

**Cedar Mesa Ranches HOA
Annual Meeting
March 5, 2005
Cortez Recreation Center
3:00 – 5:00 pm**

In attendance: Board Directors, Lisa Liljedahl, Jim Bignell, Nancy Schaufele, Steve Ludemann and Susan Bryson. See sign-in sheet (attached) for membership attendance.

Meeting called to order at 3:10 pm.

Introduction of current Board Directors and all members in attendance

Financial Report – Steve Ludemann
See attached report

Overview of Last Year (General) – Lisa Liljedahl

- Installation of gates at Fire Emergency road at the end of Road J.7 along with proper signage.
- Establishment of a covenant enforcement policy – 14 day covenant violation notices were sent out and the majority of lot owners are now in compliance.
- Liens were filed on properties for failure to pay dues/road assessment fees and the accounts receivable has been dramatically reduced.
- Annual weed spraying project was accomplished with some match money from the county.
- Development of CMR HOA website making resource information much more accessible. A big “Thank You” to volunteer and member, Nick Bird.
- New centralized mailboxes.
- New road signs
 - The posted speed limit signs (30 mph) have been stolen and replaced by 25 mph signs. This was not done by the Board. The county was contacted and a sheriff police report was filed.
- Guardrails on Road 35 (hill) and a small section of used guardrail on Road 36.7 where a vehicle rolled last winter.
- Ongoing road maintenance and improvements – considerable improvements with drainage, including bar ditches and new culverts. (Copies of the Bud Roach report were made available)

Overview of Last Year (Fire Prevention) – Susan Bryson

- Fire Mitigation Project – We applied for, and received, a small grant from the CO State Forest Service to complete some fire mitigation work last year. We were required to come up with a small cash match, which we did. The work involved:
 - Slash removal

- Fire Break along Road 45 and the fire emergency road off K.1.
- Assisting BLM in their proposed hydro-mulch project on federal land adjacent to Road 36.7.
- We have established a Fire Prevention Committee currently consisting of Cindy Swan, Jim Bignell, Nancy Schaufele and Susan Bryson. If you are interested in participating on this committee, please let one of us know.
- Cindy Swan and Susan Bryson have agreed to be "Co-Neighborhood Ambassadors" for Firewise Council (national organization) of SW Colorado. As such, we have agreed to:
 - Be the subdivision contact for fire prevention and education.
 - Attend Firewise workshops and trainings.
 - Establish an e-mail tree through which residents in the subdivision will receive updated fire prevention information (our website is currently functioning in this capacity).
 - Assemble contact information for possible evacuation.
 - Gather information on residents with special needs should they need assistance in the event of a fire.
 - Provide information on homes that have animals who may need evacuation or rescuing.
 - Ensure street signs and addresses are readable.
 - Work with local fire department to ensure we have proper evacuation procedures in place.
 - Plan some type of educational campaign or event during the annual April Wildfire Prevention and Education Month.
 - We will be hosting a meeting on **Saturday, April 23rd from 9:00 - 11:00 am** at the fire substation to discuss a comprehensive fire evacuation plan and hear from Dave Cluff, Montezuma County Fire Prevention Officer. We hope to serve free morning pastries and coffee. Everyone is invited.

Overview of Last Year (Litigation & Misc.) – Jim Bignell

- (The following is a more comprehensive update not necessarily discussed in complete detail at the meeting).
 - The lot owner of #107 requested approval to concrete the cul-de-sac at the end of Road 35.
 - The Board discussed this request and denied it on the following grounds:
 - Concrete/asphalt would create drainage issues/problems
 - Ongoing maintenance concerns
 - Adjacent lot owners did not want the cul-de-sac paved
 - The lot owner disagreed with the Board's decision and threatened to pave the cul-de-sac within 48 hours if we did nothing to stop him.
 - The Board filed an Injunction ordering the lot owner not to pave the road.

- The lot owner filed a counter-claim naming the Board Directors individually and alleging we misappropriated the HOA funds along with some additional allegations.

The HOA insurance company paid for the Board's defense of the counter-claim. The HOA paid for the attorney to pursue the Injunction prohibiting the paving.

- The court ordered mediation
- The Board determined it had a fiduciary duty to settle the claim and stop incurring legal fees. The Board and its counsel believed we would prevail in a court of law but it certainly wasn't in the best interest of the HOA to continue with the litigation.
- Insurance company paid the lot owner \$4,000 to drop his counter-claim and indicated the decision to pay was based upon the future cost of litigation and not culpability.

The settlement agreement allows the lot owner to pave up the center of the cul-de-sac as long as it is properly engineered and approved by the Board. The Settlement also requires the Board to allow the lot owner to sit on the covenant committee to revise the covenants and bylaws.

- This same lot owner successfully obtained a Quit Claim Deed for his newly formed organization, Cedar Mesa Ranches Lot Owners Association, from Redstone Development for ownership of the roads. A quit claim deed only transfers the rights of Redstone (if they had any) to the new organization. There is a dispute as to whether or not Redstone owned anything to convey in the first place. The Board continues to assert that the HOA is responsible for the maintenance of our roads.
- The Bylaws allow the Board to "assess" a fee of up to \$25 without membership approval. This year the Board assessed an additional fee of \$25 and the membership dues have gone from \$150 to \$175. The incoming Board will be amending the governing documents and the membership will be asked to vote on an increase in future dues.

