

R-RANCH AT THE LAKE
Ranch Owners' Association
1962 Capell Valley Road
Napa, California 94558
Telephone (707) 252-0140
Fax (707) 252-0143

This is the wrong approach. If you are having trouble collecting assessments it is because they are too high for services 1995 Assessment received. If you raise them then only more people will

October 28, 1994

Dear R-Ranch Owner,

As you know, the continuing depressed economy has adversely affected national, state and municipal budgets as well as those in the corporate and business world.

And, as you might suspect, R-Ranch is no exception. To date, 175 owners have not paid anything toward their '94 assessments -- a shortage this year alone of \$91,875. To partially compensate for this, operating expense has been curtailed where possible.

A full scale collection program is underway to recover this and prior years' balances, however the legalities of foreclosures and other recovery measures are time consuming. Consequently, to ensure proper maintenance of your property and facilities, the Board of Directors has voted to increase assessments for 1995 by \$5.25 per month or \$63.00 per year, approximately 12%.

refuse to pay them. dues must be lowered. not raised! Phil J. Roberts.

The Board also voted to offer three free guest passes worth \$10.00 each, to those owners who pay their FULL \$588.00, plus previous balance, if any, by December 1, 1994. As in the past, your assessment will be due January 1, 1995 and delinquent January 15, 1995.

#1264

Or, if you wish to pay in two installments, and you pay the first half (\$294.00), plus previous balance, if any, by December 1, 1994, you will receive one \$10.00 guest pass. Also, if you pay the remaining half by June 1, 1995 you will receive one \$10.00 guest pass. Remember, half-year payments are delinquent January 15, 1995 and July 15, 1995 respectively.

A \$10.00 late charge will be assessed if at least half of your assessment (\$294.00 plus previous balance, if any) has not been received by January 15, 1995. If half or more of your assessment (\$294.00 plus previous balance, if any) has not been received on February 1, 1995, interest will begin to accrue on the outstanding balance at a rate of 10% per annum. Moreover, you will be unable to use the Ranch until the delinquency is settled, and a report will be made to credit reporting agencies.

Monthly payment plans are also available with payment of a \$5.00 per month service charge. A signed payment agreement must be on file at the ROA office for owners who select this option.

If you have any questions, please feel free to contact this office.

Our thanks to the 1625 owners who are paying their assessments and are responsible for keeping the Ranch running smoothly.

Sincerely,

Ruth A. Parker
Comptroller

*NOV 4 1994
copy to Barry R*

REMINDERS:

TO QUALIFY FOR THREE FREE GUEST PASSES, YOUR FULL '95 ASSESSMENT PAYMENT (PLUS PREVIOUS BALANCE, IF ANY) MUST BE RECEIVED AT THE ROA OFFICE BY DECEMBER 1, 1994.

***** OR *****

THOSE PAYING IN TWO INSTALLMENTS WILL QUALIFY FOR ONE FREE GUEST PASS IF THE FIRST HALF PAYMENT IS RECEIVED BY DECEMBER 1, 1994 AND AN ADDITIONAL FREE GUEST PASS IF THE SECOND INSTALLMENT IS RECEIVED BY JUNE 1, 1995.

R-RANCH AT THE LAKE
RANCH OWNERS' ASSOCIATION
1995 BUDGET

INCOME:

Assessments: 1800 @ \$588.00 each	1,058,400.00
Allowance for Bad Debts	(25,000.00)
Allowance for 1994 estimated shortage	(175,000.00)
Allowance for 1995 delinquencies	(125,000.00)
Miscellaneous	59,300.00
	792,700.00

EXPENSE:

	OPERATING	RESERVE	
PAYROLL (Except stables)	335,634.00		
REPAIRS, MAINT. & SUPPLIES	35,250.00	28,221.00	
UTILITIES	114,500.00		
TAXES, LICENSES & INSURANCE	118,600.00		
OUTSIDE SERVICES	15,500.00		
ENTERTAINMENT	12,700.00	1,500.00	
FOOD OPERATION	1,000.00		
STABLES OPERATION	64,936.00	7,000.00	
MISCELLANEOUS	7,300.00		
	705,420.00	36,721.00	742,141.00
CAPITAL EXPENDITURES	4,000.00	5,000.00	
NOTE PAYMENTS	23,280.00		
TEEN & YOUTH FUNDS	0.00	(1,500.00)	
RESERVE	60,000.00	(40,221.00)	
	87,280.00	(36,721.00)	50,559.00
	792,700.00	0.00	792,700.00
NET CASH FLOW:			0.00

Detail of this budget is available on request at the ROA office.

