

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS ANNUAL MEETING**

*January 13, 2007*  
*San Juan Basin Technical College*  
**MINUTES**

**Present:** Jim Bignell, Gary Brodhagen, Nova Hankins, Bryan Johnson, Greg Kemp and Ruth Bignell. There were 22 HOA members present despite a snowstorm.

**Absent:** Eric Gray and Chris Schaufele

**Meeting called to order at 3:03 p.m.**

**Introduction of Board Members:** President Jim Bignell introduced the current board members.

**Introduction of members present:** HOA members introduced themselves to each other.

**Approval of Minutes:** A motion was made to approve the minutes of the November 28, 2006 meeting, 2<sup>nd</sup> and passed.

**President's Remarks: Jim Bignell**

- Jim asked members to turn in their dues & ballots at the sign-in desk.
- Jim thanked all the members who supported him and the Board over the past year.

**President's Year-end Report:**

- A Fire Strike Task Force was organized in the spring. Its mission to spot and be first responders to a fire before it gets out of hand. Three areas were set up: (1) Spotters – those members that live on the ridges, (2) Coordinators – those members that relay the information to the local fire department and firefighters (3) Firefighters- two groups are in this area: (a) those with ATVs that can go into the BLM area if necessary and (b) those that can respond where needed. This project has been very successful. 8 fires were responded to this past summer.
- The litigation involving Mr. Torin Andrews was settled in August 2006.

**Secretary Report: Ruth Bignell**

- Minutes, ballot, annual mtg. notice and dues notice went out on Dec. 5, 2006. Thank you to Cheryl Brodhagen, Lanita McCafferty and Natalie Orlando for helping with this project.
- Lot 38 sold to Christie Berner of Little Rock, Arkansas
- Lot 98 sold to Jim & Jennifer Pflieger of Ojai, CA
- Lot 104 sold to John Pike of Albuquerque, NM
- If there is any changes in your contact information especially your email, please update it ASAP. We would like to send the minutes via email if possible.

**Treasurer's Report: Lanita McCafferty**

- All invoices have been paid for 2006. A balance of \$126.00 will be carried over into the 2007 budget.
- There is still \$225 in dues outstanding. A lien remains on that property.

## **Committee Current & Year End Reports:**

### **Fire & Weed: Bryan Johnson**

- During the past year, we have changed how we deal with noxious weeds along the road right-of-way. We purchased 5-25gal tanks to mount on the back of ATV's. Five members volunteered to mount them on their personal ATV's and to spray the weeds instead of hiring it done. By doing this, we have saved at least \$1200 and can do it better. We also use these tanks to respond to fires in the area. The tanks have proved their worth in the case of small fires and in dealing with hot spots on larger fires. Anyone interested in staying abreast of the news concerning fire in our area may go to [www.southwestcoloragofires.org](http://www.southwestcoloragofires.org)

### **Building Advisory: Greg Kemp**

- Current issues involve Lot 17 and 44. The owners of Lot 17 were present and it was agreed that Greg and the owners would meet at a mutual time to discuss the fence setback on their property. A letter was received from the owner of Lot 44 restating that the additional house he is building will only be used as a guesthouse. The committee had requested site plans and they were to be given to the committee. As of today, these have not been received and a letter will go out requesting the plans. A motion was made, 2<sup>nd</sup> and passed to request a site plan.

### **Year End Report:**

- The covenants state that all property must have lot identification, either a lot number or an address. We had 100% compliance to our request.
- 3 letters were sent out to lot owners to clear up a possible covenant violation. All have complied with this request.
- This committee would like to thank all HOA members for helping us make our jobs easier and complying to all our requests when asked.
- A neighborhood watch sign was placed at the front entrance in hopes of slowing down speeding drivers.

### **Roads – Gary Brodhagen**

- 48 reflectors were placed on various hills and turns throughout the subdivision. Greg Kemp donated the stakes and Jim Bignell and Gary Brodhagen put up the reflectors.
- A lot of work was done on the roads this year:
  - a. January – blade, water and compact Road 35. 4 loads of gravel were put on the hill.
  - b. February – Road 36.7 cleared ditches, new culverts and holding ponds installed. Repaired ditch at Mud Creek
  - c. March – Blade Road 35 and K.3.
  - d. June – Blade, water and compact Road 35.
  - e. July – Blade Road 35
  - f. August – Clean culverts, one on Rd. 35 and two on J.7
  - g. September – Asphalt front entrance. Blade, water, compact roads 35, J.8, K.1, K.3, J.9 & J.6
  - h. November – Blade, water and compact Road 35. 4 loads of gravel put on Road 35.
  - i. December - Roads plowed 3 times.
- Some things to remember: (1) only the board can call to have the roads bladed or plowed. If you want you private driveway plowed, you are responsible for the payment to that person. (2) The general rule is that the roads are plowed when accumulation reaches 5". Gary drives the roads to determine if plowing is necessary if it is less than 5". The cost for each snow removal is \$650-\$700. It is also important for everyone to be extremely careful when driving these roads in the snow especially on the hills and sharp turns.

### **Activity & Grounds: Ruth Bignell**

- 27 members attended cleanup day in May.
- Dumpster was provided for 3 weeks in May; over 6 ton of trash was collected.

- Summer Newsletter went out in July thanks to Nancy Schaufele.
- 36 members attended the July HOA BBQ.
- 3 members helped mow the front entrance in August.
- 38 attended the HOA Christmas Party in December

At the moment, we have no activities scheduled. We will schedule a cleanup day in May at a later time. I want to thank the other 2 members of the committee, Cheryl Brodhagen and Nance Schaufele for all their help. Earlier this year, this committee received criticism for spending HOA funds for some of our activities. Our budget gave us \$200 for the year. As of June, we had spent \$14. Since then, this committee has personally provided their own money to fund the BBQ and Christmas party. I cannot thank them enough for stepping forward so we could all get together, get to know each other better and have a good time doing it. I want to stress that all members were invited and I hope that all who came enjoyed it.

#### **Nomination Committee-Ruth Bignell**

- A thank you to Cheryl Brodhagen, Lanita McCafferty and Natalie Orlando for helping organize and send out the documents for the BOD vote.
- Thank you to Georgia Chermak, Char Neisinger and Pat Murrell for volunteering to open and count the votes for the election.

#### **New Business: Jim Bignell**

- Mr. Torin Andrews has sent the Board of Directors and individual board members a draft of 2 potential lawsuits. Documents from his attorney and the two potential lawsuits were read to the members present. As of today, they have not been filed. The Board has reported this incident to our insurance company. For those of you not present, here is a very general overview: In the letter from his attorney, he claims that he has been denied his rights based on statements made in a deposition by Jim Bignell and also a complaint by the Cedar Mesa Lot Owners Assoc. regarding the roads. A settlement of \$50,000 for compensatory damages and \$50,000 from the CMR to purchase the roads was presented to cover all claims he currently has against the CMR-HOA.

The Cedar Mesa Lot Owners Association, Inc. of which as far as we know, Mr. Andrews is the only member on record makes the first complaint. In this document, it states that the Lot Owners Association is the fee simple owner of all roads and roadways in Cedar Mesa. This is based on his quick claim deed dated Oct. 28, 2004. It also questions our right to maintain, pave, improve or modify the roads. He requests that: 1) the court enter a declaratory judgment stating that CMR HOA has no right, title or interest in the roads. 2) Stop CMR-HOA from performing any roadwork without giving 30 days written notice to the Lot Owners Assoc. 3) Enter a quieting title to roads and roadways in CMR in favor of the Cedar Mesa Lot Owners Assoc. Inc. and 4) Award Lot Owners Assoc. any further and appropriate relief.

The President explained to the members that the quick claim deed acquired by Mr. Andrews states he was given – **“all roads or roadways not previously conveyed or dedicated to Montezuma County or others within Cedar Mesa Ranches Subdivision as designated and platted in Book 13, Page 138”**. **All** CMR roads were platted, conveyed and dedicated to Montezuma County on August 31, 1998. Both Redstone Corp. and the Montezuma County Commissioners signed the document. Based on this, the Cedar Mesa Lot Owners Association, Inc. has no claim on the roads. The quick claim deed is filed with Montezuma County.

The second complaint is made by Mr. Torin Andrews against 5 of the current board members, 1 officer and 2 members of the 2005 board. Reference is made to testimony made by Jim Bignell in a deposition and that an abuse of process was filed against him by the board members. The legality of liens placed on his property for non-payment of dues was also brought into question. Board members are charged by Mr. Andrews with 1) Abuse of Process, 2) Conspiracy to Commit Abuse of Process, 3) Slander of Title and 4) Civil Conspiracy to Commit Slander of Title. In return, the court is asked to: 1) Award judgment

in the amount of \$1,250,000 for #1, 2) Award judgment in the amount of \$1,250,000 for #2, 3) Award judgment in the amount of \$400,000 for #3 and 4) Award judgment in the amount of \$400,00 for #4. These charges and awards are asked of each of the 5 current, 1 officer and 2 previous board members.