Questions & Answers or Comments – All

1. There is quite a bit of ambiguity in the governing documents. In fact the Bylaws give the Board quite a bit of power to change most things with some exceptions. Jim Bignell, however, expressed that the membership should have the right to vote of any changes.
2. Recommend that the newly elected Board take into account a long term fix for the roads and not just a quick fix.
3. There was a suggestion for a one time Membership donation for the repair of our roads.
4. Lisa and Jim pulled out the Bud Roach report and suggested that everyone re-visit the content of this report. It is a comprehensive report,

prepared by a licensed engineer, outlining the strategy and plan for the repair of our roads. The Board has been following this report and has only deviated in emergency situations when culverts and bar ditches needed work. The Board has completed Phase I of the recommended work. The next phase calls for more base and finish gravel.

5. Three of our roads (leading to tracts) were simply "roughed-in" and were never finished. The roads need to be finished.
6. The cost of gravel increases at least 10% annually.
7. Website needs additional attention. The Board mentioned that our webmaster is currently a volunteer with limited time. If we want to speed more energy on the website we may need to pay a professional to maintain it.
8. Velocity. net (high speed internet) is available for owners in this subdivision. You need to have direct sight. Call David Nigteagle if you are interested and he will give you the information.
9. All Board meetings should be open and held in a public place.
10. Strong suggestion that we incorporate all people who ran for office, even if they were not elected to the Board.
11. Committees are essential to the success of this Board. Please volunteer for committee work.
12. An absentee lot owner offered that he purchased his lot in this subdivision because of our covenants and is concerned that we are looking to change them without membership support or buy-in. All members are encouraged to put their suggestions and concerns in writing for review by the newly elected Board.
13. Concerns were expressed about being an absentee lot owner and required to pay the same dues and assessment fees as the people who live here.
14. If you own property in this subdivision, regardless of whether you own a home or not, your property value is increased as the roads are improved.
15. Concern was expressed that the new Board will impose a construction impact fee on all new building (now that their home is built). The current Board quickly responded by saying that if something like this was contemplated it would be made retroactive to ALL building.
16. Special thanks to Nancy Schaufele for three years of dedicated service to the CMR HOA Board of Directors
17. One lot owner offered her appreciation for the Board's great work and suggested they have been great caretakers of the subdivision.

Voting Results Announced – Susan Bryson

We had responses from 96 (out of 139) lot owners. The results of this year's election is as follows:

- Torin Andrews 29 Votes
- Jim Bignell 76 Votes
- Gary Brodhagen 84 Votes
- Robert Hoy 29 Votes

- Bryan Johnson 72 Votes
- Greg Kemp 70 Votes
- John Lyren 67 Votes
- Sean McCall 74 Votes
- David Nigteagle 31 Votes
- Chris Schaufele 74 Votes
- Chuck Wiesel 33 Votes

NEW SLATE OF DIRECTORS:

1. Gary Brodhagen 84 Votes
2. Jim Bignell 76 Votes
3. Chris Schaufele 74 Votes
4. Bryan Johnson 72 Votes
5. Greg Kemp 70 Votes
6. Sean McCall 74 Votes
7. John Lyren 67 Votes

There was a round of applause for those candidates that won. Gary Brodhagen offered that we have a couple of big agenda items in the coming months and that involves the ongoing road maintenance issues, governing documents and membership dues. Gary also hoped that we wouldn't have any further litigation to worry about. Jim Bignell concurred.

The next meeting with the new Board of Directors will be scheduled as soon as feasible.

Meeting adjourned at 4:05 pm.

Respectfully submitted,

Susan K. Bryson
Secretary, CMR HOA Board of Directors

**Cedar Mesa Ranches Financial Report to BOD
March 5 2005**

Accounts Receivable

2001 Dues	\$150.00
2003 Dues	\$200.00
2004 Dues	\$300.00
2005 Dues	\$17,675.00
Road assessment	\$1,000.00
Total	\$19,325.00

Accounts Payable

	\$0.00
Total	\$0.00

Cash on Hand \$5,412.83

Working Budget (2005)

Item	Budgeted amount	Spent to date
Road Maintenance	\$0.00	\$788.16
Shed/mail boxes	\$0.00	\$0.00
Signs	\$0.00	\$0.00
Snow removal	\$0.00	\$1,100.00
Insurance	\$0.00	\$1,300.00
Weed control	\$0.00	\$0.00
Office supplies	\$0.00	\$121.47
CPA/tax prep	\$0.00	\$192.00
Legal Professional fees	\$0.00	\$4,884.98
Fees	\$0.00	\$136.40
Social	\$0.00	\$0.00
Fire mitigation	\$0.00	\$0.00
Web Page	\$0.00	\$0.00
Total	\$0.00	\$8,523.01

**CEDAR MESA RANCHES HOMEOWNERS
BOARD OF DIRECTORS**

**Summary of Working Meeting
March 11, 2005
Brodhagen Residence**

1. The newly elected Board of Directors of Cedar Mesa Ranches Homeowner Association held a working meeting to develop an agenda for the upcoming homeowners meeting.