October 26, 1994

Ms. Ruth Parker
R-Ranch at the Lake
1962 Capell Valley Road
Napa, CA 94558

Dear Ruth:

This letter is to put on record the fact that my vote, as a member of the R-Ranch Board of Directors, is to accept the 1995 Budget as last presented to me.

Sincerely,

A handwritten signature in cursive script that reads "Karen Silveira".

Karen Silveira
Secretary
Board of Directors
Member #973

OCT. 18 1964

PROUDLY PRINTED
G. D. M. BARNHILL & CO.
MILWAUKEE, WISCONSIN

THIS IS TO STATE MY AFFIRMATIVE VOTE ON THE ATTACHED 1965
BUDGET FOR BRANCH AT THE LINC HT 1933 CAMPBELL VALLEY RD.
MCCOY CO.

WILL BROWN

MEMBER BOARD OF DIRECTORS

10-16-94

Board of Directors
Ranch Managers
R-Ranch at the Lake

Dear Board member + Ranch Mgrs.

I want to discuss Owner employee positions and bring to your attention some of the things you may have over looked.

I think we are getting hit pretty hard, and I can only use my husband as a example:

Year of 1994	40 th hr. for 8 months	221 ⁰⁰
	20% cut for 4 months	208 ⁰⁰
	1994 Assessments	<u>525⁰⁰</u>
	Total for Year	954 ⁰⁰

Year of 1995	20% cut in wages	\$ 624 ⁰⁰
	Utilities	600 ⁰⁰
	Assessments	<u>588⁰⁰</u>
		\$1,812 ⁰⁰

I am not trying to start trouble, only trying to explain that I think this is

a rather high price for one employee to pay. Lens take home pay for a two week period is \$234.10, take another \$25.00 out that leave \$209.10 for two weeks or \$104.56 for one week.

\$234.10 two weeks

- 25.00 two week

\$209.10 ÷ 2 = \$104.56 ^{one} week

We have to, pay car insurance. Home owners insurance, pay assessments, Pay for Doctor visits & prescriptions, Dentist, eye glasses, and don't leave out food. I did leave out the up keep of our own housing.

How can you take away something my husband has been given for nine years as part of his pay?

As owner employee we get no benefits from our paid assessments, because we are employees first, and owners second.

Thank you for your time,

Beverly Cramer #647

wife of Leonard Cramer #E-2

C.C. Barry Bremner, Pres.
Jeff Dennis, Vice Pres.
Jack Hardesty, Vice Pres.
Judy Mc Murray, Treas.
Karen Silveira, Sec.
Don Jones, R. Mgr.
Paul Adams O. Mgr.



From the desk of

JACK W. HARDESTY

October 12, 1994

Memo to: Mr. Jeff Dennis

From: Jack W. Hardesty

RE: Accident/Incident, Monday
8 PM, 10-3-94, R-Ranch at the lake

My wife Carol, had her folks from Oregon meet her at R-Ranch at the lake on Monday AM, 10-3-94. That same evening about 8 PM Carol's mom (Goldie - a 70 yr. old) fell from the upper level next to the snack bar through the flowers onto the concrete ramp below. She fell smack on her face and sustained injuries. It was stonedark as they walked down to the open lodge to play cards. The lodge attendant, Glenda Jensen, said that she was instructed by her supervisor to turn all of the outside lights off to save money on utilities.

I would not be writing this now but the following Monday, 10-10-94, at 8 PM my wife noticed that even though the lodge was again open that 20 + children (some group) were coming out of the lodge to a totally dark outside area - again, stone pitch-black darkness to handle the spirited activity of 20 some kids. Carol immediately went to the lodge lady and had the outside lights turned on. Are security lights on auto. sensors??

It looks to me like no lesson of liability (or potential liability) was learned by our ranch personnel. We could "save money" all the way to the poor house this way. I really do not know if my in-laws will pursue this accident but it seems to me that the liability factor is leaning toward a potential claim of neglect on our ranch's part.

