

**R-RANCH AT THE LAKE
MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
OCTOBER 20, 2007**

Corrected Minutes- April 19, 2008

The Board President has requested more than once that the Board Secretary should present facts of actual conversations from board minutes. She has stated on January 19, 2008 "the minutes are supposed to be a reflection of general discussions, and decisions that are made by the board. It is not wise to include every individual item that was discussed. This is supposed to be a reflection of what was decided."

Since her prior minutes do not reflect this statement, and the fact that she is attempting to disregard transcripts of videos in her legal suit against the R-Ranch, the president has determined it necessary to provide information that is important in qualifying her "reflections" of the following board meeting minutes.

Corrections and additions were inserted into original minutes to direct reader to the appropriate areas requiring revision. These occur in BOLD print.

Directors present: Ken McArdle, President
Steve Pietrobono, 1st Vice President
Randy Apoian, 2nd Vice President
Mark Bendick, Treasurer

Directors not present: Laura Bohler, Secretary

Meeting called to order at 12:10 a.m. by President Ken McArdle.

Mike Mooney led the Pledge of Alliegance.

Treasurer's Report. Steve Pietrobono reported that the Operating Account balance is \$149,792.16, Reserves are \$348,317.17 for a total of \$498,180.33.

Ranch Manager's Report. Paul Adams was not present at the meeting. Steve Pietrobono read the report. A copy is attached to these minutes.

Stable Report. Jennifer Branagan reported that we have 45 ranch horses and 39 owner horses. Winter hours started October 1 and riding is weather permitting.

Equine Ad Hoc Report. No report. They will be meeting next week.

Safety Committee. James Fitzsimmons, owner #1696 represented the committee.

Status of the purchase of the "slow down" signs to be purchased for the ranch. Steve Pietrobono reported that they have been received.

Status of the purchase of a speed radar sign, which was discussed at the last meeting. Ken reported that there is no report on that project yet. James asked if purchase of the radar sign could be made a part of the 2008 budget. **Addition: Ken McArdle replied that we will look into it when Laura gets back to the board.**

Drinking and driving is a concern on the ranch. The committee asked if the board views this as an issue, so the committee can pursue possible solutions to address the problem. It was agreed that the committee will provide recommendations to the board to address the drunk driving issue.

General security issues were discussed. The board confirmed that additional money is being budgeted next year for security. **Addition: Mark Bendick explained the constraints on providing security based on the existing resources and budgetary considerations.** The committee will work on coming up with ideas and suggestions to effectively use the security resources that we have, **Addition: and possible alternatives sources of security as video camera's, and security consultants.** Steve Pietrobono suggested we should not just look at how much money we should throw at the security problem, but that since this Ranch is owned by everyone, and everyone should take responsibility for safety and security. Everyone needs to get involved in safety and security. Randy Apoian asked that the committee, with their creativity look at ways to address security with the resources we have.

Because sometimes it's hard to identify security employees on the ranch, the committee suggests more clearly marking some of the security vehicles. The ranch manager will be asked to look into this.

The committee suggested that ranch employee pictures and names be posted in the office to allow more owner familiarity with staff. There is not enough room in the office, but Ken noted it might be possible to post those in the lodge somewhere, and Paul Adams will be consulted on this idea.

Incidents are occurring on the ranch, but owners are unaware of what is going on. One example is owners having wallets stolen out of their cabins. If owners see that there are issues, they can take personal precautions. The committee suggests that a list of incidents be generally noted in the quarterly newsletter for owner information. The board agreed to consider the request and provide an answer by the next board meeting.

The committee noted that many safety concerns can be addressed by owners if they are related to repairs or general maintenance. There are work order forms in the office that owners can fill out and turn in, to bring such problems to the attention of range management.

Addition- Ken McArdle stated that the agenda had an error, that there is not a teen slash animal committee, but they have been separated.

Teen Committee. No report.

Boat Committee. No report.

Campground Committee. Mike Mooney, owner #235 provided the report.

Steve Pietrobono is the new board representative. The committee requests development of 50 new campsites once the infrastructure issues have been addressed as previously mentioned by Paul Adams.

The next meeting has not been scheduled. They will try to schedule meetings the same day as board meetings.

Cabin Committee. Ruth McCracken, owner #147 provided the report.

Addition: The committee came up wit ideas and Ruth thanked Paul Adams for providing wood tables outside the bathhouses, providing additional sinks for cleaning people to wash out their buckets, fire extinguisher for bathhouses.

The committee had a meeting this morning and reviewed the cabin surveys and discussed the requests made to the board for the 2008 budget.

They also discussed concerns about rules not being enforced about motor homes in excess of 20 feet being parked by the cabins with generators.

Mark made a motion to change the rule so trailers are not allowed in the cabin area at all.

Randy asked that it be tabled until Randy and Laura have a chance to review the rules handbook. Committee suggestions can be taken into consideration during the review.