The following positions were announced:

President: James W. Bignell
Vice-President: Gary Brodhagen
Treasurer: John Lyren
Member-at-Large: Bryan Johnson
Member-at-Large: Greg Kemp
Member-at-Large: Sean McCall
Member-at-Large: Chris Schaufele

Officer:

Secretary to the Board: Ruth E. Bignell

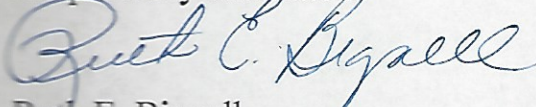
2. CMR-HOA Board of Directors meetings for all members will be held at the San Juan Technical College the last Tuesday of every month beginning March 29th. All meetings will commence at 6:30 p.m.

3. We have openings on the following committees:

Fire: 2 members, the chair is Bryan Johnson – 564-1440
Roads: 2 members, the chair is Gary Brodhagen – 565-4609
Building Advisory: 1 member, the chair is Sean McCall – 565-0654

If you would like to participate on any of these committees, please call the chair of that committee or see them at the HOA meeting. All help would be greatly appreciated.

Respectfully submitted:



Ruth E. Bignell
Secretary to the Board

**CEDAR MESA RANCHES HOMEOWNERS
BOARD OF DIRECTORS**

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T-W-F-S-*

WORKING AGENDA-March 11, 2005

I. Announcement of positions voted on by the Board of Directors:

Board of Directors:

President: James W. Bignell
Vice President: Gary Brodhagen
Member-at-Large: Bryan Johnson
Member-at-Large: Greg Kemp
Member-at-Large: John Lyren
Member-at-Large: Sean McCall
Member-at-Large: Chris Schaufele

Officers:

Secretary to the Board: Ruth Bignell
Treasurer to the Board:

- II. Meeting date, time and place:** Cortez Library Conference Room, every last Friday of the month at 6:30 p.m. beginning March 25, 2005
- a. one Board meeting per month for all CMR-HOA members
 - b. one Board only working meeting one week prior to regular Board Meeting to prepare the agenda.

- III. Committees:** a member of the Board will chair each committee. The Board President will be an ex-officio member of each committee.

FIRE: Chair: NEED CHAIR AND 1 NEW MEMBER

Members: Susan Bryson, Cindy Swan, *Bryan Johnson*

COVENANTS: Chair: James Bignell,

Members: Gary Brodhagen, Chris Schaufele, Torin Andrews

ROADS: Chair: Gary Brodhagen, Lisa Lilljedahl, NEED 2 NEW MEMBERS

BUILDING ADVISORY: Chair: NEED CHAIR AND 3 NEW MEMBERS

- IV. DUES:** The Board as a whole will examine the feasibility of increasing dues in order to improve the condition and maintenance of the roads in Cedar Mesa Ranches.

V. TRANSFER & STORAGE OF RECORDS:

Set a time for the transfer of HOA records & accounts to the appropriate officer. Record storage will be at the President's residence at Lot 55, 10208 Road 35.

*Greg
John*

IV. BUDGET: The Board will consider changing the budget fiscal year from the current calendar year to annual meeting to annual meeting which will give the Board all monetary resources at the beginning of their tenure

The following is the 2004 budget and their expenditures which can be used as a guideline for the new budget:

Item	Budget Amt.	Expenditures	Original Budget
Road Maintenance	\$24,900.00	\$24,462.91	\$25,000.00
Shed/Mailboxes	\$0.00	\$0.00	\$2,000.00
Signs	\$100.00	\$134.25	\$0.00
Snow Removal	\$3,000.00	\$2,000.00	\$5,000.00
Bad Debt	0.00	\$1,050.00	\$0.00
Insurance	\$1,436.00	\$1,186.00	\$1,100.00
Weed Control	\$1,442.25	\$1,442.25	\$1,500.00
Office Supplies	\$1,221.75	\$989.32	\$500.00
CPA/Tax prep	\$190.00	\$190.00	\$300.00
Legal Professional Fees	\$5,000.00	\$5,843.21	\$1,000.00
Social	\$100.00	\$88.52	\$300.00
Fire Mitigation	\$875.00	\$875.00	\$0.00
Web Page	\$100.00	\$95.40	\$0.00
TOTAL	\$38,365.00	\$38,356.86	\$36,700.00

The excess money was a carryover from the previous budget year.

The CMR-HOA dues generate \$24,500.00 per year.

Budget expenditures from Jan – Mar are: \$8,523.01

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

March 29, 2005

San Juan Basin Technical College

MINUTES

In Attendance: Board Members: Jim Bignell, Gary Brodhagen, John Lyren, Sean McCall, Chris Schaufele and Bryan Johnson. **Absent:** Greg Kemp. **CMR-HOA Members:** Eleven members of the CMR subdivision were also present.