A lot of discussion followed this report.

**Open Discussion:**

- The Board was thanked for all there hard work. The problem of bright lights was brought up again. It was suggested that people that live on mesas recheck their lights, even a light position change would help those that live in the valleys.
- The problem of dogs running loose was brought up again. Please try to keep your dogs in your yards. We don't want any of them to get hurt by being in the road.
- A question was asked regarding break ins. There have been none that we know about since last summer.
- An article was read from the Cortez Police Blotter. It involved a lot in the 10000 block of CMR stating that a member of the HOA may have tampered with a lock. The Board does not condone this type of action and suggests that if you see anyone lurking about to please call the Sheriff.
- A suggestion was made that any further complaint letters from HOA members should be signed.
- A thank you was given to the Board for their dedication.
- A problem with hunters in the area was brought up. Outside hunters are not allowed to shoot in the subdivision or carry a weapon with a shell in the chamber. They are allowed by permission from the lot owner to hunt on or cross their property to get to the BLM land. If you see a hunter that you think does not live in the subdivision, please stop and ask questions but be civil about it.

**Board of Directors Voting Results:**

- 78 HOA members voted in this election. The results are:

Jim Bignell	78
Gary Brodhagen	77
Nova Hankins	75
Greg Kaylor	76
Greg Kemp	78
Lisa Liljedahl	76

The Board requested that anyone interested in serving in the 7<sup>th</sup> board position to contact Jim Bignell.

**Motion to Adjourn:** A motion was made, 2<sup>nd</sup> and passed to adjourn the meeting at 4:45 p.m.

**Next Meeting:** The next meeting will be Thursday, February 22, 2007 at the San Juan Technical College at 7:00 p.m.

Respectfully submitted,



**Ruth E. Bignell**  
Secretary to the Board

**Note:** The Bylaws require that the new board hold an organizational meeting immediately following the annual meeting. The following were elected: Jim Bignell, President, Gary Brodhagen, Vice President, Lisa Liljedahl, Treasurer and Ruth Bignell was appointed as Secretary to the Board.

The Board has changed the meeting day to the last Thursday of the month. There will be a meeting on February 22<sup>nd</sup> and March 29<sup>th</sup>. After March, the Board will meet every other month or as necessary.

**Cedar Mesa Ranches Financial  
2006 Budget  
12/31/06**

<i>Accounts Receivable</i>	Owe	Accounts Paid	Balance Owed 2006
2003 DUES/ROAD ASSESSMENT	\$475.00	\$669.61	
2005 DUES	\$175.00		
2005 DUES INCREASE	\$550.00	\$320.67	
2006 DUES	\$62,275.00	\$62,141.00	
2006 DUES REFUND		-91	\$225.00
<b>TOTAL</b>	<b>\$63,475.00</b>	<b>\$63,040.28</b>	

<i>Accounts Payable</i>	\$53.50	Refund check to Colorado Land (Lot #90)
	\$37.50	Refund check to Lot #42
		"Overpayment of dues"
<b>TOTAL</b>	<b>\$91.00</b>	

CARRYOVER FROM 2005	\$4,910.01
DEPOSIT DUES-2006	\$62,141.00
2006 DUES REFUND	- \$91.00
2003/2005 DUES	\$990.28
2006 DUES - LIENS PAID (Interest/late fees)	\$50.17
EXPENDITURES	\$68,029.46
LOT SIGNS-Lot Owners Paid	\$255.00
LOT SIGNS-Reimbursed	- \$100.00
<b>TOTAL CASH ON HAND</b>	<b>\$126.00</b>

**WORKING BUDGET (2006)**

Item	Budgeted Amount	Spent to date	Balance
CPA/TAX Prep	\$200.00	\$195.00	\$5.00
Contingency Fund	\$2,000.00	\$822.45	\$1,177.55
Fire Mitigation	\$100.00	\$0.00	\$100.00
Insurance	\$4,000.00	\$2,649.00	\$1,351.00
Office Supplies	\$1,200.00	\$1,019.99	\$180.01
Professional & Other Fees	\$700.00	\$42.00	\$658.00
Road Maint/Improvements	\$55,432.40	\$58,242.03	(\$2,809.63)
Shed/Mailboxes	\$0.00	\$0.00	\$0.00
Signs	\$250.00	\$201.71	\$48.29
Snow Removal	\$2,300.00	\$3,600.00	(\$1,300.00)
Social	\$50.00	\$14.00	\$36.00
Web Page	\$125.00	\$95.40	\$29.60
Weed Control	\$1,200.00	\$1,147.88	\$52.12
<b>TOTAL</b>	<b>\$67,557.40</b>	<b>\$68,029.46</b>	<b>(\$472.06)</b>

**CEDAR MESA RANCHES HOMEOWNERS  
BOARD OF DIRECTORS MEETING**

*February 22, 2007  
San Juan Basin Technical College  
7:00 p.m.  
MINUTES*

**Present:** Jim Bignell, Gary Brodhagen, Greg Kemp, Lisa Liljedahl and Ruth Bignell. Six HOA members were present.

**Absent:** Nova Hankins, Greg Kaylor

**Call to Order:** The meeting was called to order at 7:01 pm

**The 2007 Board Members were introduced:** Jim Bignell introduced the current board to members.

**Approval of Minutes:** A motion was made, 2nd and passed to approve the minutes of the January 13, 2007 meeting

**Secretary Report: Ruth Bignell**

- Annual Meeting minutes went out on Jan. 16, 2007
- Lot 63 sold to Ian & Shari Erickson from Gold Canyon, AZ
- Lot 117 sold to Ron & Joan Morgan from Phoenix, AZ
- HOA Winter Newsletter will go out with these minutes.

**Treasurers Report: Lisa Liljedahl**

- A dues lien placed in 2006 has been paid.
- Four 15-day dues letters were sent out this past week. Please remember that if you chose the option to pay half, the dues balance of \$225 is due by April 13, 2007.
- A new budget format is being utilized that meets the accepted standards for HOA budget reporting.

**Committee Reports:**

**Fire/Weed - Jim Bignell**

- Our volunteers will start spraying in May or as soon as the weeds pop up.
- The Fire Strike Force will be up and running in early spring.
- Cheryl Brodhagen will maintain the fire sign at the front entrance.

**Building Advisory – Greg Kemp**

- We still have 2 issues pending.

**Roads – Gary Brodhagen (for Greg Kaylor, Chair)**

- We have had 4 snow removals since January. No other activity at this time. More info under new business.

**Activity & Grounds – Ruth Bignell**

- A cleanup date for May will be set at the next meeting.

**Old Business:**

- Potential Lawsuits: No new activity to report.

### **New Business:**

- **Board Meetings:** The Board will meet the last Thursday of the month. After the March 29<sup>th</sup> meeting, HOA meeting will be every other month or as necessary.
- **Modular Homes:** Issues have been raised regarding the grand fathering of modular/manufactured homes and property. Covenant 33 addresses that issue. Jim Bignell read the following covenant: *"All double-wide mobile homes that are currently on lots or tracts in the Cedar Mesa Ranches Homeowner's Subdivision that were there before January 1, 2003 are grand fathered in and are exempt from the no double-wide part of these covenants. This does not preclude the enforcement of the no double-wide part of these covenants in the future."*

The grand fathering covenant pertains to the modular/manufactured home that was on a lot at that time and does not pertain to vacant property in the subdivision.

- **Board Vacancy:** There is still a vacancy on the Board. If anyone is interested, please let Jim Bignell know.
- **Insurance:** The insurance company that has issued our Directors & Officers policy over the past 5 years has decided not to renew our policy based on the losses incurred with the lawsuits against the HOA. Several companies have been approached and all have declined. A typical reason is: *"The frequency and/or severity of the loss history for the applicant association."* We are currently in contact with a company in Denver but have not received any definite information as of today. The Board would appreciate knowing if anyone has any ideas how we can get insurance to protect the HOA. Send us an email at: [biggyr02@aol.com](mailto:biggyr02@aol.com) with your ideas/thoughts.
- **Budget Allocation:** The board allocated money in various categories. This budget is included in these minutes. Two categories have been eliminated (social & mailboxes). You will also notice in two categories, roads and legal professional fees that one has decreased and the other increased. In light of the circumstances that have taken place over the past year and the fact that we may not get D&O insurance, we have to have a significant amount in our legal professional fees for any future issues. This greatly impacts our roads and our plan to finish all the roads this year. This was the last year in our 3-year plan but we will be limited in what we can do to maintain the roads. If, later in the year, we do not have to use the funds allocated in the legal profession fees category, we will reallocate the funds to the roads. A motion was made, 2<sup>nd</sup> and passed to accept this budget.