The committee stated it is just asking for enforcement of the current rules. **Correction: The committee stated would prefer not to allow any trailer or RV of any size. Randy Apoian added that this should also include a generator.**

There were also several times this summer that there were dogs in the cabins. The committee requests a fine of \$100 for violation of this rule. **Additions: Ken McArdle stated the board will look into the level of the fine.**

Ken stated that the owners that brought dogs into the cabins this summer were cited and fined. If that is not being effective, then this is something that the board needs to take under consideration.

Addition: Randy Apoian asked if the committee would consider cabins where owners could bring dogs. It was decided that the committee did not want this.

Candace Shook, office manager, stated that she approved the trailers in the cabin area. They were for guests and guests are not allowed to bring their trailers to the campgrounds. One was a motor home and one was a trailer.

Horseman's Association. Valerie Figueiredo, owner #912 provided the report.

The association is in the process of planning events for 2008. They are also working on getting a wish list from the stables for items needed. The committee is also looking into obtaining estimates to refurbish the large arena and possibly a cover.

Kiddin' Korral Animals & Activities Committee. Linda McDonald, owner #1457 provided the report.

Addition: Linda McDonald was not clear why teen committee, Animal activities and Kiddin Korral were separated on the agenda. Ken stated last board meeting that the committee wanted separate functions.

Discussion was held about whether the Teen Committee was part of the Kiddin' Korral Committee. An unidentified owner in the audience volunteered to gather owners to start a separate Teen Committee. **Correction: Linda added that the Kiddin Korral was just one of the activities that was under the animal committee. It was decided that there is an animal and activity committee and a teen committee now. Steve Pietrobono asked if there was a separate Kiddin Korral committee, and Linda stated NO. Kiddin Korral is under the Animal and Activity committee.**

The committee is working on a calendar of activities. The board discussed the committee's request for a response from the board on breeding the goats, and the renewal of the contract.

Addition: Owners are requested that they submit questions to Kiddin Korral committee, which will be placed in writing and brought to board meetings, as well as be kept at the Kiddin Korral.

Addition: Calendar has not been finalized since depends on when goats kid, since cannot milk until they kid.

Discussion of the ownership of the goats. stated goats are registered in the name of the Kiddin' Korral Animals and Activities Committee. The board tabled the issue of whether the goats should be registered in the committee's name in order to get more information on the 4-H program requirements.

Addition: Mark Bendick discussed legal issues of committee owning the goats or property. He explained that earlier this year he explained that the committee could not just take ownership without the board. All agreements need to be approved by the board. If committee owns, then the ranch owns, so it has to be board approved.

The board agreed that the committee can breed the goats if they want to, with the understanding that there is no contract in place and the question of whether the kids will be able to stay on the ranch after birth will be determined at a later time.

Correction: Committee is waiting for response from board to breed goats. Robin Countryman stated that Breeding needs to be done by end of October or will kid in hot season. Steve responded that there were issues from executive meetings last spring about breeding, and there is no new contract to discuss breeding. Steve Pietrobono stated that they can take them off and breed, leave them off ranch, if we get a contract then will decide what to do. Cannot obligate ranch on bringing kid's on without contract. Ken reiterated that last year the contract was amended to not allow any more breeding on the ranch.

Addition: Linda stated that they are breeding them to meet the breeding season, and will have to deal with them if she cannot bring back on.

The committee reported that there have been incidents of injury to horses and other animals on the ranch and expressed concern about the ranch taking action to ensure the safety of the animals. Ken stated that anyone who feels that something is not being handled appropriately on the ranch has the right to contact law enforcement. The committee reported that security cameras are being installed at the Kiddin' Korral.

Addition: the committee felt that incidents regarding injury to animals need to be addressed to each parties satisfaction. They stated they will go outside the ranch to get action if they cannot resolve it .

The committee requested the EIN number from the ranch to be able to establish a bank account for fundraising. Mark Bendick stated that the number will not be provided until after the contract has been completed and the board has received confirmation from the State Board of Equalization that a seller's permit is not required for Kiddin' Korral fundraising activities. Robin Countryman-Valk agreed to provide copies of the contract, the business plan approved by the board, invoices and BOE information to the board the following week.

Addition: Mark Bendick was going to verify through documents provided to the board this next week whether the committee has taken ownership of property of Kiddin Korral and will review information pertaining to sellers permit and invoices.

Teresa Rose owner #1495 noted that an owner may be requesting permission from the board to keep their pack animals on the ranch.

The meeting was adjourned for 15-minute break and resumed as follows.

Minutes. Randy Apoian read the minutes from the regular board meeting held on September 15, 2007.

Ken noted that Robin is permitted to behind the Kiddin' Korral enclosure, not just near, to keep vehicles out of the area where cars are not allowed.

Correction: Ken McArdle corrected that Robin may park in the rear of the barns. Not in the front.

