

Indian Camp Ranch Homeowners Association

Meeting Minutes: Annual Meeting Saturday, December 7, 2019 Hanson Residence at Indian Camp Ranch

I. Roll Call

President Fred Watson called the meeting to order at 10:05 a.m. Russ Sweezey called the roll, noting from whom a proxy had been received and the number of votes each property owner has according to the number of lots they own.

Attending: Lee Bergman (1), Richard and Arleen Blake (2), Melinda Burdette and Russ Sweezey (1), Crow Canyon Archaeological Center represented by Mark Varien (1), Jane Dillard (1), Michele and Jim Farrier (1), Mary Hanson (2), Mike Kistler (1), Warren Lowe (1), Dick Sadler (1), Fred and Laura Watson (1). Ranch Foreman Al Heaton was also present.

Not attending, but sent a proxy: Sue Anschutz Rodgers (3), Karen Kristin and Tom Wolf (2), Curt and Nancy Mangan (1), and James and Kate North (1).

Property owners not attending: Scott Bryan, Drake Chance, Stephen and Stephanie Glass, Bob and Diane Greenlee, Leslie Masson, John and LeAnn Pearsall, Bryan Phillips, Hal Shepherd, Jerry and Tammy Smith, Melia Snyder and Gregory Walton.

Fred established that with attendance and proxies totaling 20 lots out of 30, there was a quorum for voting.

II. Approval of Agenda

Fred asked if there were any additions to the agenda. Jane said she wanted to say something at the end of the meeting. Dick moved to approve the agenda, Warren seconded the motion, and the motion was approved.

III. Approve Draft Minutes of December 8, 2018 Annual meeting

Fred asked if there were any changes or corrections to the draft minutes of last year's Annual Meeting on December 8, 2018. Hearing none, Dick moved to approve the minutes, Russ seconded the motion, and the motion was approved.

IV. Treasurer's Report

Russ distributed the 2019 ICRHOA Budget – 4th Quarter. He thanked Fred and Laura for taking care of the Treasurer's responsibilities during the seven months he was away. On the income side, we will have approximately \$15,000 coming in this month from the second half dues payments.

On the expense side, he called attention to the large variance in the Miscellaneous Maintenance line, an overspending of \$35,831. Approximately \$25,000 of this was a loan we made to Al Heaton to cover his expenses for planting pasture grass under ICRHOA's participation in the Environmental Quality Incentive Program (EQUIP), a voluntary conservation program run by the USDA's Natural Resources Conservation Service (NRCS). Al expects to receive reimbursement this month from the NRCS, at which time he will repay the loan we gave him. Russ also noted that we are under budget in compensation to the Ranch Foreman due to the loss of Rick Duran who passed away in June. Now that Al Heaton has stepped into this position this expense will resume.

Russ noted that our cash on hand is \$6,205. This is the lowest balance Russ can remember, but we will be fine by January after the dues payments and Al's reimbursement are received.

Russ provided snow account balances on his Treasurer's Report. The 2020 snow plowing agreement is included with the dues letter so those who wish to have their driveways plowed can remit a deposit. The fee remains \$150 for 6 plows.

Fred commented that we have spent approximately \$19,000 to plant pasture grasses, and we still owe Al roughly \$18,000. The total expense for this planting is approximately \$42,000. Due to these expenses, which we could not estimate when the 2019 budget was created, we had to defer some improvements we had hoped to undertake on the ranch. This is one reason why the time has come to discuss raising dues.

Warren made a motion to accept the Treasurer's Report, Dick seconded it, and the motion was unanimously approved.

V. Ranch Report

To preface Al's report, Dick reminded everyone that for years Al has brought cattle to the ranch and has planted winter wheat as their forage. At Al's recommendation, we have taken advantage of the financial assistance offered by the NRCS through EQUIP and opted for a different crop that provides forage, has ecological and aesthetic benefits, and is less costly to maintain than winter wheat once it's established.

Originally we expected to get \$200/acre from NRCS to participate in EQUIP, but they dropped it to \$80/acre and then to \$55/acre. Al negotiated with them to get \$96/acre which is the minimum we could accept to make it financially feasible. NRCS gave Al the list of pasture grasses for the soil conditions here and the number of pounds of seed he should purchase for the acreage, and Southwest Seed made up the mix. The seed has been planted, the paperwork has been sent to NRCS for reimbursement, and now Mother Nature is in charge until the grass is up and growing.

