

ASPEN ROSE RANCH PROPERTY OWNERS ASSOCIATION

Annual Meeting Minutes

<u>Date / Time</u> Annual General Membership Meeting was held Saturday, August 8, 2015 Quarterly Board of Directors Meeting: Followed general membership meeting.	<u>Location</u> Fred & Terrie Baros 20004 Aspen Rose Drive (Parcel 13) Weston, CO 81091
 ARR POA web site www.aspenroseranch.com	<u>Next Meeting:</u> October 17, 2015 <u>Next Annual Membership Meeting:</u> August 6, 2016

The meeting was called to order at 1:22 pm by President Don Cox. Owners in attendance were Don and Pam Cox, Terrie and Fred Baros, George Denbow and Paula Minor, Kit Keith and Bob Lawrence, Sandy and John Parrish, Tim and Johnna Morgan and Marty and Lee Gisclon. Owners who sent in proxies included Ann Hasse, Carolyn and Bob Reed, Laura Cooley and Matt Brinkman, Tom and Jenine Watson, Phil Mills, Mike and Paula Marsh. Guests in attendance were Don and Kathy Simkins (renters), and Don Cox's daughter and family, Thorsten and Jessica Ohrstrom-Sandgren and their daughter, Anna.

Election— After the Treasurer validated owners eligible to vote, the election of new officers was held with Sandy Parrish and Johnna Morgan counting the secret ballots. The results are:

President – Don Cox – 13
Vice President – Terrie Baros – 11, Fred Baros – 1
Secretary – Marty Gisclon – 1, Joen Schleisman – 1
Treasurer – George Denbow

Marty Gisclon volunteered to be Secretary for one year, unless Joen Schleisman would like to take over the position sooner. Paula Minor was thanked for her willingness to work with the BOD on our IT needs and to take over as Web Master of the POA web site from Carolyn Reed who, over the years, built and maintained the POA web site since its creation. Carolyn, in addition to her work on the website, made many, many significant contributions to the POA. Thanks to Carolyn for all her endless efforts to make our ARR POA strong and owner-oriented - you will be missed!**Action: Don Cox will contact Joen Schleisman about her willingness to take over the Secretary's position.**

Complaint Committee Update: Kit Keith suggested that we make changes to the Complaint Process. The current process was developed years ago and had not been used/tested until last year, where the process was seen as not functional/too cumbersome. The Committee found that the process did not work if all owners involved in the complaint did not want to participate. We acknowledged the revised process needed to conform to the requirements of CCIOA, Colorado's laws governing POA/HOAs. After some good discussion, the current proposal is for the committee and process to be modified to (1) reduce the Complaint Committee to one person – Chairperson (2) reduce the process to fewer steps (a) complaint submitted to Chairperson (b) Chairperson contacts owner who is the subject of the complaint for a response and possible corrective action (c) if not resolved, all ARR owners are informed of the complaint and asked if they have input to the situation (d) all information is forwarded to the BOD for action and follow-up.

This proposal was agreed, in general, by those in attendance. The new complaint process, part of our Policies and Procedures, and committee membership will be summarized in more detail by the BOD and sent to the membership for their input. **Action: BOD and CAB Cmte to draft a new Complaint Process and send to members for comment.**

Covenant and Bylaws Committee (CAB) and Policy and Procedure (P&P) Update: Marty Gisclon and Terrie Baros reviewed the changes to the CAB and P&P that the BOD recently approved. The proposals include two changes to the covenants that clarify annual assessment collection, a Bylaw change that modifies and clarifies the process for the BOD to hold email meetings and votes, a change to our P&P that describes the process for email meetings, and an addition to our P&P covering hunting/shooting on ARR. These proposed changes will be sent to the membership for approval. **Action: CAB Cmte will send these proposed changes to the membership for review and approval within 30 days.**

Treasurer's Report: George Denbow distributed the Profit and Loss and Balance Sheet statements (see Attachment 1). He summarized that our current balance is \$13, 152.10 with an outstanding bill of \$7350.79 for the road work that was completed recently on ARR. One owner has still not paid their 2015 assessment. A lien has been filed on this property with the Las Animas County Clerk and with the Treasurer's Office. If not paid this Fall, the lien amount and a collection fee will be added to the tax bill. We also noted that the grazing lease payment was the highest that we have ever brought in; although taxable, the remainder significantly helps with road maintenance. As agreed last year, the owners who loaned ARR money under an obligatory note several years ago will receive final payment this Fall. The total final payback will be \$900. There is still an outstanding non-obligatory loan from ARR owners which the membership agreed to begin to pay back last year, when our funds allow. The treasurer's report was unanimously accepted (Kit moved, Terrie seconded).

