

BULL CANYON RANCHES PROPERTY OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING

March 3, 2010

President Gayle Sawyer called the Board Meeting of the Bull Canyon Ranches Property Owners Association to order on March 3, 2010 at 1:02 p.m. Mountain Standard Time. The meeting was held via a teleconferencing system with the following Board members attending:

Gayle Sawyer
Jim McDonell
Genie Haynes
Eileen deCastro

Quorum requirement met

APPROVAL OF PREVIOUS MINUTES

Since no one had any corrections to the minutes of the January 28, 2010 Board Meeting, Eileen deCastro motioned they be approved. Jim McDonell seconded and the motion was passed unanimously.

PRESIDENT'S REPORT – Gayle Sawyer

Regarding the May 15 Annual Meeting, Gayle Sawyer reserved the conference room at the Hampton Inn in Santa Rosa, NM for two days (May 14 and 15) in case the Board needs a place to meet on May 14. The conference room is \$75 a day; however, if five or more people stay at the Hampton Inn, the conference room is free.

The Board discussed having a BBQ at Bull Canyon Friday evening, May 14, with the Board cooking hamburgers and hotdogs and the members contributing a "pot-luck" item. We would have to know how many members would be attending though. Gayle said he would ask this question in his Annual Meeting Notice that he will be mailing to the membership.

VICE-PRESIDENT'S REPORT – Jim McDonell

Road Repair

After receiving the Board's approval to treat Floyd Cook of CNC Dirt Movers as the preferred contractor for the road repair, Jim McDonell discussed the final details with Mr. Cook and an agreement was reached whereby Mr. Cook will be doing the repair work. The job is to be finished no later than the first week of May so members attending the Annual Meeting can see what has been accomplished. Jim plans to arrive at Bull Canyon the first of May and will spend the week inspecting and reviewing the work with Mr. Cook.

The low-water crossing concept that was discussed earlier will be used. Although not included in his \$35,300 price, Mr. Cook will build the gabion baskets for holding the rock in place. Mr. Cook priced the job using materials found on Bull Canyon which means we must find a source for rocks. In the past, Lot 59 owned by Mr. and Mrs. Ringe was used. Jim will contact them to see if we can use their lot again.

Mr. Cook's price of \$35,300 includes a \$9,500 mobilization fee. To begin work, he is requesting the mobilization fee plus 15% of the residual for a total of \$13,370. Eileen deCastro motioned that Mr. Cook be given a first payment of \$13,370. Gayle Sawyer seconded the motion and it was approved unanimously.

Road Maintenance

Mr. Cook said he is interested in doing the annual maintenance on the Bull Canyon Loop Road and gave Jim McDonell the following quote:

\$10,000 to do one maintenance tour plus a \$2000 deployment fee if his equipment is in New Mexico; if his equipment is out-of-state, the deployment fee will be \$4000.

The quote from Bob Welch of Pacheco Construction was:

\$10,000 for one maintenance tour each year or
\$15,000 for two maintenance tours each year.

After some discussion, the Board decided to table the maintenance issue until Jim McDonell can physically meet with both men when he goes Bull Canyon in May.

TREASURER'S REPORT - Eileen deCastro and Genie Haynes

Transition of Treasurer's duties from Genie to Eileen

Genie will continue to pick up checks from the POA's Phoenix post office box, deposit them, file the paperwork in the individual lot folders and advise Eileen of the deposits via email. The majority of the information in each individual lot folder is financial, and the folders are stored in two large file boxes which are too cumbersome to mail. Genie will bring them with her to the Annual Meeting and turn them over to Eileen at that time. Genie will also continue writing the checks and emailing the details to Eileen so Eileen can keep her records current. Eileen will eventually get a POA post office box close to her home in Boston.

Eileen is in the process of de-registering Rob Wanderscheid and Genie as Quickbook users so she can get on the program as a user. She is currently using Quickbook's free 30-day trial but this will be ending shortly. Beginning the end of March, Eileen will be issuing quarterly financial reports; she can do them more often if the Board decides it's necessary.

It's appearing that Gayle, Genie and Eileen have to sign new Wells Fargo signature cards before Eileen can access the POA accounts through on-line banking. Genie and Eileen will contact Santa Rosa Bank Manager Susan Zamora and make the arrangements for getting these three cards signed.