My in-laws have not heard a word of apology from the supervisor involved or from Don Jones to date. Don, Shirley & many of the employees did, and have continued to express concern and courtesy but no word regarding the "darkness" problem that caused this regrettable accident. There is an incident report on record at the ranch. I love this place and I only want to see it thrive!!

Jack W. Hardesty
Board member and
owner #01203

Copies to: Don Jones
All board members

1314 Terra Nova Blvd.
Pacifica, CA 94044

October 8, 1994

Mrs. Judy McMurray
Chairperson, Ad Hoc Finance Committee
R-Ranch at the Lake
1962 Capell Valley Road
Napa, CA 94558

Dear Judy:

I was so impressed, at the September 10th meeting of the Ad Hoc Finance Committee, with your exuberance and enthusiasm when you spoke of all the owners that are waiting with bated breath to volunteer their services to the Ranch. But where are they? Four weeks have elapsed since that meeting and I have not seen or heard of any volunteers.

I hope they have not been scared off when faced with the enormity of the tasks awaiting them. Maybe they just need encouragement. Thus, it would behoove our Ad Hoc Finance Committee to pave the way by volunteering their services to help maintain the Ranch, and take up the slack left by the reduction of employees' hours.

With 75 years of financial experience between you, I am sure you will not be daunted by the myriad of tasks that need to be undertaken -- from bathhouse to stables a good volunteer can be put to work! Of course I would like to volunteer my services, and with over 40 years business experience, and teaching credentials in both English and Business, I would be an ideal candidate to organize the volunteer, post schedules and team volunteers with needed jobs. So please put me down to join your Corps of Volunteers - remember United We Stand - Divided we Fall!!!!

I am taking the liberty of forwarding a copy of this letter to the R-Ranch Supervisors. I'm sure they will sleep better at night knowing all those volunteers are waiting to help maintain their beloved ranch in the way they want to see it maintained. I am sure they will be 100% cooperative in giving us a weekly list of jobs to perform,

Sincerely,


Joan Strain, OWNERSHIP # 162

cc: Paul Adams
Rhonda Crampton
Sal DiMaggio
Ruth Parker
Gary Shook
Kathy Webb

Don Jones, Ranch Manager
Board of Directors

**R-Ranch at the Lake
Napa, California**

**Minutes of the
1st Quarterly Meeting of the Board of Directors
of the Ranch Owners Association
Sunday, October 2, 1994**

The meeting was opened at 10:15 a.m. on October 2, 1994 in the main lodge of R-Ranch. All members were present: Barry Bremner, Jeff Dennis, Jack Hardesty, Karen Silveira, and Judy McMurry.

Barry Bremner introduced the new members of the Board of Directors: Jack Hardesty, 2nd Vice President, Judy McMurry, Treasurer, and Karen Silveira, Secretary.

The minutes of the August 6, 1994 meeting will be read at the next Board meeting in January as they were unavailable at this time due to the transition of a new secretary. Judy McMurry read the Treasurer's Report.

Barry Bremner explained that members of the Board had talked about the incident concerning the arrest of Paul Adams and Rich Webb on July 4, 1994 and the legal outcome which was dismissal of all charges. Board Members in Executive Session voted 5-0 to bill the owner who created this incident for all legal costs concerning the incident, and then if that doesn't get results, to lien the owner's share in R-Ranch.

Don Jones turned the agenda item - Ranch Manager's Report - over to Terry Plank, Collections Officer, who gave a presentation on the current status of the collection program that he has been working on since January 1994. Don Jones commended Terry on his organization of the collection office and his efforts to date. Letters have been sent to all owners with past due amounts. If payment arrangements are not made with the R-Ranch office, past due amounts will be reported to TRW Credit Corporation.

There was a long discussion initiated from the floor about the price difference between what Jeff Dennis sells shares for and what an owner may advertise the sale of a share for.

Old Business

A discussion of guest passes was initiated by Barry Bremner and it was brought up that the Ranch might consider guest passes for \$5.00 that allowed a guest to stay 6 to 12 hours with no overnight stays. Barry suggested a one year test pattern for the \$5.00 guest pass to see how it will affect income. It was decided to table this issue and bring it up again at the January meeting.