A budget for 2015/2016 was discussed with focus on road maintenance and snow removal needs. After considerable discussion about road maintenance needs, it was agreed that the road maintenance budget for this coming fiscal year could be reduced to \$10,000 and that the

snow removal budget should be increased to \$4000, since current forecasts predict a snowy winter for us. The budget proposal (see attached) was unanimously accepted (Marty moved, Don seconded).

Road Committee Report: Don Simkins gave the Committee's report. First, he acknowledged the contributions of Kathy Simkins to the committee's work, especially in communications. Don reported that it was the Committee's opinion that all the work that was requested of the contractor had been completed and that the \$7,350.79 should be paid. Comments were made that the roads looked very good, that the size of the gravel used may not have been optimal (Class 5 roadbase) and that our ditches were already filling in. Don Cox commented that there was a good article available on the internet (<http://water.epa.gov/polwaste/nps/sensitive.cfm>) that addressed good maintenance practices and addressed some of the problems we are facing with the roads. He encouraged all interested parties to read the article. Don commented that one culvert needed to be replaced; it was buried with silt and dirt, was not marked and severely damaged by the contractor. Replacement of the culvert will cost approximately \$800 in materials & labor as advised by Fred Baros and Tim Morgan. To avoid this in the future, it was agreed that t-poles would be purchased by the Road Committee and placed at each culvert on all of our roads. The Road Committee also reported that Constanti Ridge Road will need to be addressed next year. The upper part is washing out again due, in part, to a lack of traffic on the upper part of the road. A motion was unanimously approved to have the Road Committee conduct an assessment of all of our roads and develop a long term plan for maintenance. The Road Committee plans to develop a 3-5 year RFP for road maintenance and snow removal. **Action: The Road Committee will develop the RFP, ask interested parties for a bid and submit results to the BOD for a decision.**

Grazing Lease: Fred Baros reported that the lessee was very satisfied with the terms of the lease and the condition of ARR for his cows. He planned to lease for at least another year, assuming water continued to be available.

Miscellaneous: Marty brought up a suggestion that Carolyn had previously made - that the BOD could be reduced in the number of members. There are currently 7 members - 4 Officers and 3 Members-at-Large, which represents about 25% of the ownership. For some time, we have been having difficulty recruiting members for the BOD. After some discussion, it was proposed and unanimously approved that the number of BOD members be reduced to five, 4 Officers and one Member-at-Large positions (Kit moved, Don seconded). **Action: The CAB Committee will examine our governing documents and propose changes to reflect this reduction in BOD membership.**

John Parrish commented that the fences between the last cattle guard and Wet Canyon Road were in disrepair. Fred reviewed for the membership the Colorado rules regarding fence repair. If a fence needs repairing and sits between two property owners, both parties are expected to pay 50% of the cost of the repair, if they both agree the repairs need to be done. In the past,

Betty Mendine has not agreed to the need for these fence repairs. **Action: the Road Committee will examine the fence line in question and prepare a proposal for the BOD.**

Kit Keith brought up the topic of home size allowed on ARR. She proposed that we discuss the topic at a future meeting, with an eye toward allowing smaller cabins for those who are only here for weekends and short timeframes (temporary). Fred commented, and all agreed, that we needed to be aware of Las Animas county regulations for habitation. **Action: The BOD will gather pertinent information, solicit comments from the owners and make a proposal to the membership regarding temporary housing on ARR.**

The meeting was adjourned at: 3:20 pm.

Summary of Action Items:

- 1. Don Cox will contact Joen Schleisman about her willingness to take over the Secretary's position.**
- 2. BOD and CAB Cmte to draft a new Complaint Process and send to members for comment and approval.**
- 3. The Road Committee will develop the RFP, ask interested parties for a bid and submit results to the BOD for a decision.**
- 4. The CAB Committee will examine our governing documents and propose changes to reflect this reduction in BOD membership.**
- 5. The Road Committee will examine the fence line in question and prepare a proposal for the BOD.**
- 6. The BOD will gather pertinent information, solicit comments from the owners and make a proposal to the membership regarding temporary housing on ARR.**

Aspen Rose Ranch Property Owners Association
Board of Directors Meeting
Saturday, August 8, 2015

The meeting was called to order immediately following the conclusion of the Annual Meeting.