Income Taxes

Eileen filed a Six-Month Automatic Extension Request which will allow plenty of time to prepare the POA income tax returns.

Delinquent Accounts

Eileen reported that as of December 31, 2009, there is \$22,827 in delinquent accounts. For those 50% who have not paid their 2010 annual dues, Eileen plans to give each of them a friendly telephone call reminding them of their 2010 dues and telling them that they can avoid late charges and interest fees if they pay immediately.

The Board approved the following charges for delinquent accounts in 2010:

- \$25 late charge
- Penalty interest at the rate of 9% annually

Two of the lots (#76 and #82) that went back to New Mexico Land & Ranches have been sold. The previous owner of these two lots owed the POA \$2850 in past dues, assessments, etc.; no liens had been filed on either of the properties when they reverted to NML&R. Since the Board has no means or expectations of recovering this \$2850, Jim McDonell motioned that it be written off as bad debt and removed from the books. Genie Haynes seconded the motion, and it was passed unanimously.

SECRETARY'S REPORT - Genie Haynes

Disclosure & Transfer Fees

Genie Haynes motioned that Gayle Sawyer write a letter to Superior Title Company in Socorro, NM advising them of the Board's updated policy regarding Disclosure and Transfer Fees, specifically:

- \$175 - Disclosure Fee
- \$125 - Transfer Fee

Total of \$300 + unpaid prorated annual dues for the current year.

All fees collected are to be paid directly to the Bull Canyon Ranches Property Owners Association.

Gayle seconded the motion, and it was passed unanimously.

Insurance

General Liability Insurance – The quote for renewing the POA General Liability Insurance policy for one year (3-1-10 to 3-1-11) was \$2293.98 which Genie Haynes paid after receiving approval from the Board via email. The carrier is the same as last year, Nautilus Insurance Company, and the coverage remains the same. The premium is a \$59.64 increase over last year. Genie went through the same agency that handled the POA insurance last year, Young Insurance out of Tucumcari, NM. She said she talked to several other agencies and found that Home/Property Owner Association General Liability insurance is becoming difficult to get, and when one is able to get it, it is expensive.

Directors and Officers Insurance - Genie said she'd just received the renewal quote for the Directors and Officers Insurance policy. Once again, this is through Young Insurance Agency. Both the coverage and the carrier (Deerfield Insurance Company) are the same as last year. Policy term is 3-1-10 to 3-1-11. Quoted premium is \$1254.00 compared to \$1275.00 last year. Paperwork from the Young Agency said "it (the quote) is at minimum premium". Another agency told Genie that the premium Bull Canyon paid last year was "a good price". The Board approved the D&O insurance and payment of \$1254.

Bank Fees

Several months ago, Genie Haynes talked to Santa Rosa Bank Manager Susan Zamora about the routine and special bank fees that Wells Fargo was charging against the POA's accounts. Ms. Zamora said she was going to change the type of accounts the POA had which would eliminate these fees, and she would also rebate the fees that had been charged since the accounts were opened. To date, this has not happened. Genie will call Ms. Zamora in an effort to resolve the issue.

Website

Thanks to Brian Fisher of Fisher Web Design, the Bull Canyon Ranches POA now has an official website. With the exception of the membership directory, everything on it is up-to-date.

The website address is www.bcrpoa.com. Minutes from all of the 2009 meetings have been posted. A very nice communication feature is, any member who wants to email a Board member with a question or concern can quickly do so by accessing the website, going to the board of Directors page, and clicking on a Board member's name. This causes the email format to come up with the appropriate email address already in place. All the member has to do is write his or her message and press "send" --- and the Board member receiving the email will reply.

The existing membership directory section needs more work if the Board wants to maintain control of it thereby assuring its accuracy. Mr. Fisher told Genie Haynes that making the necessary modifications would cost approximately \$150. The Board approved the directory changes and ensuing \$150 payment.

By-Law Amendments

Seven Certificates of Amendment need to be written and signatures obtained for the By-Law changes that have been made by either Board or Membership vote. When completed, these Certificates must be mailed to the Membership and attached to every copy of the By-Laws. They will also be posted on the POA website.

