

Minutes of
Annual Meeting for
Thousand Peaks Ranch Association
June 23, 2012

Meeting Opened at 2:05 p.m.

Board members present: Dennis Kist, Eric Witzak, Ray Lyons, Rusty Evans, Lynn LaFleur-Dragonfly

Quorum: A quorum was declared to be present. No challenge was raised to the presence of a quorum.

Minutes of 2011 Annual Meeting. M/S/C to waive reading of minutes since they have been posted on the internet for owners to read and review. M/S/C to accept minutes as posted.

Ranch Improvements: Ray Lyons reported that the cattle guard on the entrance from Highway 9 to Fourmile Creek Rd was repaired. The wings on the guard were hinged so that the cattle guard can be graded in the winter. Ray has been exploring the possibility of installing solar water pumps so that the south side of the ranch can be utilized for grazing. M/S/C to accept report.

Treasurers Report: Presented by Lynn LaFleur-Dragonfly:

January through December 2011

Ordinary Income

Income

Annual Dues	26,756.67
Cattle Lease	166.50
Grazing	42,255.58
Late Fees	1,093.33
Total Income	70,272.08

Expense

Accounting Fees	500.00
Bank Fees	5.00
Cattle Guards	5,300.00
Contract Labor	8,500.00
Insurance	187.00
Legal Fees	3,714.58
Materials	1,500.00
Newsletter Expense	114.84
Office Expense	153.46
Postage	44.00
Road Maintenance	3,176.14
Snowblower Maint.	456.77
Total Expense	46,616.29
Net Ordinary Income	46,616.29
Other Income/Expenses	
Other Income	
Interest Income	94.27

Total Other Income	94.27
Net Other Income	94.27
Net Income	46,710.56

M/S/C to accept Treasurer's report.

President's Report: President Dennis Kist reported:

1. Cattle Lease

Since last year's meeting our situation with the cattle lease has changed dramatically. Vern Wagner, the prior cattle lessee, had a hard time keeping TPRA paid current on a timely basis. Without going into all of the gory details, suffice it to say that by the fall of 2011, Wagner had not paid TPRA for the past rent due amounting to over \$23,000.00. Additionally, each month's payment was late. Finally, the judge release funds being held by the court in order for TPRA's past due amounts to be paid. Instead of paying the moneys given to him by the court, Wagner attempted to hold the funds hostage until TPRA agreed to renegotiate the lease. Specifically, Wagner did not want Rafael Esparza to be able to lease the west side of the ranch. As you may remember, in April 2011, Wagner was not able to pay the lease payments, and particularly the back rent, so TPRA reached an agreement with Wagner that we would not terminate the lease if he agreed that Esparza would lease west side of the ranch for 1 year and that Wagner would keep his monthly rent payments current. When Wagner had the money from the court he attempted to renege on this agreement. When TPRA refused, Wagner refused to pay the money from the court. TPRA then sent Wagner a letter terminating the lease. The next day Wagner paid the money and his attorney raised some legal issues as to our ability to immediately terminate the lease. Since Wagner's trial with the state was to occur in December, we decided to wait and see what happened in the court. Following the trial, Wagner was permanently enjoined from owning or managing cattle in Park County. Since Wagner is legally enjoined from fulfilling his obligations under the lease, TPRA negotiated a new 3-year lease with Rafael Esparza. The new cattle lease was signed with Esparza on April 4, 2012. It is a 3-year lease that provides for the grazing of 500 yearlings for 5 months each year. The grazing shall take place for a 5 month period between May 1st and November 1st each year. We will be paid \$6.00 per head per month (\$15,000.00) per year. A copy of the lease can be seen on TPRA's website, tpracol.com.

2. Budget. Based upon our financial situation, the Board budgeted \$10,500.00 for snow removal last year. We also established a budget of \$20,000.00 for summer road maintenance, with about \$13,000.00 going to road materials.

As you will recall, a couple of years ago, the Board purchased a snow blower so that we could attempt to keep the roads clear in the winter at a lower cost than hiring an outside contractor.

3. Equipment. In the past few summers, we had difficulty getting an outside contractor to come and grade our roads. So last fall we advanced Ray Lyons \$10,000.00 to purchase a road grader. The advance has been repaid by the time that Ray has spent grading the roads. Now we have a road grader on the ranch which will be used in the spring/summer to try and keep the roads in shape.

Road Report: Presented by Eric Witzak: 55 loads of road base (1600 tons) has been distributed on the needed areas of the ranch. Ray Lyons reported that the grader has lowered the high spots on the west side to avoid snow drifting. 2 culverts were installed on Santa Maria and Reinecker Rd.

Election of Officers:

The floor was opened for nominations for the five seats on the Board of Directors:

The existing Board of Directors were nominated.

Dennis Kist.....Accepted

Lynn LaFleur-Dragonfly.....Accepted

Rusty Evans.....Accepted

Ray Lyons.....Accepted

Erik Witzak.....Accepted

M/S/C to close nominations.

Motion to instruct Secretary to issue a white ballot in favor of the uncontested nominees and to elect them by acclamation. Seconded. Carried.

Old Business. A request was made by the landowners on Deadman Rd to grade the road. The board stated that they would look into sending the grader to make some improvements so that summer residents can use the road.

New Business. The Board is looking into putting road markers along different areas of the roads so that the roads can be found by the snowblower in the winter.

M/S/C to adjourn at 3:20 pm

Respectfully submitted,

Dennis Kist