It was mentioned that the CC&R's state that there will be no posting of shares for sale on the premises of R-Ranch. To change the CC&R's there will have to be an

R-Ranch
Minutes
October 2, 1994

amendment by a vote of the membership and it will be necessary to have 66 2/3% of the members vote in favor of this change to be able to post shares for sale on the Ranch.

New Business

The new business of establishing a fund to ensure new Ranch facilities was tabled into the upcoming budget committee meeting.

Ruth Parker brought up the issue of cash accounts and using another company for better investments with better returns on the Ranch's money. Jeff Dennis told her to bring a written proposal to the Board of Trustees and the Board will then discuss the issue.

1995 Budget: The Ad Hoc Finance Committee and Ranch management are still fairly far apart on their views concerning the 1995 budget. The Finance Committee suggests a 4-day work week for all current full-time employees, plus other cuts in the budget. Ranch management calls for an increase in assessments and some cuts. Jeff Dennis suggested that the Finance Committee, Board Members, and Ranch management spend a whole day to work out the budget and come to a consensus.

There were suggestions from the floor that horse rides during the week could be made by appointment during the winter time.

Jeff Dennis pointed out that the brochure that comes out of his office advertising R-Ranch states that there are hay rides pulled by a team of draft horses available, the Ranch will remain open 24 hours a day, 365 days a year, etc. In other words, things cannot be shut down or terminated when they are advertised as being available. Jeff stated that with only a 4-day work week, the Ranch will not be able to provide the services and activities that it advertises to present and future owners.

Jeff Dennis stated that in Executive Committee, the Board had discussed increasing the annual assessments by \$5.25 a month or \$63.00 a year per share. This will bring in an additional \$106,000 next year to offset 1994's current deficit of approximately \$175,000.

Don Jones stated that the Ranch is actually within 3% of the budget for 1994. The problem has been that the Ranch has been borrowing from the reserve account for many years, and now \$175,000 is needed to catch up.

Note: At February 26, 1995 Board of Directors meeting, Judy McMurry stated that she felt there should have been more elaboration on the paragraph above which should have been included in these minutes. This paragraph is inserted to note Judy McMurry's statement.

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It was decided to postpone the budget to a day when the Board, Ranch Management, and the Finance Committee can get together and work it out.

Jeff Dennis stated a decision must be made now about raising the assessments or wait until next year as there is only a small time frame to work with before the assessment statements have to be mailed out for 1995.

There was also a discussion about the electric bill and ways to decrease it. Comments were made about the difference in electric bills between the RV area and the cabin area. Also, electricity in the employees area was discussed. There were several comments from the floor regarding the raising of assessments.

Jeff Dennis then made a motion to raise the assessments \$5.25 a month or \$63.00 a year; the motion was seconded by Barry Bremner, and was voted 4-1 in favor of the increase. Judy McMurry voted against the increase. Barry Bremner invited John Low to attend the budget meeting in Jeff's office in Lafayette at the end of this week.

A motion was made and seconded to adjourn the meeting. The meeting was adjourned at 11:35 a.m.

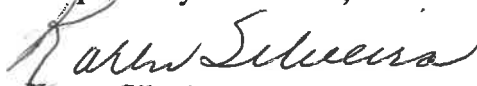
The meeting was then opened to open forum and open discussion from the floor.

Open Forum

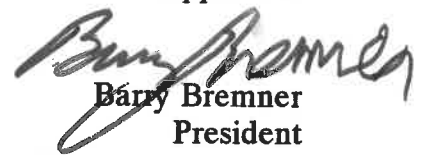
Comments:

- Keep lodge open.
- Make appointments with the stable.
- There was discussion about what happened to the assessment amounts collected on bad debts.
- People are damaging the Ranch (guests).
- Don Jones stated there is a complaint system in the office to file complaints.
- There was a discussion about why the overnight camping was discontinued at Crystal Lake. There is no water available there.
- It was asked to think about other ways to generate income, not only make cuts.
- Discussion about using DJ's more instead of bands to save money at dances.

Respectfully submitted,


Karen Silveira
Secretary
Board of Directors

Approved:


Barry Bremner
President
Board of Directors

DRAFT

**R-Ranch at the Lake
Napa, California**

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Barry Bremner explained that members of the Board had talked about the incident concerning the arrest of Paul () and Rich () on July 4, 1994 and the legal outcome which was dismissal of all charges. Board Members in Executive Session voted 5-0 to bill the owner who created this incident for all legal costs concerning the incident, and then if that doesn't get results, to lien the owner's share in R-Ranch.