Mark requested an opportunity to clarify the Davis-Stirling discussion and vote. Mark agreed at the last meeting with Steve with respect to the fact that the ranch is already complying with many procedures that already come under the Davis-Stirling Act and that the board should evaluate any additional policies and procedures under Davis-Stirling that would benefit the ranch.

Addition: Mark Bendick requested that the board voted we are not a CID before, and that we should eliminate the reference that Mark or Steve agrees with that.

Mark submitted a request to modify minutes. Ken stated that the only question is are the minutes correct. If directors were not misquoted, the minutes stand.

Minutes were approved as corrected with a request for review of the Davis-Stirling section to ensure statements made by Steve and Mark are accurate as to what they said at the meeting.

Correction: Steve Pietrobono wanted to approve the minutes with statements reflecting what the intentions were of what was said by Mark and Steve. The minutes were tabled and not approved.

Horseman's Association. Updated their report to include that their meeting was rescheduled to October 20, 2007 at 4:00 p.m.

Old Business.

By-Laws Committee. No report.

Code of Conduct and Code of Ethics. Randy noted that there was a third revision and everyone was fine with it as revised.

Randy made a motion to accept the revised Codes and approve them.

No one had a copy of the documents to review for final approval.

Mark requested that language be added that communications between board members are not confidential and represent records of the ranch.

The directors discussed whether this is a code of conduct or a matter of board policy.

The directors also discussed the fact that board members do not have authority over employees except a director can direct an employee in any manner when it is an immediate safety issue.

Correction: Mark Bendick specified that board members, with the exception of the president, do not have authority over an employee.

The issue was tabled to the next board meeting.

Radar Speed Signs. KidAlert signs have been purchased, and Laura will report on progress of the radar speed signs.

New Business:

2008 Budget. Steve reported that the board met last week and discussed some items. A final version of the budget is to be provided to the board for approval next weekend or the following weekend.

The directors discussed whether an employee's salary should have been discussed at the open budget meeting the previous weekend. Directors agreed it was acceptable to discuss payroll issues in general terms and without specific names.

Ranch Website. Randy Apolian has been working with a group of owners to plan an update to the ranch web site. Randy is gathering ideas to present to the owners to get some input on.

The directors discussed the pros and cons of a member log-in to maintain some information for owners only that should not be made available to the general public and to use the public part of the web site as a sales and marketing tool. There was some question about whether the By-Laws, CC&Rs, newsletters and other information should or should not be provided to the general public.

Addition: Mark Bendick stated that with disclosure concerns, putting bylaws, CC&R's and minutes out for the public then hopefully they will decide they do not want to be part of the ranch before becoming an owner. There is no need to complicate the web site.

Owner #1399 and #338 had questions about updates to the web site and complimented the pictures on the new site.

Correction: Owner 1399 stated she did not receive any information as to get on to the new website. And that the old website has not been updated by the present people working on it. How can owners vote on website if do not know how to get on. Randy responded there were issues on getting access to website to update. Randy said cannot access until he gets owner information and email address to allow access. Steve Pietrobono recommended that we update the old website while we are putting the new website together. Ken McArdle also stated his concern for updating the old site.

The directors discussed with owner #1696 some of the intricacies involved in trying to get the current web site updated, in addition to what it takes to develop the new site.

It was agreed that Randy and interested owners will continue to develop a prototype web site so the board can see it. The board would also like to see the current web site updated as much as possible.

Electrical at Campgrounds. Ken has consulted with the ranch manager and there are no emergency issues related to the campground electrical sites. Sometimes there

are high usage days with drops in power. This is something the ranch has been working with over the years and will continue to try to improve.

Misuse of Corporate Assets. Mark stated that the ranch can get into trouble for taking ranch funds for personal use. If that happens it is misuse of corporate assets. Mark brought up his concern that ranch funds are being disbursed on behalf of Kiddin' Korral for electrical and water usage.

The directors and Owner #1687 discussed the issue, noting that as owners have a right to use water and electricity when they are on the ranch, and this program was owner approved, specifically including the minimal costs for water and electricity there should be no problem. Owner #675 noted that Robin Countryman-Valk is required to provide activities to the owners in exchange for the use of electricity and water. This is trading in kind.

The board will consider this issue and get back to the owners.

Board E-mails. This issue was covered in the discussion of the code of conduct.

Board Officers. Ken announced that there are one or two board members considering changing their positions on the board. The board agreed to table this discussion until a later date in executive session.

Open Forum.

Before the owners began to speak, Ken stated that owners will not be permitted to discuss Common Interest Developments or Davis-Stirling. After general objection from the owners in the audience, Ken McArdle adjourned the meeting, time unknown.

Respectfully submitted,

Laura D. Bohler
Secretary, R-Ranch at the Lake Board of Directors

Respectfully Corrected

**Steve Pietrobono
President**