Al cautioned that this first summer will be tough because we can't spray for weeds until the grass is established. The fields will look like a mess, and knapweed will continue to be a problem. NRCS will allow Al to spray the worst patches of knapweed so it doesn't get ahead of us. Once the grass is established, it will outperform the weeds. Al will mow the grass in August or September. The earliest the cattle can return will be fall of 2021.

Lee suggested it could be financially advantageous for property owners who will need a cattle guard or fencing to join together to get a better price on this work.

As it stands now, Al will be doing the snow plowing on the ranch and driveways of owners who have signed the 2020 agreement. If any property owner has particular concerns about the way they want their driveway plowed, they should contact Al.

Al said he is looking for a handyman who is trustworthy and comes well recommended to take on the kinds of tasks that Rick did for the ranch and for property owners. He would like to guarantee 16 hours of HOA work. Work directly for property owners can supplement what the HOA pays. Al is willing to train someone and teach them what to do.

VI Proposed Increase in Annual ICRHOA Dues

Fred provided some background about our dues. The last increase, which was a significant hike, was voted on in 2006, and dues have remained \$1,000 per lot since then. The \$32,000 income from assessments is barely enough now to keep up with what is required to maintain the ranch, let alone fund improvements or build reserves. The roads are getting thin and need gravel, the rock walls need repair,

and we don't have enough money in the budget for other kinds of projects that can help maintain property values.

According to our CC&Rs, we can't vote to change dues until October, a vestige of when our Annual Meeting used to be held in October. Fred said that the Board will work on an amendment to change this so it provides more flexibility in voting on dues increases. Fred noted that the Board has tossed around an increase ranging from \$200 to \$500, and opened the topic for discussion.

Jim thinks an adjustment pegged to inflation is reasonable. He estimates an increase would be around 30% when you convert 2006 dollars to 2019 dollars. Dick asked if anyone objected to an assessment of \$1,500. No objections were raised. The consensus was that the increase should reflect inflation and also provide the association with sufficient funds for road maintenance, other improvements, and building reserves for major projects or unforeseen expenses. Jim pointed out that we have an investment now in the pasture grass, there will be expenses to maintain it going forward, and it's hard to know what lies ahead.

Everyone agreed that there is some urgency for increased income in 2020 to cover the projected increase in expenses. Rather than wait until the CC&Rs can be amended, since this process takes some time, we should propose a special assessment of \$500 per lot early in 2020. Fred said that the next step would be for the Board to send a letter explaining the need for this special assessment and alerting members that a proposal to raise HOA dues to \$1,500 for 2021 will be forthcoming later in the year. A ballot will be included with the letter for the special assessment since it requires approval by a majority of lot owners.

VII New Signage and Website

The Board agreed earlier this year that the signs at the front entrances should be replaced. Dick, who offered to work on this, showed everyone a full size proof for a 3' x 6' sign. The design is very simple and provides the www.indiancampranch.com address for people who want to know more about the development. The Board has already approved the design and decided that we will only have one sign that will be placed at the south entrance.

Dick passed around a brochure about Indian Camp Ranch that he created a few years ago. The text and photos from the brochure will be used for the content on www.indiancampranch.com. Dick noted that this is a different website than www.icrhoa.org which is the association's official website for property owners. The www.indiancampranch.com website has a section where property for sale at ICR can be listed. Dick noted this would be a good sales tool since no one wants houses here sitting vacant.

Warren mentioned that he is working on getting new plaques made for the mailboxes. The Cortez Postmaster says its better for privacy to leave names off and just have the street address. He will order plaques with the address that is currently on the mailbox unless a property owner tells him differently.

VIII Election of Board Members

Fred announced that the terms of Dick Blake, Warren Lowe, and Russ Sweezey expire at the end of this year, and they have expressed their willingness to continue for another two-year term. No one else has expressed an interest in running for the Board. Arlene moved that the nominations be closed and this slate be elected. Lee seconded the motion. Fred called for a vote by acclamation, and all present voted in favor of electing Dick, Warren and Russ.

IX New Business

Jane Dillard informed us that she has sold her home to Leslie Masson who owns Lot 17. Leslie, who serves on the Board of Crow Canyon Archaeological Center, bought Jane's home so she will have a place to stay as she anticipates the time she spends here will be increasing. We wished Jane well as she prepares to move to Arkansas to be near her daughters and granddaughters.

Arlene thanked Melinda for taking the minutes of this meeting in Tom Wolf's absence.

X Adjourn

Warren thanked Mary for opening her home for our Annual Meeting and moved that we adjourn. Dick seconded the motion, and the meeting was adjourned at 11:20 a.m.

Respectfully submitted,
Melinda Burdette