Don Jones turned the agenda item - Ranch Manager's Report - over to Terry Plank, Collections Officer, who gave a presentation on the current status of the collection program that he has been working on since January 1994 (see attached report). Don Jones commended Terry on his organization of the collection office and his efforts to date. Terry reported that 370 owners owed \$100 or more when he took over the position, and as of 10/1/94 322 owe \$100 or more. Letters have been sent to all owners with past due amounts. If payment arrangements are not made with the R-Ranch office, past due amounts will be reported to TRW Credit Corporation.

There was a long discussion initiated from the floor about the price difference between what Jeff Dennis sells shares for and what an owner may advertise the sale of a share for.

Old Business

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NOV 5 1994

copy to

Barry

**R-Ranch
Minutes
October 2, 1994**

guest pass to see how it will affect income. It was decided to table this issue and bring it up again at the January meeting.

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The new business of establishing a fund to ensure new Ranch facilities was tabled into the upcoming budget committee meeting.

Ruth () brought up the issue of cash accounts and using another company for better investments with better returns on the Ranch's money. Jeff Dennis told her to bring a written proposal to the Board of Trustees and the Board will then discuss the issue.

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There were suggestions from the floor that horse rides during the week could be made by appointment during the winter time.

Jeff Dennis pointed out that the brochure that comes out of his office advertising R-Ranch states that there are hayrides pulled by a team of draft horses available, the Ranch will remain open 24 hours a day, 365 days a year, etc. In other words, things cannot be shut down or terminated when they are advertised as being available. Jeff stated that with only a 4-day work week, the Ranch will not be able to provide the services and activities that it advertises to present and future owners.

Jeff Dennis stated that in Executive Committee, the Board had discussed increasing the annual assessments by \$5.25 a month or \$63.00 a year per share. This will bring in an additional \$106,000 next year to offset 1994's current deficit of approximately \$175,000.

Luigi Bellini stated that the tractor was not being used. Don Jones established the fact that it is not true and the tractor is being used daily. There was a problem with the engine but this has been repaired.

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October 2, 1994

Don Jones stated that the Ranch is actually within 3% of the budget for 1994. The problem has been that the Ranch has been borrowing from the reserve account for many years, and now \$175,000 is needed to catch up.

Jack Hardesty explained that the Finance Committee recommendations have been on behalf of 1,800 owners and they have sincerely been trying to work out a reasonable budget that will work for 1995.

Judy McMurry stated that the 4-day work week is not what the Finance Committee wants for the entire year. When income is in better shape, employees can be added back into a full 5-day payroll. She stated that X dollars are coming in and X dollars are going out. When more is going out than is coming in, there is a deficit. She stated that concerning the draft horses, this decision was made at a supervisory meeting, not in the Finance Committee meeting. She said R-Ranch has a \$175,000 deficit and has to cut something somewhere.

A discussion ensued from the floor regarding employee concerns, and there were complaints from the floor that things are being taken away from the employees..

It was decided to postpone the budget to a day when the Board, Ranch Management, and the Finance Committee can get together and work it out.

Jeff Dennis stated that he wasn't exactly happy about raising assessments either as it costs him \$500 a month more as he owns 100 shares, but he feels it is necessary. Jeff talked about the fact that it takes just as many employees to run a 1200 acre ranch as it does a 2900 acre ranch.

John Low stated that before last year the Ranch borrowed from prepaid assessments, not the reserve account. From 1987 to 1992, the increased assessments went to the reserve account. He said the Ranch is using the reserve account as an operating account. He asked what the rationale was for raising assessments as the Ranch does not yet have the 1995 budget in place.

Barry Bremner stated that borrowing is borrowing whether it is from the reserve account or prepaid assessments.

Jeff Dennis stated that the Ranch has to cut expenses and it is known that employees can't be cut and still run the Ranch, and the \$106,000 generated by increased assessments will make a big difference in the \$175,000 deficit. The difference between the \$106,000 and the \$175,000 will still have to be found in other parts of the budget. The raise in assessments for 1994 amounted only to about \$15.00 a year per owner and did not make a significant difference. Jeff stated a decision must be made now about

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raising the assessments or wait until next year as there is only a small time frame to work with before the assessment statements have to be mailed out for 1995.