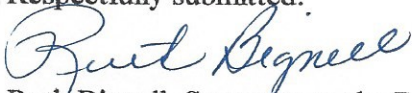
### **Open Discussion:**

- Members brought up the possibility of a road assessment to finish the roads this year since we do not have the funds necessary to complete our project. The road committee will try to get a comprehensive estimate of the cost to complete the roads and present it at the next meeting. We will also discuss the possibility of a special road assessment based on that report.
- A question of our liability policy coverage on the fire emergency road was asked. As long as the person involved is legally on the road, our policy would cover any incident that may occur. The fire roads are on private property and can only be used with the owner's permission or during an emergency.
- A suggestion was made that we consider putting some of our funds in a 30-day interest bearing account. Our treasurer will look into it and report at the next meeting.

**Adjournment:** Motion was made, 2<sup>nd</sup> and passed to adjourn at 7:47 p.m.

**Next Meeting:** The next meeting will be Thursday, March 29<sup>th</sup> at 7:00 pm at the San Juan Technical College.

Respectfully submitted:



Ruth Bignell, Secretary to the Board

**CEDAR MESA RANCHES HOMEOWNERS  
BOARD OF DIRECTORS MEETING**

*March 29, 2007  
San Juan Basin Technical College  
7:00 p.m.  
MINUTES*

**Present:** Jim Bignell, Gary Brodhagen, Greg Kaylor, Greg Kemp and Ruth Bignell. Ten HOA members were present.

**Absent:** Nova Hankins, Lisa Liljedahl

**Call to Order:** The meeting was called to order at 7:00 pm

**Approval of Minutes:** A motion was made, 2nd and passed to approve the minutes of the February 22, 2007 meeting

**Secretary Report: Ruth Bignell**

- February meeting minutes went out on Feb. 26, 2007
- Lot 9 sold to Philip & Mary Bock from Alpine, CA
- Lot 61 sold to Stan & Patty Mattingly from Klamath Fall, OR
- Lot 101 sold to Terry Wheeler from Salem, OR
- A memo from Robin Rice of Century 21 was read. Robin praised our website as being informative and professional. Our thanks to Nick Bird, who volunteers to keep our website up-to-date every month. I get many calls from realtors for information. They appreciate being referred to our website.

**Treasurers Report: Ruth Bignell for Lisa Liljedahl**

- We are beginning to receive checks for the second half of the dues. Those of you that had chosen that option are reminded that the remainder of \$225 is due by April 13, 2007. Please put your lot number on your check and send to: Lisa Liljedahl, 10224 Road 36.7, Mancos, GO 81328.
- Last month a suggestion was made to check into putting some of our money in a money market or CD. The information we received gave us various options with the highest interest for a 180-day CD with interest of 3.91% for \$25,000 or higher. We would also pay a tax of 30% for any interest over \$100. A lot of discussion followed due to the fact that we use so much of our money during the summer for the roads and probably would not gain much. A suggestion was made to look into an interest-bearing checking account at the Mancos Bank. This will be followed up and reported at our next meeting.

**Committee Reports:**

**Fire/Weed – Jim Bignell**

- Spraying insecticide will be purchased in April for those that volunteer to spray our weeds in the subdivision.

**Building Advisory – Greg Kemp**

- We are still waiting for site plans for Lot 44.
- A certified letter was sent and received for Lot 17 regarding the fencing on their property. The committee has requested they get in touch with them within 2 weeks to measure the fence in relation to the covenant requirement. The fence has already been measured by 2 members of the Board and is out of compliance with the Montezuma County Regulations and the CMRHOA covenants.
- Building plans for lots 91 & 117 were submitted to the Building Advisory Committee Chair, Greg Kemp. Both sets are in compliance with the setbacks in the covenants and Montezuma County.



- At this meeting, it was brought to attention of the Board, that the Montezuma County Land Use Code would start enforcing the setbacks that were instituted approx. July 1998. The setbacks in the code are stated as 50 ft from lot lines for a residence. Our covenants filed in Sept. 1998 state the setback as 25 ft. The County did not notice this discrepancy when the covenants were filed. Greg got clarification today on how the code reads: 50 ft setback from all property lines for a residence, outside dwellings such as a shed, shop or barn can be setback 25 ft from property lines. From what we understand, an enforcement person will be hired on April 2, 2007. CMR was not aware that the setbacks differ from our covenant requirement until now. This should not affect any present buildings but anyone that plans to build in the future should check with the county as well. We will have to do an amendment to our covenants to comply with the law.

### **Roads – Greg Kaylor**

- At last months meeting, a suggestion was made to possibly have a road assessment to cover the road shortages we have because of the legal circumstances that took place in the past year. A comprehensive plan was presented to fix the roads once and for all this year. This plan is attached to these minutes. To complete all the roads this year would cost \$96,328 and would require an assessment of \$550. Comments from the members presents were made that we should not have to come up with the extra money because of the actions of one lot owner that has forced us to reallocate our road money into a professional fee fund to help protect the Board. While this is a valid comment, there is not much of an alternative if we want to maintain the roads so they don't deteriorate. After much discussion about the pros & cons and the hardship it would cause some homeowners, it was suggested by members present that we split the cost over 2 years. This assessment will require a majority vote of the membership to pass. A motion was made, 2<sup>nd</sup> and passed to put forth a vote for a special assessment of \$275 to the membership. As you can see by the list, we have some major repairs still to do along with the continuing maintenance. Our roads are much better but there is much more to be done. This letter will go out in April to the membership and the votes will be counted at the May meeting. If the assessment passes, the additional \$275 will be due on June 30, 2007.
- Signs on the corner of K.1 will be moved back away from the road.
- A 25 mph speed sign will be posted near the front of the subdivision and reflectors will be put along various roads that present a danger at night. A motion was made, 2<sup>nd</sup> and passed to purchase these items.

### **Activity & Grounds – Ruth Bignell**

- A cleanup day has been scheduled for Sat. May 19 at 9:00 am at the front entrance. Bring your rakes, mowers or anything else that will cut grass.
- Our annual BBQ will be on Sat. July 21<sup>st</sup>. More on this later.

### **Old Business:**

- Once again the problem of mobile homes has come up. We have a lot owner that wants to put a mobile/manufactured home on their lot. The covenants state they are not allowed in this subdivision. While this is difficult for those that want to purchase one, the Board is charged with enforcing the covenants with no exceptions.

### **New Business:**

- Lot 107 – it was reported that the signs on this lot were stolen off the gates. The Board has stated several times that it does not condone this behavior and wishes it would cease. John Lyren has stated that he keeps an eye on people going in that direction and has not seen anyone going near that property unless it is in the middle of the night.
- Insurance – we have a local agent that is still trying to secure D&O insurance. Our general liability insurance will remain in force.
- Since we have had a problem filling the remaining seat on the Board and due to the fact that because of recent events this past year, it will probably be difficult to fill any position on the Board, a board

member has made a suggestion that we reduce the number of members that serve on the Board to five (5). A motion was made, 2<sup>nd</sup> and passed to present this vote to the membership. It will take a majority vote to change this by-law.

**Open Discussion:**

- Jim Bouma stated that his trailer would be on his property 9 months as of June 1, 2007. He was informed that the covenants require it to be moved for at least 3 months.
- A member asked that we place a load of gravel at the mailboxes because of all the mud this time of year. The road committee will take care of this request. An offer was also made to donate a metal roof over the mailboxes.

**Adjournment:** Motion made, 2<sup>nd</sup> and passed to adjourn at 8:22 pm

**Next Meeting:** The next meeting will be Thursday, May 31<sup>st</sup> at 7:00 pm at the San Juan Technical College.

Respectfully submitted:

Ruth Bignell, Secretary to the Board

**Income:**

	2006 Actual	2007 Budget	2007 Year-To- Date Actual
Membership dues	\$62,275.00	\$62,275.00	\$51,400.00 *

**Expenses:**

CPA - Tax Preparation	195.00	\$150.00	150.00
Contingency Fund	822.45	\$2,000.00	
Fire Mitigation	0.00	\$100.00	
Insurance	2,649.00	\$2,000.00	
Office Supplies	1,019.99	\$1,100.00	165.99
Professional & Other Fees	42.00	\$25,000.00	
Road Maint/Improvements	58,242.03	\$25,600.00	
Signs	201.71	\$500.00	
Snow Removal	3,600.00	\$5,000.00	1,660.00
Web Page	95.40	\$125.00	
Weed Control	1,147.88	\$700.00	
<b>Total Expenses:</b>	<b>68,015.46</b>	<b>62,275.00</b>	<b>1,975.99</b>
<b>Excess of Income over Expenses:</b>	<b>-\$5,740.46</b>	<b>\$0.00</b>	<b>\$49,424.01</b>

There was a carryover amount of \$5,107.40 from 2005, therefore the bank balance at the beginning of 2006 was a positive amount.

