

Flying-O Ranch Annual Meeting Minutes (Draft)

The meeting was called to order at 10:15 AM on April 5, 2003.

Present at the meeting were:

Developers: Stephen Wyle, Bernie Munk, Tom Wheeler, Jesse Hutchens

Realtor: Garry Woodward

Ranch Managers: Greg and Donna Sammons

Owners: #1 Debra and Wayne Cullen, #2 Diane and John Hughes, #3 Debra and Dave Sprinkel #6 Carol and Mike Wagner, #7 S.A. and Lou Davis, #8 Lesley and Chris Lovelace, #18 Bob Stone, #19 Debra Slaybaugh, #21 Bette Chase, #26 Chris and Lane Wipff, #28 Sally and Al Welch, #29 Jan and Ernie Beck, #32 Karen Shore and Bob Slocum, #33 Melinda and Al Tichenor, #34 Beverly and Martin Buchnoff.

Stephen Wyle acted as Chairman of the meeting and Diane Hughes acted as Secretary. The Chairman called the meeting to order at 10:20. He introduced the new owners who have purchased parcels since last year, Bette Chase, Debra Slaybaugh, the Sprinkels and the Lovelaces. The Bergmans, who purchased Parcel 22, were not present at the meeting.

1. Financial Report. The Chairman distributed financial statements. After three years of increasing deficits, this trend was reversed in 2002 and the budget is approaching balance. Funds are categorized as Operating (Direct Expense) or Replacement (Reserve). Replacement does not include expenses for capital additions. The Reserve Account is essentially a PPRRSM, which funds the maintenance and eventual replacement cost of current assets, the Chairman explained. There was a discussion relative to various aspects of the report.
2. Dues. A motion to keep dues at their current level, \$75 per month, was seconded and passed. Dues are payable quarterly in advance. Many owners indicated that they have not received invoices for dues. The Chairman explained that there had been a delay, and that the situation was being rectified.
3. Formation of a Board of Directors. While it is stipulated in the CC&Rs that the Association is to have a board of directors, such a board has not been formed in the past. The Chairman explained that under the terms of the CC&Rs the "Developer" is entitled to two votes in the Association for each unsold parcel. Other parcel owners are entitled to one vote per parcel. At the present time, 22 of 33 parcels have been sold, which means that the Developer now has an even 50% of the votes in the Association. For this reason, it now seems advisable to form the Board. The CC&Rs stipulate that the board will consist of five members and meet quarterly. Voting must be by secret ballot, and cumulative voting may be used. The Chairman explained the process of cumulative voting to the membership. Each parcel had five votes to spread among up to five nominees, except for Developer's parcels that had 10 votes per unsold parcel. The Board would consist of the five Nominees receiving the highest vote counts. The result of the vote is that the following were elected to a one-year term: Ernie Beck, John Hughes, Debra Slaybaugh, Tom Wheeler and Stephen Wyle.
4. Ranch Foreman. Greg and Donna Sammons have given notice that they will resign as Ranch Managers by September, as the construction of their home nears completion. The newly formed board will act as a search committee and will present a recommendation to the Association as to one or more candidates that it wishes the Association to approve. Currently, the foreman lives rent-free in the home on the community parcel in exchange for work on the Ranch, and is not otherwise compensated. However, given the current usage of the equestrian facilities, the Board should consider changes to the job description. The goal is to finalize a selection well before September for a smooth transition. The membership expressed its appreciation of the excellent job that the Sammons' have done on the Flying-O, and will welcome them as neighbors on their land adjacent to the Flying-O.