A special assessment was recommended from the floor, but Jeff Dennis stated that this ranch has never had a special assessment and according to the CC&R's, the ROA can only impose a 5% of expenses special assessment without a complete vote of the members, and besides this it would only raise approximately \$40,000 which is not nearly enough.

John Low stated that he wanted the Ranch manager to stop spending "recklessly." Jeff Dennis invited John Low to attend the upcoming get together with the Board, Ranch management, and the Finance Committee, and that he did not feel the Ranch Manager was spending "recklessly."

Don Jones responded to John Low's and Eleanor ()'s statement of irresponsible spending by asking for specific incidents of doing so, and John Low brought up the matter of employees making excessive trips to Cosco. Don explained that one employee cannot possibly know how to shop for foodstuffs, mechanical repair parts, etc, and only about three trips per week were being made.

There was also a discussion about the electric bill and ways to decrease it. Comments were made about the difference in electric bills between the RV area and the cabin area. Also, electricity in the employees area was discussed. There were several comments from the floor regarding the raising of assessments.

Jeff Dennis then made a motion to raise the assessments \$5.25 a month or \$63.00 a year; the motion was seconded by Barry Bremner, and was voted 4-1 in favor of the increase. Judy McMurry voted against the increase. Barry again invited John Low to attend the budget meeting in Jeff's office in Lafayette at the end of this week.

A motion was made and seconded to adjourn the meeting. The meeting was adjourned at 11:35 a.m.

The meeting was then opened to open forum and open discussion from the floor.

Open Forum

Comments:

- Keep lodge open.
- Make appointments with the stable.

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October 2, 1994

- There was more talk about what happened to the assessment amounts collected on bad debts. A satisfactory answer was not obtained.
- People are damaging the Ranch (guests).
- Don Jones stated there is a complaint system in place in the office to file complaints.
- There was a discussion about why the overnight camping was discontinued at Crystal Lake. There is no water available there.
- It was asked to think about other ways to generate income, not only make cuts.
- Just because we are used to a certain way of doing things doesn't mean that changes can't be made in the future.
- You get used to living with what you have.
- Discussion about using DJ's more instead of bands to save money at dances.
- An RV owner stated that she was willing to pay \$1.00 a day for electricity hook-up in the RV campground.
- It was stated that there will not be a haunted house this year for Halloween.
- Charging employees for electricity in employee housing was discussed; maybe a monthly allotment towards electricity would help to defray costs and cut down on excessive use.
- Employees stated that they use their own time and vehicles to go to Costco.

R-Ranch at the Lake
Napa, California

Minutes of the Executive Board Meeting
Board of Directors
Ranch Owners' Association
October 2, 1994, 9:00 a.m.

President, Barry Bremner, called the meeting to order at 9:00 a.m. All board members were present (Jeff Dennis, Jack Hardesty, Karen Silveira, Judy McMurry, Barry Bremner), as well as Ruth Parker and Don Jones.

Karen Silveira was appointed secretary, and Judy McMurry appointed treasurer.

The following issues were discussed:

1. Don Jones stated that the litigation regarding Paul Adams and Rich Webb went very well and the case was dismissed. He explained the background of the case. Don stated that the people that provoked the case should be prosecuted because of the cost to the Ranch. A \$2500 bill should be sent to the (Wilson's) to cover costs. It was brought to a vote and passed for Don Jones to draft a letter to send regarding this issue, to bill owner or to lien share.
2. There was a discussion about employee's wages.
3. It was discussed that we don't have a budget yet. The Ad Hoc Finance Committee and Ranch management are still fairly far apart on in their views on the 1995 budget.
4. Jeff Dennis brought up a discussion about increasing annual assessments by \$5.25 per month or \$63.00 per year per share. This will bring in an additional \$106,000 next year to offset 1994's deficit of approximately \$175,000. All were in favor of this except Judy McMurry.
5. Jeff Dennis offered to donate \$5,000 to R-Ranch as a gift if he could use the Teen Center for R-Ranch sales for a period of time that his sales force would be on the Ranch. This money is to go towards a supervision of the teen dances.