\* This amount includes \$275 of 2006 dues that were collected in 2007.

**Assets****2007**

Cash	\$49,561.15
Accounts Receivable	\$11,150.00
Total Assets	\$60,711.15

**Liabilities**

Accounts Payable	\$0.00
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**Members' Equity**

Prior Yrs Equity	\$126.00
Current Yr Equity	\$60,585.15
Total Member Equity	\$60,711.15

<b>Total Liabilities &amp; Members' Equity</b>	<b>60,711.15</b>
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Description	Bid	Comments	Gravel Cost Estimates
		With Dollar Values	
<b><u>Road 35 " Spring Cleaning"</u></b>			
Blade/Grading from CR35 entrance to K.3	\$ 800.00	Just Blading W/O Water \$ 1,000.00	
With Water	\$ 600.00	Water Truck = \$ 85.00/Hour	
Compaction	\$ 200.00	Roller, & Operator	
	\$ 1,600.00	Sub-Total CR 35	
<b><u>Road 35 "Spring Cleaning" Continued</u></b>			
(10) loads of 3/4" coarse base/gravel in areas needed includes spreading, water and compaction	\$ 3,200.00		Est. 250 Tons/(10) loads areas showing sub-base \$ 2,000.00 @ 25 tons/load
(.9) miles of coarse base (from top of hill to K.3) includes gravel/freight, spreading, water & compaction	\$ 35,112.00		Est. 2,150 Tons/86 Loads \$ 17,200.00 Gravel @ \$ 200/load
Install "new" culvert (15"X40') across from Gue residence and backfill with 3/4" coarsebase	\$ 1,006.00		
Clean all barrow ditches & general maintenance from entrance to end of Road 35	\$ 3,500.00		
	\$ 42,818.00	Sub-Total CR 35 Continued	
<b><u>Road 35.3</u></b>			
528'/.1 mile grading of sub-base, 3/4" coarse base/freight, spread, water and compaction start approx. 50' from 10319) to and including cul-de-sac	\$ 3,580.00	Sub-Total CR 35.6	Est. 160 tons/6.4 loads=\$ 1,280.00 Gravel @ \$ 200/load
<b><u>Road J.7</u></b>			
Repair culvert and clean ditch at Intersection of CR 35 & J.7 to promote drainage	\$ 100.00		
Clean culverts and barrow ditches to promote drainage and prevent washing of barrow ditches, clean barrow ditches (at bottom of hill) relocating silt to opposite side of road (south) (2) loads of pit run to be used for spillway and check dams	\$ 3,020.00		Est. (50) Tons/(2) loads Pit Run \$ 400.00 @ \$ 200/load
.7 mile/3,696' 3/4" coarse base from previous base ending to and including cul-de-sac at road end. Includes gravel/freight, spreading and compaction	\$ 19,160.00		Est. 44.8 loads/1,100 Tons \$ 8,960.00 3/4" Gravel @ \$ 200/loa
	\$ 22,280.00	Sub-Total CR J.7	
<b><u>Road J.8</u></b>			
2,640'/.5 mile smooth sub-base, 3/4" coarse base/freight, spreading, water & compaction	\$ 1,200.00		Est. 810 Tons/32.4 loads \$ 6,480.00 Gravel @ \$ 200/load
	\$ 16,950.00		
	\$ 18,150.00	Sub-Total CR J.8	

**Road 36.7**

Clean out culverts and install used CMR owned to be located down road from existing black plastic culvert \$ 400.00

Haul (4) loads of 1-1/2" sub-base in cul-de-sac at road end to build-up corner to promote drainage to nearby culvert. \$ 1,000.00 \$ 800 @ \$ 200/load 3" or 1-1/2"

.1 mile/528' spread, water & compact (10) loads of 3/4" coarse base \$ 2,500.00 Est. (10) loads/250 Tons 3/4" \$ 2,000.00 @ \$ 200/load

\$ 3,900.00 Sub-Total CR 36.7

**K.3 at J.6 & J.9**

Intersection of Roads K-3, & J.6 & J.9 - Raise corners to promote drainage to culverts located at J.6 & J.9 where water washes over road \$ 2,800.00 Sub-Total K.3 At J.6 & J.9

**Blade (2) fire roads** \$ 1,600.00 Sub-Total Fire Roads

\$ 96,728.00 Total

**Cedar Mesa Ranches-HOA  
Balance Sheet  
March 29, 2007**

<u>Assets</u>	2007
Cash	\$49,561.15
Accounts Receivable	\$11,150.00
Total Assets	\$60,711.15
<u>Liabilities</u>	
Accounts Payable	\$0.00
<u>Members' Equity</u>	
Prior Yrs Equity	\$126.00
Current Yr Equity	\$60,585.15
Total Member Equity	\$60,711.15
<b>Total Liabilites &amp; Members' Equity</b>	<b>60,711.15</b>

**Cedar Mesa Ranches  
Statement of Income and Expense  
March 29, 2007**

**Income:**

	2006 Actual	2007 Budget	2007 Year-To- Date Actual
Membership dues	\$62,275.00	\$62,275.00	\$51,400.00

**Expenses:**

CPA - Tax Preparation	195.00	\$150.00	150.00
Contingency Fund	822.45	\$2,000.00	
Fire Mitigation	0.00	\$100.00	
Insurance	2,649.00	\$2,000.00	
Office Supplies	1,019.99	\$1,100.00	165.99
Professional & Other Fees	42.00	\$25,000.00	
Road Maint/Improvements	58,242.03	\$25,600.00	
Signs	201.71	\$500.00	
Snow Removal	3,600.00	\$5,000.00	1,660.00
Web Page	95.40	\$125.00	
Weed Control	1,147.88	\$700.00	
	<hr/>	<hr/>	<hr/>
<b>Total Expenses:</b>	68,015.46	62,275.00	1,975.99
<b>Excess of Income over Expenses:</b>	-\$5,740.46	\$0.00	\$49,424.01

There was a carryover amount of \$5,107.40 from 2005, therefore the bank balance at the beginning of 2006 was a positive amount.

\* This amount includes \$275 of 2006 dues that were collected in 2007.

**CEDAR MESA RANCHES HOMEOWNERS  
BOARD OF DIRECTORS EXECUTIVE MEETING**

*April 22, 2007*

*Bignell Home*

*4:00 p.m.*

*Minutes*

*Present: Jim Bignell, Greg Kaylor, Greg Kemp, Nova Hankins, Lisa Liljedahl and  
Ruth Bignell*

*Absent: Gary Brodhagen*

*1. Meeting was called to order at 4:02 pm*

*2. Discussion:*

*A. The letter sent out to HOA homeowners by Torin Andrews was discussed  
with each member. None of the Board of Directors received this letter.*

*B. A draft response letter composed by our attorneys was reviewed. Each  
board member gave their input with respect to changes/additions. It was  
agreed to approve this letter with minor changes. The attorneys will be  
notified to proceed with distribution of the letter to the HOA  
membership.*

*Adjournment: The meeting adjourned at 5:10 pm*

*Respectfully submitted,*



*Ruth Bignell*

*Secretary to the Board*



**BOARD OF DIRECTORS MEETING  
CEDAR MESA RANCHES HOMEOWNERS**

May 31, 2007

San Juan Basin Technical College

7:00 p.m.

MINUTES

**Present:** Jim Bignell, Gary Brodhagen, Nova Hankins, Greg Kaylor, Greg Kemp, and Ruth Bignell.  
32 HOA members were present.

**Absent:** Lisa Liljedahl

**Call to Order:** The meeting was called to order at 7:00 pm

**The minutes of the March 29, 2007 minutes were approved. Motion made, 2<sup>nd</sup> and passed.**

**Secretary Report: Ruth Bignell**

- March Meeting minutes went out on April 3, 2007
- Lot 90 sold to Stephanie Brenna from Davis, CA
- Lot 116 sold to Samuel & Loredana Arana from Miami, FL
- Lot 118 sold to Allen & Maria Giannakopoulos from Miami, FL
- Letter from HOA attorneys went out on April 28, 2007
- Road Assessment & Board vote went out on May 3, 2007
- Board contact info will be included in minutes

- Thank you to Lisa Liljedahl & Susan Bryson for doing our recent mailings. Thank you to Michelle Charbonneau for making calls reminding members to send in their votes and thanks to Michelle & Georgia Chermak for counting votes and Cheryl Brodhagen for opening the envelopes.

**Treasurer's Report: Ruth Bignell for Lisa Liljedahl**

- Thanks to all of you for getting your dues in on time. All dues have been paid.

