

**R-RANCH AT THE LAKE
MINUTES
25th ANNUAL OWNERS MEETING
August 18, 2007**

Directors present: Ken McArdle, President
Mark Bendick, 1st Vice President, Treasurer
Steve Love, 2nd Vice President
Randy Apoian, 3rd Vice President
Nellie Cutright, Secretary

Meeting called to order at 10:30 a.m.

Minutes of the 2006 Owners Meeting were read by Nellie Cutright. Ken made a motion to accept the minutes as read. Randy seconded. Minutes unanimously approved.

Wayne Marzolf, Elections Inspector, confirmed that we have a quorum.

Candidate statements were presented by Laura Bohler, Ron Clark, Nellie Cutright, Sonya Dineen, Steve Love, Steve Pietrobono, and Paul Smoot.

A 20 minute recess was called to allow owners to cast ballots.

Meeting reconvened.

Treasurer's Report provided by Mark Bendick. \$650,000 in combined accounts, \$345,000 reserves. Mark reported on his conversations with the Department of Real Estate and announced that a discussion on the issue of whether the ranch should follow the Davis-Stirling Act will be held after the lunch recess.

Ranch Manager's Report provided by Paul Adams. 600 feet of water pipe was replaced this summer, and they rebuilt Well #2. In the past 1 ½ years the ranch has replaced 2200 feet of pipe. The water is fine now. Paul commented that if the ranch adds anything that requires water and sewer, we will need to build another holding tank, another well, and a new evaporation pond. The evaporation pond is already running at a high level during the summer. He said that the ranch must plan for growth by making sure we have water and septic systems to handle it. Estimated cost for a holding tank is approximately \$80,000. A well would cost approximately \$15,000. Paul estimated over \$100,000 for an evaporation pond.

Open Forum

Owner #945 commented on too many restrictions, perceived bias in newsletters, failure to operate in a business like manner and restrictions on pets.

Owner #694 commented on ballot materials and concerns that not everything was true.

Owner #1696 commented on the positive benefits of Kiddin' Korral and untruths in the opposition statement, and asked why the program was on the ballot. He also asked how many votes are required to approve the program's continuance.

Ken McArdle responded that the reason the program is on the ballot is because the board was told they did not have approval to designate that area for the program without owner consent. He spoke with the ranch attorney who said that since it's such a small area of land, a majority of a quorum will suffice to provide approval.

Owner associates #675 and #233 read a letter to the board about the benefits of the Kiddin' Korral program.

Owner #437 commented on the new Ning site started by Owner #1696 as a great way for owners to get involved and get to know each other. Requested that employees have photos posted at the lodge to help owners know who to go to for assistance while at the ranch.

An unidentified owner commented on the benefits of the Kiddin' Korral and concerns about potential cost of program.

The board discussed the initial ballot proposal that was not approved by the board. The current ballot is just a continuation of the current volunteer program.

Owner #1010 commented on the initial ballot proposal and confirmed that the ranch is not paying anything for the program, and there is no electric milking machine.

Owner #147 commented on the issue of the ranch being a Common Interest Development and reported that the board changed the designation in 1999 without owner vote.

A discussion was held between board members and the owner about the Common Interest Development question.

Two owner associates read a letter from Owner #1070 associates about the benefits of Kiddin' Korral.

Owner #1459 commented about unregistered boats in storage.

Unidentified owner commented that there can be a compromise reached to allow the goats to stay and be maintained without the ranch having to contribute. Expressed his opinion that there are bigger concerns such as making sure that background checks are done on employees.

Associate Owner #1687 commented on the Kiddin' Korral air conditioning and swamp coolers being used for the benefit of owners and also in the stables.

Meeting recessed until votes are counted.

Meeting reconvened for voting results.

Laura Bohler 173
Steve Pietrobono 171
Ron Clark 160
Sonya Dineen 124
Paul Smoot 119
Nellie Cutright 101
Steve Love 82

RV Holding: 151 yes, 318 no
Kiddin' Korral: 290 yes, 176 no

The new board members are Laura Bohler and Steve Pietrobono.

Next scheduled board meeting October 20, 2007.

Next owners meeting August 16, 2008.

Meeting adjourned.

Respectfully submitted,


Laura Bohler
Secretary