Special guest: Robert Baxstrom and Dale Murphy from Baxstrom's Company in Dolores

Meeting called to order at 6:30 pm

Approved the March 11, 2005 minutes as written.

Introduction of the new Board of Director's for 2005.

Secretary Report: Ruth Bignell

- March 11th minutes emailed to 98 members, 41 were mailed.
- Please send any changes to your name/address/phone/email to the HOA Secretary.
- The HOA records are now stored at the Bignell home on Lot 55. Records are open to all HOA members. Also included are videos that can be checked out and books donated by Torin Andrews. The BOD would like to thank him again for this donation.
- We welcome new owners on Lot 117. They are Terri & Myrle Higgins from Peoria, AZ.
- We also welcome new owners on Lot 6. They are John Wesley Gaddis and Jennifer Ebner. They are from Cortez, CO

Treasurer Report: John Lyren

- The treasurer's report was approved.
- There is currently \$12,742.87 in our account. All current bills are paid.
- There is approximately \$8,400 outstanding for 2005 Dues
- See attached report

Fire/Weed Committee Report: Bryan Johnson

- The Fire Meeting Open House originally scheduled for April has been rescheduled to May 14th from 9-11:00 am. This is part of the Southwest CO Firewise Council Ambassador Program. Susan Bryson and Cindy Swan are representing the CMR-HOA in this program. Please plan to attend.
- The CMR-HOA will continue to use Southwest Weed Control for spraying weeds.

Covenant Committee: Jim Bignell

- The Covenant Committee will set a meeting to discuss revising the covenants to make them more understandable and to clear up all the inconsistencies.
- Chris Schaufele suggested that John Cameron serve as a resource for this committee as he was involved in the original telephone conference call with members of the previous board
- Lisa Liljedahl requested to be on the committee. Jim will discuss with her after the meeting.
- Susan Bryson asked who determines the number of committee members. Jim stated that the board wanted to keep committee members to a minimum of 4 if possible.

Building Advisory Committee: Sean McCall

- The purpose of the committee is to advise and help lot owners who are planning to build and to make sure they are within the covenant rules. The committee will review the plans to make sure they are within the specified setbacks, height and fencing.

- Submission of house plans is voluntary but would be appreciated by the committee

Road Committee: Gary Brodhagen

- Gary introduced Robert Braxstrom and Dale Murphy from Braxstrom's in Dolores who gave a presentation for repair of the roads in the subdivision
- Baxstrom's report is attached
- Discussion followed. Several members expressed concern regarding Roads J.7 and 35.3, which is impassable at times, and new gravel on Road 35. The condition of the front entrance was also discussed. At present, it is full of holes and difficult to navigate due mostly to the terrible wet weather we have had. A temporary fix was discussed with no resolution.
- Gary Brodhagen made a motion to use Baxstrom's to fix the front entrance. Cindy Swan suggested we table this item until a new budget is set. After much discussion, Gary Brodhagen then made a motion to table the road decision until the next meeting, seconded by John Lyren and unanimously passed

New Business: Jim Bignell

- The Board will send a letter to local realtors notifying them that mobile or manufactured homes are not permitted in the subdivision. This came about because a local realtor mentioned that he knew some realtors that were telling potential buyers that they were allowed. Motion made by Gary Brodhagen, seconded by Sean McCall. Unanimously passed
- A non-owner whose father is a lot owner requested web access. The lot owner does not have Internet service. It was granted if the lot owner gave written permission.
- The Board of Directors will continue to hold working meetings prior to the membership meeting. The working meeting is to set the agenda for the regular meeting. Voting on agenda items will not take place at the working meeting. All items will be brought to the membership meeting and voted on at that time.
- A letter from Nick Bird regarding a statement made at the Annual Meeting in reference to the Website. Concern was stated that it was taking a long time to get passwords, etc. Nick has posed questions to the Board regarding the site. The Board will be in touch with Nick and should have some answers by the next meeting. The Board and the members present thanked Nick for his hard work. Nick does this voluntarily and has created a professional website for all to access. We hope all will take advantage of it. The following is the website: cedarmesarancheshoa.org At the moment, you need a user name and password, but we will eliminate this process. Nick's number is 533-4278 or his email is: birdyman@gmail.com After some discussion, a motion was made by Sean McCall to eliminate the user and password. Seconded by Chris Schaufele, passed unanimously.
- A request was made by Torin Andrews to post his settlement with the 2004 Board on the website. Motion by Chris Schaufele, second by Bryan Johnson, unanimously passed
- A letter was sent to the new board by Torin Andrews requesting the retraction of a document that was signed by the 2004 board in regards to the owners of Lot 108. He is currently in litigation with these lot owners. The following motion was made by Jim Bignell, President of the HOA "The statement written on November 4, 2004 to the owners of Lot 108 by the 2004 Board of Directors concerning the Cedar Mesa Ranches subdivision covenant 11 does not necessarily reflect the position of the current 2005 Board of Directors. At this time, due to the ongoing litigation between lot owners 107 and 108, the Board does not feel it is proper to make any other statement on the matter until this litigation is finalized. The Board does request that the owners of lot 108 submit in writing within the next week, a statement of the approximate timeframe for the building and completion of their house on lot 108"

Discussion followed. A statement was made that the Board should be fair to everyone who may be in violation of the covenants. A question was also asked if it is possible for the Board to give a variance if needed. Jim replied that it was and that the Board would consider all requests, provided they are in writing.

