Meeting minutes to be sent to members.

New Election

Elections for the Board were then held, resulting in the following persons being elected to the new Board for a one-year term:

Dennis Kist	111 votes
Sandra Hagan	102 votes
Beth Brubaker	108 votes
Malcolm Shaw	101 votes
Jeff Evans	96 votes

Challenges to Election

The president asked if there were any challenges to the election. No challenges were raised. On motion from Mr. Rayton and second, the election was ratified by unanimous vote.

Other Business

Mr. Wagner told the meeting that he had had a calf killed by impact with a car on a Ranch road, and asked those present to exercise caution and restraint, and request the same of family and friends. As he stated, there is no joy in having to shoot a calf.

On motion and second, meeting was adjourned at 4:20 p.m.

Respectfully submitted:
Malcolm Shaw
Secretary