The meeting was adjourned at 9:50 a.m.

*Respectfully submitted,
Karen Silveira*

Barry Bremner

Exec. Session 10.2.94 9:00 AM

re: Wilson - bill for 2500.-; if unpaid we place lien on share & restrict use of Ranch. Motion carried 5-0.

Motion to increase by ^{95 pesos} 525/mo (588.-)
by Jeff, 2nd; Karen; Aya; Jeff, Barry,
Karen. Joth - No; J Mell.

Jed: Motion for him to donate \$5,000.-/mo.
for use of teen center as sales office.

Open session: 10.2.94 10:¹⁵AM

Barry: Minutes of Annual Meeting to be read at next Board Meeting; introduced new Board.

Jody: Treasurer's report (Cash report)

Barry: Litigation re: 7.4 incident w/Wilson / EPA & Tech. Vote 5:0 to bill \$3 Wilson 2500.- to recover Ranch's costs.

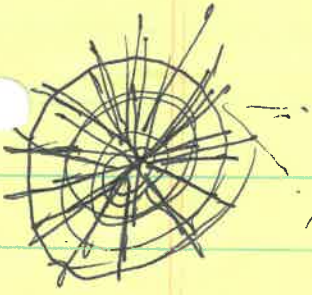
Terry: Collection report.

Jeff: List of shares ^{12,500.-} / sales / donation of 5,000.- in exchange for use of teen center as sales office.

Can we publish names of delinquent owners?

Barry: 5.- guest pass for day use?
Tabled.

Distribute proposal (No lead?)



Avg net = 112.- / wk

²³
97,500
 .05

47,250.00

3 weeks

1 1
145,510.12
796,232.56
941,742.68

1
796,232.56
260,466.89
1,056,699.45



Budget meeting Fri. 5 pm at Jess's
~~6:30 Wed. 10:5~~

Next Board Meeting: 1-15-95 9 a.m.
10 a.m.

**R-Ranch at the Lake
1962 Capell Valley Road
Napa, CA 94558**

AGENDA

**ROA Board of Directors Executive Session
Sunday, October 2, 1994, 9:00 AM**

LITIGATION:

On 4th of July weekend, Ranch Superintendent, Paul Adams and Richard Webb, (husband of Lodge supervisor, Kathy Webb) were placed under citizen's arrest by Napa County Sheriff's Department for battery charged by guests of Barbara Wilson, owner #83.

Robert Wilson (husband) and guests David Rubino and Randy Hendrickson deliberately provoked Adams and Webb who were assisting a paramedic ministering to a youngster whose chest was hurting. The aforementioned three resisted being moved away from the boy (at the paramedics request so she could record vital signs) and filed a charge with the Sheriffs who had responded to the 911 call for the boy's chest condition. (The Sheriffs explained that they had no choice but to take Paul and Rich to jail since it was a "citizen's arrest" situation.)

Upon the recommendation of the District Attorney, the Napa County Judge dismissed the case unconditionally. However, the Ranch paid an attorney's retainer fee of \$1,500.00 and will probably owe an additional \$1,000.00.

Ranch Management requests guidance from the Board concerning the recovery of legal fees and/or discipline re the Wilson share for provoking the incident and arrests.

EMPLOYEE WAGES:

The Ad Hoc Advisory Financial Committee chaired by the Board's Treasurer has recommended as part of their proposed 1995 Budget, a reduction to a 32 hour work week for all employees. This amounts in most cases to a 20% reduction in pay.

In addition, they have recommended a 15% reduction in number of employees - - four or more. This would effectively reduce the work force from 20 to 16.

They further suggest the imposition of a \$25.00 per month utilities charge for single employee Ranch residency and a \$50.00 charge for 2 or more occupants.

Ranch Management maintains that the foregoing measures are extreme and would seriously impair the crew's ability to maintain the Ranch and to service owners on a 365-days-a-year basis. Also it is doubtful that we could retain some of our more talented people.

Management proposes a more modest cutback in work-week hours when occupancy permits, and an increase in assessments to partially counter delinquencies in owner assessment payments as well as an accelerated collection program.

The 1994 payroll budget is \$54,631.00 less than '93 and our proposed '95 budget is \$7,981.00 less than '94 - a decrease of \$62,612.00.