Susan Bryson requested that the Board send letters to covenant violators requesting the same information the was requested from the owners of lot 108

The motion made by Jim Bignell and seconded by Gary Brodhagen passed by 4 yeah and 2 nay. A second motion made by Jim Bignell to post Torin Andrews letter on website was seconded by Gary Brodhagen, passed unanimously.

- Jim Bignell requested that concerns or complaints be submitted in writing to the Board. They may also be brought up to the Board at the open session of the Board Meeting. The Board will not address remarks not put in writing.

DUES: The Board discussed increasing the dues because of the poor condition of the roads in the subdivision. The report by Baxtrom's reinforced what we already knew. Discussion followed regarding the amount of dues based on the road report. It was agreed to increase the dues to \$450 per year for the next 3 years and then reassess our position, which could conceivably lower or raise the dues. The dues will be in force for this calendar year and will be due by June 1, 2005. For those that have paid their current dues, the balance will be \$275. For those who have not, the full amount of \$450 will be due by June 1st. If anyone has a hardship, please notify the Board in writing for different arrangements. A motion was made by Gary Brodhagen to raise dues to \$450 and to send out a letter of justification along with a proxy to vote on the proposed change. It was seconded by Chris Schaufele and unanimously passed. This will be put to a vote by the full membership at the next membership meeting. It requires a majority vote to pass.

- A summary sheet of surrounding subdivisions will be sent with the letter of justification and proxy. As you will see several are considerably higher than Cedar Mesa.

Budget:

- The Board has changed the Annual Meeting to the 2nd Saturday of January. This will enable the Board the use of all monetary resources at the beginning of the year. Dues will became due at the Annual Meeting in January instead of March. Motion made by Sean McCall, seconded by John Lyren, unanimously passed.

Open Discussion:

- Cindy Swan suggested that the subdivision would look nicer if everyone took in his or her garbage cans from the road.
- Lisa Liljedahl thanked the Board for working so hard to get the job done.

Bryan Johnson made a motion to adjourn meeting at 8:07 pm. Gary Brodhagen seconded the motion. Unanimously passed. **Next meeting will be Tuesday, April 26th at 6:30 pm**

Respectfully submitted:

Ruth E. Bignell
Secretary to the Board

Cedar Mesa Ranches Financial Report to BOD
March 29, 2005

Accounts Receivable

2001 Dues	\$150.00
2003 Dues	\$200.00
2004 Dues	\$300.00
2005 Dues	\$8,400.00
Road assessment	\$1,000.00
Total	\$10,050.00

Accounts Payable

Total	\$0.00
Total	\$0.00

Cash on Hand \$12,742.87

Working Budget (2005)

Item	Budgeted amount	Spent to date
CPA/tax prep	\$0.00	\$192.00
Fees	\$0.00	\$136.40
Fire mitigation	\$0.00	\$0.00
Insurance	\$0.00	\$1,300.00
Office supplies	\$0.00	\$194.56
Professional Fees	\$0.00	\$4,884.98
Road Maintenance	\$0.00	\$1,785.03
Shed/mail boxes	\$0.00	\$0.00
Signs	\$0.00	\$0.00
Snow removal	\$0.00	\$2,200.00
Social	\$0.00	\$0.00
Web Page	\$0.00	\$0.00
Weed control	\$0.00	\$0.00
Total	\$0.00	\$10,692.97

Minutes of the Cedar Mesa Ranches Homeowners Board of Directors Meeting and Membership Meeting

April 26, 2005

San Juan Basin Technical College – 6:30 p.m.