The meetings of the BOD for the next year will be held on October 17th, March 26th, June 11th and August 6th (Annual Meeting). Places for these meetings will be determined and all owners are invited to attend. Marty was thanked for her willingness to temporarily act as Secretary. Other members of the BOD offered to help out as needed.

Carolyn Reed was Thanked for her extraordinary, insightful and owner-oriented service as Secretary to ARRPOA for the past many years. We will miss her on the BOD but hope she and Bob will be regular attenders at our meetings!

The BOD accepted the goal of distributing the minutes and budget to the ownership within 2 weeks of the meeting.

Meeting adjourned at 3:45 pm.

Attachment 1 - Treasurer's Report

6:04 PM
08/11/15
Accrual Basis

Aspen Rose Property Owners Association
Balance Sheet
As of August 10, 2015

	<u>Aug 10, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking Account	13,152.10
Total Checking/Savings	13,152.10
Accounts Receivable	
Accounts Receivable	572.50
Total Accounts Receivable	572.50
Total Current Assets	13,724.60
TOTAL ASSETS	<u>13,724.60</u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Loan Payable	
ARR Legal Fund	4,900.00
Total Loan Payable	4,900.00
Total Long Term Liabilities	4,900.00
Total Liabilities	4,900.00
Equity	
Retained Earnings	8,824.60
Total Equity	8,824.60
TOTAL LIABILITIES & EQUITY	<u>13,724.60</u>

6:05 PM

08/11/15

Accrual Basis

Aspen Rose Property Owners Association

Profit & Loss

August 2014 through July 2015

	<u>Aug '14 - Jul 15</u>
Ordinary Income/Expense	
Income	
Fee Income	
Grazing Lease - 2015	2,000.00
Fee Income - Other	100.00
Total Fee Income	2,100.00
Property Owners Dues	13,870.00
Total Income	15,970.00
Gross Profit	15,970.00
Expense	
Advertising	11.32
Bank Service Charges	40.43
Contract Services	
Road Maintenance	13,539.53
Snow Removal	3,490.00
Total Contract Services	17,029.53
Filing Fees	48.00
Insurance	942.00
Membership Meeting	
Membership Meeting 2014	161.35
Total Membership Meeting	161.35
Professional Fees	
Legal Fees - Other	1,225.00
Total Professional Fees	1,225.00
Reimbursement Expense	259.79
State of Colorado	
Filing Fees	28.39
State of Colorado - Other	100.00
Total State of Colorado	128.39
Taxes	
Federal	695.42
Total Taxes	695.42
Website	228.18
Total Expense	20,769.41
Net Ordinary Income	-4,799.41
Other Income/Expense	
Other Income	
Interest Income	80.15
Total Other Income	80.15
Net Other Income	80.15
Net Income	<u><u>-4,719.26</u></u>

6:42 PM
08/10/15
Cash Basis

Aspen Rose Property Owners Association
Profit & Loss Budget Overview
August 2015 through July 2016

	Aug '15 - Jul 16
Ordinary Income/Expense	
Income	
Carryover	13,152.10
Fee Income	
Grazing Lease - 2015	2,000.00
Total Fee Income	2,000.00
Property Owners Dues	13,775.00
Total Income	28,927.10
Gross Profit	28,927.10
Expense	
Contract Services	
Road Maintenance	17,350.00
Snow Removal	4,000.00
Total Contract Services	21,350.00
Insurance	
Liability Insurance	900.00
Total Insurance	900.00
Membership Meeting	
Membership Meeting 2015	150.00
Total Membership Meeting	150.00
Postage and Delivery	100.00
Printing and Reproduction	100.00
Professional Fees	
Other	150.00
Total Professional Fees	150.00
Reimbursement Expense	
Reimbursement for Loan (G&O)	450.00
Total Reimbursement Expense	450.00
State of Colorado	
Filing Fees	50.00
Total State of Colorado	50.00
Supplies	
Office	100.00
Total Supplies	100.00
Taxes	
Federal	570.00
Total Taxes	570.00
Website	150.00
Total Expense	24,070.00
Net Ordinary Income	4,857.10
Net Income	4,857.10