**Committee Reports:**

**Fire/Weed – Jim Bignell**

- Our volunteers have been out spraying the roadside for the past 3 weeks. They have noticed a lot less thisle than last year. It will continue for the next couple of weeks.
- Homeowners are required to spray their property for noxious weeds. Now is the time.
- Fire season is here so be on the lookout in your area.

**Building Advisory: Greg Kemp**

- Lot 17 has removed their fence. The Board appreciates the cooperation of the owners in solving this problem.
- Site plans for 3 residences were submitted. All were within the boundaries required by the covenants.
- During the winter, some of the lot/tract identification signs have deteriorated or disappeared. Now that fire season is here, it is important for your lot/tract to be identified in an emergency. Please check your signage and replace if necessary.
- In speaking with Montezuma Water regarding their service in the subdivision, we found that the main line comes in between Lot 6 & 7. It is a 4" line that supplies the CMR and pumps 30 gal. Per min which can be increased to 90 gpm. At this time, there are no plans to increase this line. They plan to increase the main line on Road 34 this year.

- Montezuma County requires a permit to install a driveway. Our roads are not maintained by the County therefore, CMR is exempt from this permit requirement

#### **Road Committee: Greg Kaylor**

- Roads have been bladed twice. A roller & water was only used once but we had plenty of moisture this last time and didn't need a roller
- The spring-cleaning project, which includes culverts and bar ditches has been delayed due the wet conditions on the road. We hope to complete it in the next 2-3 weeks.
- The fire road on J.7 has been checked and is passable.
- Jim & Gary installed 13 reflectors on several roads and a speed sign on Road 35. We have 4 more speed signs to install on Road 35.

#### **Activity & Grounds: Ruth Bignell**

- On clean up day, we had 14 members participate with mowing, trash pick up and digging out thistle. Waste Management donated a small dumpster which helped us tremendously. Thank you to Greg Kemp for piling up all the old metal that has been an eyesore for a long time. We managed to fill up the dumpster with the help of 2 tractors provided by Jim Bignell and Don Murrell.
- Thank you to Gary Brodhagen for arranging to get the potholes in our road fixed free of charge and for also providing a replacement solar light for our entrance.
- The HOA B-B-Q will be held on Sunday, July 22<sup>nd</sup> at the Bignell residence from 1-4 pm or whenever. The committee at their expense will provide meat, beans & drinks. A flyer will go out early July. We hope you all will come if you can.

#### **New Business:**

- **Qwest:** A homeowner notified the Board that Qwest might consider putting in a high-speed line if enough people call them and request it. Everyone seemed to be in favor of that. So give Qwest a call and let them know of your interest.
- **Amendment:** An amendment will be made to Covenant #7 #c which states, buildings, structures, etc must be 25' from side and rear lot lines. Montezuma County regulations require a setback of 50' for the residence only, not the out buildings. We will change ours to agree with the law of Montezuma County. A motion was made to make this change, 2<sup>nd</sup> and passed.
- **Waste Management:** Waste Management began weekly service on May 25, 2007. They removed 1 container from those that had 2. If you would like to retain a 2<sup>nd</sup> container, give them a call. They are also working on adjusting the pricing for those that will only have one container.
- **Attorney letter for Lot 107:** Most members received the letter sent out by Mr. Andrew's attorney, Stephen Allen. The Board received a lot of emails regarding this situation expressing their frustration by the latest action of Mr. Andrews. A very open and blunt discussion by members occurred at this meeting. Members were angry, frustrated and trying to understand the motives Mr. Andrews has for such actions, both previous and current.
- **HOA attorney letter:** Because Mr. Andrews directed his attorney to send a letter informing members of his version of what he thinks is happening at CMR, the Board and its attorney's felt this needed to be responded to because it contained many misrepresentations. The facts stated in the HOA attorney's letter are public record and anyone can research it if they have any further questions
- **Covenant #10:** Again, most of you have probably received an email from the owner of Lot 81 regarding mobile homes in CMR questioning our right to deny anyone from putting them in. Our covenant states mobile homes are not allowed and we have that right. Jim read the definition of a mobile home as stated under Colorado law. Any structure that fits this definition is what Covenant #10 refers to no matter what the structure is called. The definitions and Covenant #10 are attached to these minutes. When we revised the covenants, this was one we wanted to clear up the language and include manufactured, modular, doublewide and prefab homes. The lot owner stated that it was voted down. Just to clarify that, it was not voted down. The rules state we must have a majority vote of 70 to pass. When the vote was counted, we had 69 in favor. Because a majority was not reached, the covenant reverted back to its original form,

which still banned mobile homes. The irony of this is that the very next day, we got the 70<sup>th</sup> vote but to late to count. After a much-heated discussion that was unanimously against the letter from Lot 81, it was agreed that the Board would seek the advice and clarification from an attorney on this issue and report the results at the next meeting. It was also agreed that depending on the ruling from the attorney, we might have a membership vote on this covenant at a later time. A motion was made to consult a lawyer, 2<sup>nd</sup> and passed.

- **Road Assessment & Board decrease vote results:** The results of the Road Assessment vote is: Yes-53, No-45. The Board decrease vote: Yes-61, NO-32. Because neither of these issues had a majority vote of 70, they cannot be consider passed. Roadwork will continue but at a much slower pace. We will not be able to do the major work we had planned but we will be able to keep the road graded and clean and repair culverts that need it.

**Open Discussion:**

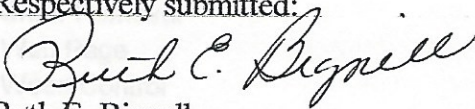
- The owners of Lot 14 complimented the Board on their dedication to a thankless job. He has sat on an HOA Board in his community and understands the problems that accompany every board.
- A question was asked what the road projects would be since the road proposal did not pass. The roads will be taken care of as far as grading, emergency repair and installing some culverts but major repairs cannot be done at this time.
- The owner of Lot 81 thanked the Board for their efforts.

**Motion to Adjourn:**

A motion was made to conclude the meeting, 2<sup>nd</sup> and passed. The meeting ended at 8:45 pm.

**Next Meeting:** The next meeting will be Thursday, July 26, 2007 at 7:00 pm at the San Juan Technical College.

Respectively submitted:



Ruth E. Bignell  
Secretary to the Board

Excess of Income over Expenses:	25,740.45	30.00	257,888.13
There was a carryover amount of 25,107.40 from 2006, therefore the bank balance at the beginning of 2007 was a positive amount.			
* This amount includes \$275 of 2006 dues that were collected in 2007.			

**BOARD OF DIRECTORS MEETING  
CEDAR MESA RANCHES HOMEOWNERS**

*July 26, 2007*

*San Juan Basin Technical College*

*7:00 p.m.*

**MINUTES**

**Present:** Jim Bignell, Gary Brodhagen, Greg Kemp, Lisa Liljedahl and Ruth Bignell.  
3 HOA members were present.

**Absent:** Nova Hankins, Greg Kaylor

**Call to Order:** The meeting was called to order at 7:03 pm

**The minutes of the May 31, 2007 minutes were approved. Motion made, 2<sup>nd</sup> and passed.**

**Secretary Report: Ruth Bignell**

- May Meeting minutes went out on June 3, 2007
- Lot 55 sold to Mark & Kimberly Mueller from Mancos, CO

**Treasurer's Report: Ruth Bignell for Lisa Liljedahl**

- Current budget is attached.

**Committee Reports:**

**Fire/Weed – Jim Bignell**

- Our volunteers will be spraying again in the fall. If you need spray, contact Jim.
- We have had 4 fire strikes in the past 2 weeks. The Fire Strike Force members responded, as did the fire company. Thanks to all who have called to report fires.
- We had reports that the fire road has been blocked several times. Please do not block these roads. It is important that the fire company is able to access these roads if necessary.
- Fire defensible signs have been posted at the front entrance. These were donated by fire wise. Thanks to Gary & Cheryl for putting them up.

**Building Advisory: Greg Kemp**

- Lot 91 has submitted a site plan and it is in compliance.
- Montezuma County received a complaint regarding Aramark. Aramark completed improvements on their property without acquiring a permit. The Planning & Zoning Committee will hold a hearing at a later date and I will be notified as to time/day/place. I plan to attend and address any concerns CMR may have as to what can be done to improve the appearance of their property. Since it connects to CMR, it is in our best interest to get them to improve the area. If you have any concerns you would like me to bring up, please call me at 560-0562
- There will be a hearing on the Land Use Code on Mon. Sept. 10<sup>th</sup> at 2:00 p.m. if anyone is interested.

**Road Committee: Gary Brodhagen**

- Road 35 has been bladed from top to bottom. We had water brought in and 2 loads of gravel.
- Jim & Gary installed 4 additional 25 mph speed signs.
- A member asked Gary to look at J.7 as they have had washouts and culverts overflowing. Gary & Jim will check out.