Proposed assessment increase is \$5.25 per month or \$63.00 per year (approx. 12%).

Current shareholder assessment delinquencies exceed \$268,000.00. (189 owners paid nothing toward their '94 assessments.)

**R-Ranch at the Lake
1962 Capell Valley Road
Napa, CA 94558**

**ROA Board of Directors' Meeting
Sunday, October 2, 1994, 10:00 AM**

CALL TO ORDER:

Barry Bremner, President, ROA

MINUTES OF AUGUST 6, 1994 BOARD MEETING:

Karen Silveira, Secretary, ROA

TREASURER'S REPORT:

Judy McMurry, Treasurer, ROA

RANCH MANAGER'S REPORT:

Don Jones (Report by Terry Plank, Collections Officer)

OLD BUSINESS

SHORT TIME GUEST PASS FEE:

Proposal to test \$5.00 guest pass fee 6 or 12 hours - - no overnight.
(Current fee is \$10.00 for up to one week.)

SALE OF SHARES BY OWNERS:

Discussion procedures for owners who wish to sell their shares (David Forte's case discussed by Barry Bremner).

NEW BUSINESS

ESTABLISHMENT OF RANCH IMPROVEMENT FUND:

Ranch has several existing funds: Reserve fund for repair/replacement; Youth fund; Operating fund (annual budget for general maintenance), etc. Proposed is fund derived from collection of delinquent assessments (past years) to ensure new Ranch facilities.

CASH ACCOUNTS:

Change of signers and possibility of setting up a new account for better interest rates.

1995 BUDGET ADOPTION:

The Board will review a budget compiled by the Ranch's Comptroller, comprised of recommendations from the Ad Hoc Financial Advisory Committee, Ranch Management and individual Board members and vote adoption of appropriate components.

OPEN FORUM

Owners questions and comments concerning all of the foregoing.

ADJOURNMENT

R-Ranch at the Lake
Ranch Owners' Association
CONSOLIDATED CASH REPORT
As of October 1, 1994

(CORRECTED)

Cash on Hand and In Banks:	10/1/94	10/1/93
Checking Acct. (Napa Valley Bank)	55,373.22	32,857.98
Reserve Acct. I (Home S & L)	100,000.00	100,000.00
Reserve Acct. II (Napa Valley Bank)	31,867.09	59,063.00
Reserve Acct. III (Wells Fargo)	53,415.47	5,853.86
Reserve Acct. IV (Napa Valley Bank)	13,540.17	12,944.40
Restricted Acct. (Bank of America)	2,733.64	6,171.28
Restricted Acct. (S.F. Federal)	6,071.94	5,611.73
Teen/Youth Fund (Napa Valley Bank)	16,927.03	15,883.40
Petty Cash & Change Machine	2,000.00	2,000.00
Total Cash:	\$281,928.56	\$240,385.65
Assessments Receivable:		
1983 (\$240.00 per share)	0.00	120.00
1984 (\$288.00 per share)	0.00	288.00
1985 (\$345.00 per share)	0.00	345.00
1986 (\$396.00 per share)	0.00	396.00
1987 (\$396.00 per share)	380.00	776.00
1988 (\$420.00 per share)	744.00	1,164.00
1989 (\$445.00 per share)	1,036.50	1,481.50
1990 (\$480.00 per share)	2,806.55	6,219.05
1991 (\$480.00 per share)	8,735.72	18,869.53
1992 (\$510.00 per share)	32,169.58	56,422.69
1993 (\$510.00 per share)	69,084.42	136,915.08
1994 (\$525.00 per share)	145,510.12	(5,389.21)
1995 Prepays	(1,488.71)	0.00
Total Assessments Receivable:	\$260,466.89	\$217,607.64
Prepaid assessments due to R-Ranch at the Lake, Ltd.	(\$83,250.00)	(\$109,500.00)
Net Assessment Balance:	\$177,216.89	\$108,107.64
Recovered Assessments Collected Year-to-Date:	\$0.00	\$538.93
Current Year's Assessments Received Year-to-Dat	500,323.29	557,578.42
Current Year's Assess. Received in Prior Years:	295,909.27	205,470.20
Total Current Year's Assessments PAID:	796,232.56	763,048.62

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