

**Indian Camp Ranch Homeowners Association  
Board of Directors Meeting  
December 30, 2005 1:30 p.m.  
Held at the home of Archie and Mary Hanson**

Attending: Archie Hanson, President, Jon Callender, Treasurer, Jane Dillard, Secretary, Bob Greenlee, Director, Karen Kristin, Porter Stone, Melinda Burdette, Russ Sweezey, Steve Glass, Director and Chief Archaeologist, Bruce House, Leila Hanson, and Mary Hanson.

President Archie Hanson called the meeting to order at 1:30 p.m. Jane Dillard read the minutes of the November 26, 2005 Homeowners Association (HOA) meeting that she wrote. The minutes were approved as read. Jane read the minutes of the last Board of Directors meeting which was held on January 3, 2004.

Treasurer Jon Callender distributed a presentation of the HOA budget, dated 12/30/05, which included a historical summary (pre-1998 through 2005), two options for the 2006 budget, and two options for the amortization of paving the ICR roads should members wish to consider this in the coming year.

Jon said that he recalculated the loans to the HOA made by Archie Hanson pre-1998 through 2005, and the total is now \$21,166.91. The Board and members need to consider if, when, and how this total should be repaid. Jon presented a repayment schedule for consideration and explained the logic he used for the allocation of loan share and loan payments based on the time each current lot owner has owned his or her lot(s). Jon thinks this allocation system is as fair as any that might be devised.

Archie reviewed the Bylaws of the Indian Camp Ranch Homeowners Association pertaining to vacancies (Section 4.07). The current Board resignations are: Archie Hanson as President, Jon Callender as Treasurer, Steve Glass as Director and Chief Archaeologist (by letter dated December 2, 2005), and Jane Dillard as Secretary. Archie presented the following slate to replace those who had resigned: Karen Kristin as President, Bob Greenlee as Vice President, Porter Stone as Treasurer, and Melinda Burdette as Secretary. Archie asked the current Board members who were voting (Archie, Jon, Jane, Bob, and Steve) to write in the name of the person they would like to elect for the fifth position on the Board, that of Director-at-Large. Voting took place by secret ballot, and Bruce House was asked to tabulate the votes. The slate of officers was elected unanimously, and Richard Blake was elected to serve as Director-at-Large.

Archie reported on the recently enacted State of Colorado Senate Bill SB 05-100 (SB 100) which goes into effect on January 1, 2006 and which will place significant new requirements on the Boards of Directors of HOAs in connection with HOA governance and operations. He urged the new Board of Directors to become familiar with the SB 100 requirements and incorporate the procedures so our HOA is in full compliance going forward. Bob Greenlee said that the Board can sign a resolution stating that our HOA intends to be bound by the provisions of SB 100, and that it is not necessary to re-do our Bylaws to incorporate the SB 100 provisions in our governance.

The matter of incorporating the HOA was discussed. Bob said that he had been asked to look into whether our HOA should be formally registered with the State of Colorado awhile ago, and when he contacted the Secretary of the State's office, he was told "no," this was not necessary. Under the new law, we must incorporate, as a for-profit, non-profit, or not-for-profit organization, or as a LLC or LLP. The Board will take action on this as soon as possible, and Bob offered to handle the filing for us.

Jon presented a projection of the HOA budget for 2006. He prepared this with Archie's assistance, and based the projected expenses on actual costs from the financial records which Archie has meticulously kept. As an example, for road maintenance, a grader costs \$80/hour and it takes 11 hours minimum to grade the roads. On average, grading should be done five times a year to keep the roads in good shape. Culverts need to be cleaned regularly with a backhoe. Clearing snow immediately after a snowfall is important to maintaining the roads so they don't develop ruts. Snow removal costs \$1 to \$1.25 a minute, and it takes about 300 minutes per snowfall, with an average of six plowings a year. Jon noted that the estimate of road maintenance is \$22,200 for the current dirt road. And this expense alone far exceeds the \$17,600 annual assessment (for 2005) which will be collected in January 2006.

Jon put \$3,000 in the proposed budget for attorney and related fees, estimating about \$300/hour if the HOA needed to retain an attorney. Archie advised the new Board to be business-like in their decision making. If an issue comes up, call an expert for an opinion, and incorporate that opinion in the decision

making.

Bob asked to go on record that he was not aware that the HOA was accumulating a deficit over the years, and had he known, he would have recommended that we address the situation. He said that the Board was not approving deficits. He further recommends that we address having a sinking fund or a reserve fund, and deal with this sooner rather than later.

Archie reviewed about two dozen "issues" that the Board will need to consider in 2006. Some of these pertain to the responsibilities that Archie has assumed out of kindness in helping out members, others pertain to managing the ranch, others relate to the operations of the Board, and others are issues lurking on the horizon or potential problems the HOA may need to deal with. The list which Archie distributed enumerated the following;

- secret ballot
- weed control
- keeper of the keys
- surveillance
- sale of Lot 21 (hanger area)
- irrigation water
- home office activities
- collection and storage of artifacts
- chief archaeologist
- shooting range
- farming (permission from ICR owners, farm operator, weed control in the absence of farming)
- legal bills
- lot line and setback inspections on new construction
- entrance maintenance
- signs and sign codes
- checkbook procedures (manager authorization and/or two signatures?)
- culverts at driveway entries at time of construction
- rock walls and entrances
- Jim Black's subdivision (160 acres)
- time card machine

Archie made the suggestion that the Board should consider appointing a manager/administrator for the HOA and to manage the work that needs to be done around the ranch. He further suggests that the HOA pay that person a stipend to take care of these things. Ideally this would be someone who lives at ICR full time. Archie recommended that this person should serve on the Board ex-officio. The alternative, but a very costly option, is to contract with a company that does HOA management. Management companies will charge upwards of \$1,000/month for their services. Archie has talked with Russ Sweezey to see if he would be interested in the ranch management, and Russ said that he would be willing if the Board wanted to go this route.

Melinda thanked Jane for her services as Secretary of the Board all these years.

Mary offered to send out the January 2006 assessment notices for the 2005 annual assessment.

The newly elected Board of Directors set the date of December 31, 2005, at 9:00 a.m. to meet and take care of immediate matters so we will be in compliance with SB 100 on January 1, 2006.

There being no further business, Archie Hanson adjourned the meeting at 3:40 p.m.

Respectfully submitted,

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Melinda Burdette, Secretary