### **Activity & Grounds: Ruth Bignell**

- 38 HOA members attended the HOA BBQ held on Sunday, July 22<sup>nd</sup> at the Bignell residence from 1-4 pm. We had a great time and great food. No hail or fires this year. Thanks to all who came and for the delicious goodies they brought
- We may have a cleanup day in September at the front entrance. A flyer will go out if we do.

### **Old Business:**

- **Covenant #10:** At our last meeting, it was decided to consult a lawyer for clarification on this issue. Jim Bignell and Gary Brodhagen consulted with a local attorney, presented him with all the information from both sides and requested a written summary from him. At this time, this is being processed and we should have it by our next meeting.

### **New Business:**

- **Mitigation:** If you are clearing your lot for building, please do not push the slash over the sides of hills. This creates a great place for fires to start. Either remove it or burn it during the off-season.

**Defensible Space:** When building, please create a defensible space surrounding your home by clearing the area and keeping the grass cut.

- **September Meeting:** Due to summer vacations, and slow activity, it was decided to cancel the September Board Meeting. We will meet in October when a call for nominations for positions on the board will be made and November. Motion was made, 2<sup>nd</sup> and passed.

### **Open Discussion:**

None

### **Motion to Adjourn:**

A motion was made to conclude the meeting, 2<sup>nd</sup> and passed. The meeting ended at 7:36 pm.

**Next Meeting:** The next meeting will be Thursday, October 25, 2007 at 7:00 pm at the San Juan Technical College.

Respectively submitted:

Ruth E. Bignell  
Secretary to the Board

**Cedar Mesa Ranches-HOA  
Balance Sheet  
June 30, 2007**

<b><u>Assets</u></b>	<b>2007</b>
Cash	\$56,121.93
Accounts Receivable	\$0.00
Total Assets	\$56,121.93
<b><u>Liabilities</u></b>	
Accounts Payable	\$0.00
<b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$126.00
Current Yr Equity	\$55,995.93
Total Member Equity	\$56,121.93
<b>Total Liabilities &amp; Members' Equity</b>	<b>56,121.93</b>

**Cedar Mesa Ranches**  
**Statement of Income and Expense**  
**June 30, 2007**

<b>Income:</b>	2006 Actual	2007 Budget	2007 Year-To- Date Actual
Dues	\$62,275.00	\$62,275.00	\$62,425.00 *
Interest			<u>\$11.14</u>
<b>Total Income:</b>			<b>\$62,436.14</b>
 <b>Expenses:</b>			
CPA - Tax Preparation	195.00	\$150.00	150.00
Contingency Fund	822.45	\$2,000.00	
Fire Mitigation	0.00	\$100.00	
Insurance	2,649.00	\$2,000.00	
Office Supplies	1,019.99	\$1,100.00	731.32
Professional & Other Fees	42.00	\$25,000.00	
Road Maint/Improvements	58,242.03	\$25,600.00	3,755.00
Signs	201.71	\$500.00	
Snow Removal	3,600.00	\$5,000.00	1,660.00
Web Page	95.40	\$125.00	95.40
Weed Control	1,147.88	\$700.00	48.49
<b>Total Expenses:</b>	68,015.46	62,275.00	6,440.21
<b>Excess of Income over Expenses:</b>	-\$5,740.46	\$0.00	\$55,995.93

There was a carryover amount of \$5,107.40 from 2005, therefore the bank balance at the beginning of 2006 was a positive amount.

\* This amount includes \$275 of 2006 dues that were collected in 2007.

**CEDAR MESA RANCHES HOMEOWNERS  
BOARD OF DIRECTORS EXECUTIVE MEETING**

*August 10, 2007*

*Bignell Home*

*4:00 p.m.*

*Minutes*

*Present: Jim Bignell, Gary Brodhagen, Greg Kaylor, Greg Kemp, Nova Hankins, Lisa Liljedahl and Ruth Bignell*

*1. Meeting was called to order at 4:02 pm*

*2. Lawsuit:*

- A. A lawsuit in the amount of \$10,000 has been filed against the HOA Secretary, Ruth Bignell by Mr. Torin Andrews. This suit was filed in the State of Maryland with a trial date of November 7, 2007. While the lawsuit does not name Ruth Bignell as secretary of the HOA, the information provided by Mr. Andrews in the complaint is HOA business. The following is listed as a statement of particulars:*

*“On or about December 5, 2006, defendant Ruth Bignell sent or caused to be sent a collection demand into the State of Maryland in violation of Maryland Commercial Law Section 14-202(8) threatening to lien real property of the plaintiff knowing that no such right to lien existed. Plaintiff suffered damages including emotional distress and mental anguish. Defendant acted with willful malice.”*

*Mr. Andrews is referring to the packet that went out to HOA members on December 5, 2006 with the annual meeting notice, ballot and dues invoice, etc. Mr. Andrews received all information except the dues invoice. In November 2006, in a letter to the membership, it was stated that Mr. Andrews was exempt from paying dues and The Board has not pursued Mr. Andrews at any time for dues or assessments knowing he is exempt.*

*3. Consultation:*

- A. A consultation was held with a local lawyer for advice on how to proceed with this situation. The attorney advised us to retain a Maryland lawyer to handle this complaint.*

*4. Discussion on a course of action:*

- A. A discussion was held on the effect Mr. Andrews actions have had on the HOA and the subdivision. Situations of this type could discourage potential buyers of property for sale in the subdivision. We have had calls from potential buyers and realtors asking for clarification of the problems in the CMR-HOA subdivision. Many members are also bewildered by these actions and worry about the effect this has on their properties as investments.*
- B. As an officer of the Board, The Board voted unanimously to use the Legal fund to defend the HOA secretary. This money was set-aside for just this purpose but hoping its use would not be necessary. Motion made, 2<sup>nd</sup> and passed*

**Adjournment:** The meeting adjourned at 4:50 pm

*Respectfully submitted,*

  
*Ruth Bignell*

*Secretary to the Board*



**CEDAR MESA RANCHES HOMEOWNERS  
BOARD OF DIRECTORS EXECUTIVE MEETING**

**September 6, 2007**

**Bignell Home**

**4:30 p.m.**

**Minutes**

**Present: Jim Bignell, Gary Brodhagen, Greg Kemp, Nova Hankins, Lisa Liljedahl and Ruth Bignell**

**Absent: Greg Kaylor**

1. **Meeting was called to order at 4:32 pm**
2. **Discussion with Maryland attorney, Bill Hickey**
  - A. **Ruth gave a detailed report on what has transpired since our last executive meeting in regard to the lawsuit filed against the HOA Secretary, Ruth Bignell by Mr. Torin Andrews. Bill Hickey, a Maryland attorney has been retained by the CMRHOA. Bill was recommended by our previous insurance company and also by a homeowner in CMR. All necessary documents have been forwarded to him along with a retainer fee of \$2000. Interrogatories that were submitted by Torin Andrew's attorney have been answered, signed and returned to our attorneys. They will be sent back to Torin Andrew's attorney.**
3. **Settlement Offer from Torin Andrews:**
  - A. **A possible settlement offer was received from Torin Andrew's attorney. The settlement offer is as follows:**
    1. **The Board acknowledge in its meeting minutes that the plaintiff is not required to pay dues to the Association.**
    2. **The Board acknowledge in its meeting minutes that the plaintiff is not a mandatory member of the Association.**
    3. **The Board acknowledge in its meeting minutes that an assessment document was inadvertently included in the recent mailing to plaintiff.**

**The Board assessed and discussed at length all of the above and unanimously voted to reject this offer. Most of the above does not pertain to this lawsuit. The motion was made, 2<sup>nd</sup> and passed.**

**Although Greg Kaylor was not present, he reviewed the documents earlier in the day and expressed his vote and his vote was counted.**

**Adjournment: The meeting adjourned at 5:15 pm**

**Respectfully submitted,**



**Ruth Bignell**

**Secretary to the Board**

**BOARD OF DIRECTORS MEETING  
CEDAR MESA RANCHES HOMEOWNERS**

**October 25, 2007  
San Juan Basin Technical College  
7:00 p.m.  
MINUTES**

**Present:** Jim Bignell, Gary Brodhagen, Greg Kaylor, Greg Kemp, Lisa Liljedahl and Ruth Bignell.  
6 HOA members were present.

**Absent:** Nova Hankins

**Call to Order:** The meeting was called to order at 7:00 pm

**The minutes of the July 26, 2007 minutes were approved. Motion made, 2<sup>nd</sup> and passed.**

**Secretary Report: Ruth Bignell**

- July Meeting minutes went out on July 28, 2007
- Lot 46 sold to David & Martin Sornborger from Dolores, CO
- Lot 83 sold to Gary Linscott
- Annual Report made in August to State of CO, which again puts the HOA in good standing.
- Brochures: 3 brochures are included in these minutes. Lisa Liljedahl provided the article on "Road Bumps", Stan Wellborn provided the article on lighting and the Bear Smart provided the bear brochure. Thanks to all of them of the information.
- Website: The [cedarmesarancheshoa.org](http://cedarmesarancheshoa.org) website is now up-to-date. Nick informed the Board that Stan Wellborn is helping him with our website. Thanks to both of them for their efforts.
- If you have new contact info or a website that we don't have, please send me the info.