1. The meeting was called to order by the board president, James Bignell at 6:40 p.m. He reminded all that the meeting was to run by Robert's rules of order. There were 13 lot owners present and the following board members. (Greg Kemp, Gary Brodhagen, James Bignell, Bryan Johnson, Chris Schaufele, Sean McCall) John Lyren was absent.
2. The minutes of the March 29th meeting were approved with the following change. The sentence (Susan Bryson requested that the Board send letters to covenant violators requesting the same information ----) was changed to (Susan Bryson requested that the Board send letters to people living under similar conditions requesting the same information ---) A motion to make the change was made and seconded, then approved.
3. The Secretary Report was given by James Bignell. The Secretary (Ruth Bignell) was not present due to a death in the family.
 - The meetings will be taped from now on to aid in creating the minutes.
 - Track G was recently sold.
 - The letters to realtors explaining the Covenants and mobile homes has been sent out as requested at the previous meeting.
 - Reminders, Email and Phone calls were made to lot owners to vote on the dues increase.
 - The newsletter will go out in July.
4. The Treasurer Report was also given by James Bignell as the Treasurer (John Lyren) was absent. A copy of the report is Attached. Letters to lot owners who have not yet paid the \$175 dues have gone out and those who have not paid will now receive a property lien notice if the dues continue to be delinquent.
5. Committee Report on Fire and Weed was given by Bryan Johnson:
 - There will be a Fire evacuation meeting at the fire house located at the entrance to the subdivision on Saturday May 14 from 9:00 a.m. to 11:00 a.m. Susan Bryson and Cindy Swan have helped in setting up this meeting. Fire ready will be in attendance.
 - Weed spraying on the roads will begin soon after the budget is passed which will be at the next meeting.
 - There is a need for new members on this committee as two of the present member are leaving . If you have and interest contact Bryan Johnson.
 - There were comments made by members that the emergency fire roads need work.
6. The Building Advisory Committee Report Was given by Greg Kemp:
 - A motion was made by Greg Kemp, seconded and passed to make it the policy of the Board to have the Building Advisory Committee investigate only written complaints by lot owners of covenant violations and report back to the board for action. The complete transcript of the motion is attached. The motion was debated and the sentence (The lot owner will be notified by the Building Advisory Committee of any visit) was added. The motion to make this change was made by Sean McCall, seconded and passed.
7. The Covenant Committee Report was give by James Bignell: The board had a consultation with a lawyer to look over all the association documents and covenants with respect to Colorado law as to what we can do and can't do. The conclusion is that it will take a majority vote of the membership to change the covenants. The covenant committee will meet and report back to the board on proposed changes at the next meeting.

The Road Committee Report was given by Gary Brodhagen: The bid from Dale to repair the front entrance did not include paving. The bid last year from Four Corners to do the same work with paving was for \$13,000. A new bid from Four Corners to do the same work now was \$18,278. Other bids will be requested from other companies. The tract roads will be given first priority. It was asked why the entrance must be paved. It was explained that the county paid to have it paved by reducing the filing fees to Red stone when the plat was filed. This does not mean that the home owner association must do the same but it would not be to our advantage to not pave the entrance. It was also noted that the entrance is not asphalt but chip seal.

9. The lot owners of lot 108 have replied in writing to the request by the board as to when they intend to start their house. They replied that they will start as soon as the ground is dry enough to dig and will comply with the covenants as to the completion date.

- Gary Brodhagen reported that 4 complaints of covenant violations were investigated and that three of them should have letters sent to them inquiring about the matter. A motion was made by Gary, seconded and passed to do this.

- Nick Bird reported on the association website. He reported that the password access to information has been removed. He also stated that if your Email address is on the site that you may get Spam as a result because that is the way many Stammers get addresses. Nick asked for people to look over the website and give him feed back. The board thanked Nick for his work and complimented him on the professional look of the site.

10. The board meeting was switched to a membership meeting to address the membership vote on the pending dues increase. The chair explained that in order to conduct any business at a membership meeting there must be a quorum of 50% of the members present or present by proxy. There was a quorum by proxy on the dues matter. A majority vote was required to pass the increase. This is a minimum of 70 votes. Each lot owner has one vote for each lot he owns. After tallying all the membership votes, the dues increase passed by 76 for and 28 against with 35 not voting. **This will increase the Cedar mesa ranches home owners annual dues to \$450 from \$150 for the next three years. At the end of the three years the board of directors will evaluate the dues amount and lower it if possible. The difference between the \$175 paid as the regular dues this year and the new amount (\$450) (which is \$275) is due no later than June 1 2005.**

The board will work with anyone who has a hardship. To request a payment schedule, contact John Lyren his phone is 970-565-1462 or email: jvlyren@animas.net

- The Board has notified it's insurance carrier of a possible lawsuit by Mr. Torin Andrews. This comes from a letter sent to the president of the board of directors in which he threatened a suit if the letter sent to lot owners of 108 by the previous board was not rescinded by the current board. The stand on this matter was made in a motion at the last board meeting in March. Mr. Andrews also stated in the letter that he was resigning from the Cedar Mesa Ranches Homeowner Association and would not be paying any more dues. The board drafted a letter which contains the information and the legal documentation as to why he cannot do this. The only way a lot owner can remove himself or be removed by the association from membership in the Cedar Mesa Ranches Homeowner Association is to no longer be a lot owner in the Cedar Mesa Ranches plated subdivision. There was discussion on this matter. A motion was made by James Bignell, seconded and passed with no debate to place this information on the Website.

- With the passing of the dues increase, a motion was made by James Bignell, seconded and passed to adopt the proposed budget which was sent out to the homeowners with the proxy ballot as the current budget for this year. It was noted in the debate that any budget is open to change and that the needs of the roads will be the main priority.

- There was open discussion on the Covenants, roads and other matters by the members present and the board.