5. Equestrian Center. The barn is now being used more extensively by owners, necessitating some formalized governance of this facility. The Chairman proposed that a barn committee be formed. As a point of departure, he suggested that this committee review the "Equestrian Center Rules and Regulations" that are in force at Yosemite Lakes Park ("YLP"). While somewhat onerous, they may be helpful as a reference in establishing guidelines. It was suggested that the committee consider the establishment of boarding fees, and possibly using a portion of these fees to provide cash compensation to the new Ranch Manager. Jan Beck, Chris Wipff, Lesley Lovelace and Karen Shore were appointed members of the new committee. A fifth member will be appointed from the Board. It was suggested that this member be a "non horse person".
6. Rear Deck for Foreman's House. The back steps contain rotten boards and require repair. The developers obtained two bids to build a 35' by 16' deck of either Trex or Redwood. Bids from Steve Gabbard and Del Shannon ranged from \$7243 to \$8800. These bids need to be updated. A portion of the cost would come from the Replacement Fund, but since this will be a much larger structure, there would also need to be a special assessment. The Chairman stated that any such special assessment requires approval by a two thirds vote. Bob Stone suggested that we wait until a new foreman is selected. Tom mentioned that the steps constitute a hazard. The existing bids will be updated and additional bids solicited. In addition, the cost of merely replacing the existing structure will be evaluated.
7. Solar Powered Gate at North Entrance. Dave and Debra Sprinkel have obtained a bid of \$9,600 from a family-owned company in Madera to install two solar powered gates. They would utilize the current gates and pour a small slab for the motor and solar panel. Codes can be programmed for realtors, contractors and other visitors. In addition to a keypad at the gate, individual remote control devices similar to garage door openers could be purchased for \$25.00 each. Loops are buried so that the gates open automatically from the inside. This contractor provides a three year warranty. Due to current marketing efforts on the Flying-O, the Developer desires that visitors and realtors continue to have unhampered access through the South Gate (access to Road 200), but has no objections to a locked gate at the North End. As the North Gate is not a public right of way, it is actually important to restrict access. It was pointed out that electric power is located nearby so pricing will be obtained for a non-solar powered version of the Gate. Lou Davis expressed concern that keypad technology was obsolete. With new development in the area and a changing population, the overall security system at the ranch may need to be improved. The owners (with three dissenting) voted to authorize a maximum of \$5000.00 as a special assessment for the North Gate only. Several bids will be obtained.
8. Recycling Center. Jan Beck will obtain bins for owners to recycle glass, cans and plastic. A motion was made by Bob Stone and seconded by Chris Wipff. Owners agreed unanimously to create a recycling center.
9. Building Guidelines. Lane Wipff has developed a set of siting and construction guidelines extracted from the CC&Rs, but which will be in a more readable format. These guidelines will be emailed to all owners within the next two weeks. The Chairman pointed out that the Association can change the CC&Rs at any time by a two thirds vote of the owners.

The Chairman also noted that the position on the Design Committee currently held by Lane Wipff must be elected annually, and recommended that Lane be re-elected for another one-year term. A motion was made by Debra Slaybaugh and seconded by Debra Sprinkel. Lane was re-elected by unanimous vote.

10. The EQIP Program. Ernie Beck and Tom Wheeler, board members of the Coarsegold Resource Conservation District, described how EQIP program provides a 50% cost sharing to land owners for brushing. Clearing brush improves grazing, enhances wildlife habitat and reduces fire danger. The land must be agricultural. Thirty acres can be brushed if done mechanically. The total grant is \$450,000. Tom showed a parcel map designating which Flying-O parcels are eligible. It has not been finalized but there is a 75% chance that the funds will be available. Participation is

voluntary. Contact Ernie and Tom for more information. Lou Davis asked about recent newspaper reports of a reduction in funds for the Williamson Act due to the current state budget crisis. Tom said that by law Madera County must honor the Williamson Act. The process of removing a property from the Williamson Act takes ten years. It was suggested that members contact the governor or local legislators to express support for the continuation of funding for the Williamson Act.

11. Miscellaneous Business. The debris in the creek bed on the community parcel is being cleaned out. Larry Myers is gathering old barbed wire to be removed from the ranch. Owners may also contribute barbed wire for removal.

The dumpster is filling up and it was suggest that an additional dumpster be placed at the North Gate. After extensive discussion it was agreed by the membership to keep the existing dumpster arrangement, but that the combination would be changed to 4040. It was pointed out that in no case, should the ranch dumpster be used for construction debris. Bulky items like cardboard boxes should be flattened prior to their being placed in the dumpster.

Garry Woodward suggested that owners storing items in the tack room use the locker with their parcel number on it. Greg Sammons and a few of the owners explained why there has been some deviation from that practice. However, with increasing barn use, the practice must be tightened.

Bob Stone expressed concern that no budget had been formally adopted. After discussion, a motion was made by John Hughes and seconded by Lane Wipff to adopt last year's budget for the current year. The motion passed unanimously. It had been noted that there was no budget for repairs in the operating budget. This will be rectified for the current year.

Sally Welch asked for clarification regarding access to the ranch roads. Tom Wheeler explained how roads must be offered for dedication to the county. In order to avoid a "through road" the developers had petitioned the Board of Supervisors for an abandonment of 100 feet at the North gate, which was approved. Access must now be restricted in order to prevent a legal right of way from being established. It was also pointed out that the Association functions as a road maintenance organization for the ranch roads instead of there being a "maintenance district" that would be administered by Madera County. At the time the subdivision was filed, it was believed that the former would result in significantly lower costs for landowners of the Flying-O. However, since all common ranch roads (excluding driveways) have been offered for dedication, the front gate can only be locked by unanimous agreement by the owners.

There being no further business, the meeting was adjourned.

Respectfully submitted:

Diane Hughes – Acting Secretary