**Treasurer's Report: Lisa Liljedahl**

- Current budget is attached.

**Committee Reports:**

**Fire/Weed – Jim Bignell**

- No new fires. We have had a total of 4 fires this year but none since our last meeting in July. At this time, there is no county ban on burning.
- Our volunteers did a great job spraying weeds this season. The weed problem gets better each year and the Board thanks them for giving their time to make a better place.

**Building Advisory: Greg Kemp**

- In response to an anonymous letter pointing out a covenant violation where a lot owner was using his RV as a residence, a letter was sent out on Sept. 18, 2007 to the homeowner. The RV has been removed from the property and the problem is corrected. We appreciate the cooperation we received from the homeowner.
- Aramark has been mitigating their property for the past 6 weeks. Fire Ready has been cleaning up dead wood and trees. There is still work to be done but it looks much better. Another County Commissioner hearing will be held at a later date to discuss the issues with Aramark. Greg will attend. them to improve the area. If you have any concerns you would like me to bring up, please call me at 560-0562
- There have been hearings on the Land Use Code but at this time, no building permits are required by Montezuma County. When a further hearing is held, Greg will attend.

### **Road Committee: Gary Brodhagen**

- Work on J.7 has been completed. Three 30" culverts were installed as well as additional gravel. The cost was over \$11,000.
- The roads were graded in August and September. We had to use water and a roller both times.
- We have 10 homes being built in the subdivision and the truck traffic has created havoc on our roads. After the road grading in Sept., the nice smooth surface lasted about 2 weeks. No one travels the posted speed signs including residents. The road article we have enclosed deals with this issue. Please read it so you might better understand what happens when you speed on dirt roads. We don't expect you to go 5 mph but we could all slow. It would help if you would tell your contractors to have their employees to slow down. Several companies have been called when we see them speeding but it takes an effort on all our parts. We can't grade the roads every 2 weeks at \$3,000 per grading which includes water and a roller to pack it down. This cost is only for the grading of Road 35 to K.3 and part of K.3.  
**PLEASE HELP US HELP YOU BY SLOWING DOWN.**
- Road 35.6 and 36.7 has washed out areas that need repair, which should be done in the next 2 weeks. We always have problems on certain roads with water cutting the ditches deeper but we have been successful in putting small dams in the ditches. Homeowners have been generous in giving us leftover concrete from their pours to build these dams. If you plan to have a concrete pour and have extra, we could make good use of it. Please contact Gary Brodhagen at 565-4609 or Jim Bignell at 564-5964. They both know where we need it the most. It has helped a great deal on J.7 and Mud Creek.

### **Activity & Grounds: Ruth Bignell**

- No activities took place. We were hoping to have another cleanup day but it didn't work out. The tentative date for the HOA Christmas Party is Sunday, December 23<sup>rd</sup> from 7-9:00 pm at the Bignell's. A flyer will go out with the November minutes.

### **Nomination Committee: Ruth Bignell**

- It is that time of year again when we ask for nominations to serve on the 2008 Board. Nominations are due in writing with an accompanying statement as to why you are running by November 26, 2007. If you are interested, please send to Ruth Bignell at 10208 Road 35 or fax to 970-564-1099 by that date. Our annual meeting will be January 14, 2008. You will receive a packet in early December in regard to this and other information.

### **Old Business:**

- **Covenant #10:** Two items need to be addressed on this covenant. Since our last meeting, Jim and Gary consulted our attorney in regard to clarification of the mobile home issue. After much discussion at our last meeting, our concern was if our covenant would stand as written. The attorney stated it would, but he gave an opinion that we should add the definition of the Mobile Home Act C.R.S. 38-12-201.5, subsection (2) to the definition section of our covenants. In order to further uphold our restriction, he suggested that we also modify Covenant #10 by inserting "*manufactured home, modular home and double wide home.*" These 2 items will be on a ballot for your consideration. It will also be in your packet in December.
- **Covenant #7:** In April 2007, a letter was sent to the membership outlining the Montezuma Land Use Code regarding lot line setbacks for a primary dwelling. Our covenant states 25' from all lot lines and the County's restriction is 50'. We want to revise this covenant to reflect the county code. This will also be on the same ballot you will receive.
- A motion was made to put these covenant changes before the membership in December. It was 2<sup>nd</sup> and passed. It will take a 2/3 vote (93 votes) to make these changes. It is important for you to exercise your vote on these important protective covenants.
- **Insurance:** This was not on the agenda but an inquiry was made. We continue to pursue insurance for the Board but not have been successful. One insurance company suggested we put in an exclusion clause but there was still no guarantee we would get it. We are still looking.

**New Business:**

- **Bears:** We have 3 resident bears in the subdivision. A mother and cub and another that is about 2 yrs. Old. They are having a wonderful time turning over everyone's trashcans and bird feeders. They have been sitting on porches and in open garages but so far have not been destructive. Hibernation is coming up soon and we can forget about them until spring. Please read the bear brochure for things to do to keep them out of your yard. A suggestion was made to put ammonia in trashcans or around the rim. It's worth a try.
- **Lawsuit:** The lawsuit is ongoing. Since you received our notice in August regarding this suit, Mr. Bill Hickey of Rockville, MD has been retained as our attorney. Mr. Hickey was recommended by our former insurance company and also by a CMR homeowner. A retainer of \$2,000 was forwarded to Mr. Hickey in August. Since that time, Mr. Andrews has modified his lawsuit by adding the names of Lanita McCafferty, Cheryl Brodhagen and the Cedar Mesa Ranches Homeowners Association, Inc. to the lawsuit. Mr. Hickey has agreed to represent the additional defendants listed under this lawsuit. This new development will probably delay the trial date of November 7, 2007. The initial complaint is unchanged except for the additional names.

**Open Discussion:**

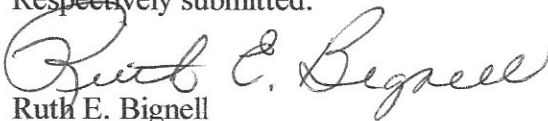
- A suggestion was made to paint the logs at the front entrance. We will look into it for a spring project.
- Aramark has put up "no trespassing," signs on their property to keep people away from an old gas well that is still there. Hopefully, the well tower will be removed and the gas well secured in the near future.

**Motion to Adjourn:**

A motion was made to adjourn the meeting, 2<sup>nd</sup> and passed. The meeting ended at 8:08 pm.

**Next Meeting: Due to the Thanksgiving holiday, our next meeting will be Thursday, November 29, 2007 at 7:00 pm at the San Juan Technical College.**

Respectively submitted:



Ruth E. Bignell  
Secretary to the Board

**Cedar Mesa Ranches-HOA  
Balance Sheet as of  
September 30, 2007**

<u><b>Assets</b></u>	<b>2007</b>
Checking	\$8,133.25
Money Market	\$25,136.67
Accounts Receivable	\$0.00
<b>Total Assets</b>	<b>\$33,269.92</b>
<u><b>Liabilities</b></u>	
Accounts Payable	\$0.00
<u><b>Members' Equity</b></u>	
Prior Yrs Equity	\$126.00
Current Yr Equity	\$33,143.92
<b>Total Member Equity</b>	<b>\$33,269.92</b>
<b>Total Liabilities &amp; Members' Equity</b>	<b>33,269.92</b>

**Cedar Mesa Ranches  
Statement of Income and Expense  
September 30, 2007**

**Income:**

	2006 Actual	2007 Budget	2007 Year-To- Date Actual
Dues	\$62,275.00	\$62,275.00	\$62,600.00*
Interest			<u>\$147.81</u>
<b>Total Income:</b>			<b>\$62,747.81</b>

**Expenses:**

CPA - Tax Preparation	195.00	\$150.00	150.00
Contingency Fund	822.45	\$2,000.00	0.00
Fire Mitigation	0.00	\$100.00	0.00
Insurance	2,649.00	\$2,000.00	1,106.00
Office Supplies	1,019.99	\$1,100.00	597.37
Legal Fees/ Not Designated	42.00	\$0.00	280.00
Legal Funds Designated	0.00	\$25,000.00	2,080.00
Road Maint/Improvements	58,242.03	\$25,600.00	23,200.00
Signs	201.71	\$500.00	68.74
Snow Removal	3,600.00	\$5,000.00	1,660.00
Web Page	95.40	\$125.00	95.40
Weed Control	1,147.88	\$700.00	366.38
<b>Total Expenses:</b>	<b>68,015.46</b>	<b>62,275.00</b>	<b>29,603.89</b>
<b>Excess of Income over Expenses:</b>	<b>-\$5,740.46</b>		<b>\$33,143.92</b>

There was a carryover amount of \$5,107.40 from 2005, therefore the bank balance at the beginning of 2006 was a positive amount.