- The next meeting was set by motion for June 28th at 7:00 p.m. at the San Juan Basin Technical College

12 The meeting was adjourn by motion.

by Motion Passed by the Board

The Building Advisory Committee will be responsible for investigating any alleged Covenant violations. A written report regarding the alleged violation will be submitted to the full board. The board will determine what action, if any is appropriate at the monthly meeting following its receipt of the advisory committee report. The lot owner will be notified by the building advisory committee of any visit. The lot owners in alleged violation will be specifically invited to this meeting. They may present any issues pertinent to their alleged violation in person, by representative, or writing. Owners of property adjacent to the alleged violator's will also be specifically invited to this meeting. They, too may present any issues pertinent to the alleged violation in person, by representative or in writing.

The lot owner in alleged violation will be notified in writing of the decision of the Board. This information will also be posted on the association website.

Only reports of alleged covenant violations submitted in writing to the Board of Directors will be investigated. The letter describing the alleged covenant violation and identifying the alleged violator need not be signed.

CMR-HOA Operational Budget Analysis

Road Improvements:		
	Upgrading the roads based on a 3 year plan.	\$32,584
Road Maintenance:		
	The yearly maintenance of the roads in an as is state. This is based on once a month grading new gravel and ditch and culverts maintenance. This is lower than it would be if the road upgrade was not being done.	\$10,000
Snow Removal:		
	Yearly cost of removing snow.	\$3250
Emergency road Repair:		
	This is for such things as washed out roads, plugged culverts and filled ditches which are not part of general maintenance.	\$2,000
Contingency Fund:		
	Budget category for unexpected expenses. This should have about \$10,000 but may not be in some years. (start with 2000 for 5 yr.)	\$2000
Insurance:		
	This is litigation insurance and property damage on the mail boxes. Amount paid this year was approx. \$1500. This is expected to increase.	\$1850
Weed Control:		
	This is required by Colorado law.	\$2800
Office Supplies:		
	This covers mailings and materials for running the HOA. This will increase this year due to the increase in mailings. \$989.32 was spent last year.	\$1300
CPA Tax Preparation:		
	Tax preparation for non-profit HOA.	\$200
Legal Professional Fees:		
	Legal fees paid. Last year the cost was (\$10,728.19)	\$5,000
Social:		\$200
Fire Mitigation:		
	Last year \$875 was spent for matching portion for a grant that was worth \$8,000. It is not known if this will be needed in the future.	\$1,000
Web Page:		
	This is the yearly cost of posting our web page. Nick Bird manages if for free	\$125
	Total budget -----	\$62,309
	Total with %1.5 inflation ----	\$63,244
	139 lot owners (Cost/lot) ----	\$455

CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING

June 28, 2005
San Juan Basin Technical College
MINUTES

In Attendance: Board Members: Jim Bignell, Gary Brodhagen, John Lyren, Sean McCall, and Bryan Johnson.
Absent: Greg Kemp and Chris Schaufele. CMR-HOA Members: Fifteen members of the CMR subdivision were present.

Meeting called to order at 7:00 p.m.

Approval of April 26, 2005 minutes. Motion made, seconded, passed.

Secretary Report: Ruth Bignell

- Reminder email sent re: Additional dues increase which were due June 1, 2005.
- Lot 76 sold to Don & Sue Macklin – Bayfield
- Lot 71 sold to Paul & Cynthia Ruatti-Anaheim, CA
- Lot 16 sold to Michael & Georgia Chermak-Mancos
- Lot 68 sold to Kevin & Jeanene Bartlett-Farmington
- Lot 78 sold to Jeffery Mueller-Mancos
- CMR Community BBQ-Sunday, July 3rd, 3-6 pm-Bignells
- Info for the newsletter- anyone having an interesting article or news to put in the July newsletter, please email me at: biggyr02@aol.com or mail to 10208 Road 35, Mancos, CO 81328
- New Committee: Activity & Grounds Committee- this committee evolved in order to get the community more involved. Some of the ideas suggested were: 1) a clean up day for the front entrance; 2) a garage sale and 3) a community clean up day where we would have a dumpster for a weekend to make it easy for lot owners to get rid of any unwanted items on their property. We are also looking for additional help on our committee. Anyone interested can contact me at the above information.
- New or Changes in email or address: If you have changed or added a new email or physical address, please notify me. In order to save postage, we would like to email the minutes to as many as possible. Currently, we have 39 that we send by mail.

Treasurer Report: John Lyren

- There is currently \$34,117.72 in our account.
- There is still \$19,138.00 outstanding for the additional (\$275) 2005 dues.
- Liens were filed and mailed on Lots 56 & 107 for the \$175, which was due in May 2005.
- The Board has extended the due date for the additional \$275 dues to July 22, 2005. A letter will be mailed July 5th to those that have not paid or contacted John for other arrangements. If the dues are not paid by the deadline, a lien will be placed on that property.