Each Board member will take their assigned By-Law change(s), write the change as it is to appear on the actual Certificate, and reference the particular By-Law Article and Section it falls under. Genie Haynes will make the assignments and coordinate the project.

NOTE: Jim McDonell said the Board should be aware of the following; he also said the following had been confirmed by POA Attorney Steve Ingram:

According to the CC&R's, which take precedence over the By-Laws, any change to any By-Law can be made by a majority vote of the Board of Directors; in other words, a membership vote is NOT required when changing a By-Law.

By-Law Amendments (continued)

After hearing the above, and reference the "one vote per 35 acres" change that has to be made to Article III, Section 2 of the By-Laws: the Board unanimously approved removing the phrase "*and the Declarant (NML&R) will have 3 votes for each 35 acres owned*". (Motion made by Jim McDonell and seconded by Genie Haynes.) The reason for removing the Declarant-related phrase is because there is no longer an individual or an organization involved with Bull Canyon Ranches that meets the definition of Declarant.

Welcome Package/Notebook

At Genie Haynes' request, Jim McDonell wrote a very nice letter welcoming new property owners to Bull Canyon Ranches. Genie will use this as the coversheet in the package (notebook) that she plans to compile and mail to the new owners.

Bank Accounts

Checking	-	\$ 6,568
Savings	-	\$13,282
Reserve Fund	-	\$ 7,069
TOTAL -		\$26,920

OLD BUSINESS

Grazing Lease

Gayle Sawyer and Jim McDonell will continue to look into the possibility of obtaining more income from the Grazing Lease. Genie Haynes motioned that the Board obtain a second legal opinion on this issue. Jim McDonell seconded, and the motion passed unanimously.

Board Member Nomination Form

The Board approved Gayle Sawyer's Board Member Nomination form. Genie Haynes will mail the Nomination form to the membership at the same time she mails the Annual Meeting Notice that Gayle will be writing. Incumbent Board members who wish to appear on the ballot need to complete the Nomination form.

"Snail" Mail VS Electronic Mail

Although "membership communication by 'snail' mail vs e-mail" was a topic at the last Board Meeting, the subject was brought up again at this meeting. After a lengthy discussion, the Board decided to abide by last meeting's decision, ie hard-copy minutes will be sent to the membership by U.S. Mail. When Genie Haynes mails out the minutes for first two Board meetings of 2010, she will include a letter that tells the membership about the new POA website and encourages them to use it.

NEW BUSINESS

Next Board Meeting

Our next Board Meeting will be held via teleconferencing on Thursday, April 8, 2010 at 10:00 a.m. Mountain Daylight Savings Time. Reviewing Eileen deCastro's quarterly financial reports and organizing and preparing for the annual Meeting are the primary reasons for the April 8 meeting.

The Board approved Genie purchasing another \$50.00 of teleconferencing time. Cost is 3.7 cents per minute per person; for example, if four people participate in a teleconferencing meeting and the meeting lasts 4 hours, the total teleconferencing cost is \$35.52.

ANY OTHER BUSINESS

POA's Registered Agent

Per Gayle Sawyer, POA Attorney Steve Ingram has completed and filed the legal paperwork which states he (Ingram) is our Registered Agent.

New Mexico Domestic Non-Profit Corporation Annual Report

Gayle Sawyer will fill out and sign the Non-Profit Corporation Report and mail it to Genie Haynes for her signature. After signing it, Genie will write a check to cover the \$10.00 fee and forward the form and check to the New Mexico Public Regulation Commission. Deadline for filing the form is May 15, 2010.

2010 Budget

Gayle Sawyer will email the Board a copy of the revised 2010 budget.

Communication Between Board Members

Jim McDonell said he finds it unsettling when he learns about a POA issue after-the-fact because individual Board members have been conducting private dialogues. Although several members thought they were doing the rest of the Board a favor by not including them in every email, it was unanimously agreed that everyone will copy everyone on future emails.

Eileen deCastro motioned that the Board meeting be adjourned. Seconded by Jim McDonell and passed unanimously at 4:05 p.m. Mountain Standard time.

Minutes of the March 3, 2010 Board Meeting respectfully submitted by

Eugenia B. "Genie" Haynes
BCR POA Secretary