\* This amount includes \$275 of 2006 dues that were collected in 2007 & \$50 members that overpaid

**BOARD OF DIRECTORS MEETING  
CEDAR MESA RANCHES HOMEOWNERS**

*November 29, 2007  
San Juan Basin Technical College  
7:00 p.m.  
MINUTES*

**Present:** Jim Bignell, Gary Brodhagen, Nova Hankins, Greg Kaylor, Greg Kemp, Lisa Liljedahl and Ruth Bignell. - 4 HOA members were present.

**Call to Order:** The meeting was called to order at 7:00 pm

**The minutes of the October 25, 2007 minutes were approved. Motion made, 2<sup>nd</sup> and passed.**

**Secretary Report: Ruth Bignell**

- October Meeting minutes went out on November 8, 2007
- Weed rebate submitted to Montezuma County. A rebate was issued to the HOA for \$194.58.
- The Annual Meeting will be January 12, 2008.

**Treasurer's Report: Lisa Liljedahl**

- Current budget is attached.

**Committee Reports:**

**Fire/Weed – Jim Bignell**

- We encourage everyone to burn slash during the winter months.

**Building Advisory: Greg Kemp**

- A concerned homeowner sent a letter regarding shooting in the BLM and National Forest lands. We live in the country and the Board has no control over this activity. A state law allows you to hunt or shoot in these areas. A lot owner can also shoot on his property.
- The Board was asked to approve a thank you letter to Aramark and to the Commissioner of the Planning Dept. for their perseverance in improving this property, which borders CMR. Aramark is continuing to mitigate their property. They have also tore down the derrick near an old well. It presented a hazard and they were asked to remove it. Aramark is to submit a report to the Planning Dept. An extension was requested and approved by the Planning Dept. A motion was made to send these letters, 2<sup>nd</sup> and passed.

**Road Committee: Gary Brodhagen**

- Road 35 and a portion of K.3 were graded in November. A water truck and a roller were also used.
- A load of gravel was put on a low spot on Road 35.
- A load of gravel was put on a low spot on Road J.6.
- Road 36.7 had a washed out area and 7 loads of gravel was needed to repair this area.
- A request was made to reallocate money into the road budget. All remaining balances except for the office, snow removal and designated/legal categories will be put into the road budget to cover expenses. A motion was made to reallocate monies, 2<sup>nd</sup> and passed.

**Activity & Grounds: Ruth Bignell**

- The HOA Christmas Party will be Sunday, December 23<sup>rd</sup> from 7-9:00 pm at the Bignell's. A flyer is included in these minutes. The Bignell's and the Brodhagen's will host the party. No money will be used from the budget.

**Nomination Committee: Ruth Bignell**

- Unfortunately, only 4 members of the current board have volunteered to continue to serve on the 2008 Board. They are Jim Bignell, Nova Hankins, Greg Kemp and Lisa Liljedahl. Under our bylaws, the 2 remaining board members will remain until they are replaced or they formally resign from the Board. The current board feels they have served long enough but because no one will step forward, they will continue to serve in order to keep the Board in place. If there is no board, there is no one to collect dues and therefore the roads will be in bad shape and so will property values. The Board understands the reluctance that exist in running for the board, namely because we are uninsurable and lawsuits continue to plague the Board and others by a CMR lot owner.

- A packet including the minutes, voting ballot, dues bill and other information will be sent by Dec. 8<sup>th</sup>. A new voting procedure will go into place this year. The voting ballot will be separate and will be returned in an envelope marked **secret ballot envelope**. No signature will be required on the ballot. The other change will be on your dues bill. Your name will appear at the top of the bill. This has been made necessary in light of the current lawsuit.
- I will not ask for any volunteers to help with the mailing as in previous years. I will not expose them to a possible lawsuit as has recently happened because they helped the HOA by stuffing envelopes.

**Old Business:**

- **Covenant #10:** There will be two items on the ballot to revise this covenant
- **Covenant #7:** There is one item on the ballot for this covenant.
- **Definitions:** There is one item on the ballot for this change.
- **Insurance:** We are still unable to acquire D & O insurance.
- **PLEASE READ ALL INFORMATION CAREFULLY AND PLEASE VOTE. THIS IS AN IMPORTANT VOTE THAT EFFECTS EVERYONE IN OUR SUBDIVISION**

**New Business:**

- **Lawsuit:** The lawsuit continues. Since Mr. Andrews has amended his lawsuit, a new trial date has been set for February 13, 2008 in Maryland.
- **Signs:** At various times during the year, signs have been posted by homeowners at the front entrance. The Board has no problem with this, but requests that when the situation has been resolved to please remove the signs. They get messy after awhile from the elements.
- A homeowner has requested that we revisit the restriction in Covenant #10 in regard to campers, RV's, etc. We did this in 2005 and it missed being passed by one vote, which came in the next day. The request was to remove the restriction that they must be housed in a barn, shed, etc. After much discussion between the Board and members in attendance, it was decided to place this on the ballot for your consideration. This issue keeps being brought before the Board and so we put it before the members. There are restrictions so please read it carefully.

**Open Discussion:**

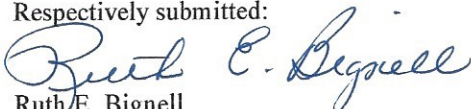
- A member reported that there are 2 dogs running loose in the area of Road 35 and K.3. Covenant # 18 states that "they must be kept on a leash, in a kennel or under voice command at all times". If they are your dogs, please correct the situation, as we do not want to see anyone's dogs get hit by a car.
- Several properties have very bright lights at night that shine in and at people's houses. Our covenants state outside lighting must be "low sodium lighting to minimize a nuisance to adjoining landowners". The Board would appreciate that you check your lights and replace them if necessary. A problem of lights being on late at or all night was also expressed. Please be a considerate neighbor and turn them off.
- A board member commented on the fact that we do not get much help from the membership.

**Motion to Adjourn:**

A motion was made to adjourn the meeting, 2<sup>nd</sup> and passed. The meeting ended at 7:45 pm.

**Next Meeting:** The next meeting will be the Annual Meeting at 3:00 pm on January 12, 2008 at the San Juan Technical College.

Respectively submitted:



Ruth E. Bignell  
Secretary to the Board

**HAPPY HOLIDAYS**



**Cedar Mesa Ranches-HOA  
Balance Sheet as of  
October 31, 2007**

**Assets**

**2007**

Checking	\$7,056.35
Money Market	\$25,207.00
Accounts Receivable	\$0.00
<b>Total Assets</b>	<b>\$32,263.35</b>

**Liabilities**

Accounts Payable	\$0.00
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**Members' Equity**

Prior Yrs Equity	\$126.00
Current Yr Equity	\$32,137.35
<b>Total Member Equity</b>	<b>\$32,263.35</b>
<b>Total Liabilities &amp; Members' Equity</b>	<b>32,263.35</b>

**Cedar Mesa Ranches  
Statement of Income and Expense  
October 31, 2007**

<b>Income:</b>	2006 Actual	2007 Budget	2007 Year-To- Date Actual
Dues	\$62,275.00	\$62,275.00	\$62,600.00 *
Interest			<u>\$218.14</u>
<b>Total Income:</b>			<b>\$62,818.14</b>
 <b>Expenses:</b>			
CPA - Tax Preparation	195.00	\$150.00	150.00
Contingency Fund	822.45	\$0.00	0.00
Fire Mitigation	0.00	\$0.00	0.00
Insurance	2,649.00	\$1,106.00	1,106.00
Office Supplies/ Postage	1,019.99	\$1,100.00	649.27
Legal Fees/ Not Designated	42.00	\$280.00	280.00
Legal Funds Designated	0.00	\$25,000.00	3,105.00
Road Maint/Improvements	58,242.03	\$29,108.48	23,200.00
Signs	201.71	\$68.74	68.74
Snow Removal	3,600.00	\$5,000.00	1,660.00
Web Page	95.40	\$95.40	95.40
Weed Control	1,147.88	\$366.38	366.38
<b>Total Expenses:</b>	<u>68,015.46</u>	<u>62,275.00</u>	<u>30,680.79</u>
<b>Excess of Income over Expenses:</b>	-\$5,740.46		\$32,137.35

There was a carryover amount of \$5,107.40 from 2005, therefore the bank balance at the beginning of 2006 was a positive amount.

\* This amount includes \$275 of 2006 dues that were collected in 2007 & \$50 members that overpaid