Fire/Weed Committee Report: Bryan Johnson

- The weeds in the subdivision have been sprayed. The committee and the board are not happy with the results. A lot of weeds were missed. The committee will look at other possibilities for doing a better job. The bill for the spraying was: \$1793.00 and the subdivision will receive a \$250 rebate.
- The Fire Prevention Meeting was held at the firehouse on Road 35. Attendance was very poor. There is a possibility it could be done again but participation would have to increase in order for this to happen. A lot of people put in a lot of time and work on this project.
- There is a fire ban on in Montezuma County

Building Advisory Committee: Sean McCall

- Anyone considering building in the subdivision is encouraged to submit his or her plans to this committee. While it is voluntary, the committee would like to check the setbacks to make sure that they conform to the covenants, help with soil information, etc. The committee is very willing to help and in no way intends to tell you how to build your home.
- The new chair of the Building Advisory Committee is Greg Kemp.
- A letter has been sent to a lot owner regarding dogs running loose, chasing wildlife and approaching other lot owners in a threatening manner. The covenants state that dogs must be on a leash or under voice command at all times. If this situation continues, we will consider other measures to correct it.
- A letter has also been sent to Jim Siscoe, the Resource Specialist at the Montezuma County Planning Dept. to investigate two occupied lots that may not have a septic system. We are still waiting for a report from Jim Siscoe.

Road Committee: Gary Brodhagen

- All roads have been bladed. The cost for blading was \$1500. The exception is J.7 as work is continuing on that road. The roads will be bladed again as soon as we get a substantial amount of rain to make it effective. J.7 has new gravel, the bar ditches have been cleaned and culverts were cleaned. The finishing top gravel will be put on next year. Ditches will be cleaned and culverts put in on the fire road. A total of \$24,350 has been spent on these two roads, which were never finished by the developer.

With the money left, all culverts on Road 35, K.3 and J.9 will be cleaned

- We have had several bids to repair the front entrance. The two bids were \$15,500 and \$18,000 respectively. At this time we are looking at having Dale fix the drainage, clean bar ditches, add gravel and grade. This would cost \$4200. Next year we would complete it and put on chip seal. This will depend on the amount of money available. By the end of the year, we will have spent \$34,000+ on the roads.
- There was a discussion on the roads and the progress being made. Everyone should be mindful that this is a 3-year project and the cost is spread out over this 3-year period. It cannot be done all at once.

Covenant Committee: Jim Bignell

- The covenant committee has held one meeting and will meet again this Thursday. The first draft has gone out to committee members not present. The committee will not drastically change the existing covenants but will try to clear up the language and contradictions. The same will be done with the bylaws.

New Business:

- A letter was received by the president from Lot owner 107 stating a possible suit against the previous board on an action discussed at the March 29, 2005 meeting.
- The board received a letter inquiring about raising alpacos for non-profit. The inquiry was in relation to the covenant stating that you may not engage in a business for profit. A reply was sent stating the current covenant.
- The board received an email regarding trespassing on private property. If a lot owner does not want anyone on his property, it is suggested that they post a no trespassing sign. We all agree that it is common courtesy to get permission before going on anyone else's property.
- Stan Wellborn has posted articles on the website bulletin board regarding rural living vs. city living. They are very interesting and we encourage everyone to check the articles out.
- Lot owners have seen horses from the riding stables in the subdivision. As long as they are on the road, there isn't much we can do about it, but, if you notice them on private property, please make a board member aware of this and we will notify the stables involved.

Open Discussion:

- A lot owner has inquired about the gate and chain across the fire road on J.8. A chain can be on the gate as long as it is not locked. There have also been questions about usage of the fire road. The fire road is not to be used as a driveway or exit road to go in and out of the subdivision. It is also the fire road lot owner's prerogative to give their permission for another lot owner to access it through their property.

Adjournment: A motion was made to adjourn. Seconded and passed. The meeting adjourned at 7:58.p.m. ***The next meeting will be: Tuesday, July 26, 2005 at 7:00 p.m.***

Respectively submitted,

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

Cedar Mesa Ranches Financial Report to BOD
June 27, 2005

Accounts Receivable

2001 Dues	\$150.00
2003 Dues	\$200.00
2004 Dues	\$300.00
2005 Dues	\$410.00
2005 Dues Increase	\$19,138.00
Road assessment	\$1,000.00
Total	\$21,198.00

Accounts Payable

\$0.00

Total \$0.00

Cash on Hand \$34,117.72

Working Budget (2005)

Item	Budgeted amount	Spent to date
CPA/tax prep	\$200.00	\$192.00
Contingency Fund	\$2,000.00	\$0.00
Fire mitigation	\$1,000.00	\$0.00
Insurance	\$1,850.00	\$1,300.00
Office supplies	\$1,300.00	\$494.91
Professional and Other Fees	\$5,000.00	\$5,552.78
Road Maintenance	\$10,000.00	\$3,280.03
Road Improvements	\$32,584.00	\$3,000.00
Emergency Road Repair	\$2,000.00	\$0.00
Shed/mail boxes	\$0.00	\$0.00
Signs	\$0.00	\$0.00
Snow removal	\$3,250.00	\$2,200.00
Social	\$200.00	\$0.00
Web Page	\$125.00	\$95.40
Weed control	\$2,800.00	\$0.00
Total	\$62,309.00	\$16,115.12

CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING

June 28, 2005

*San Juan Basin Technical College
MINUTES*

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