

Abbe Springs Ranches HOA Board of Directors

Minutes of Meeting held June 5, 2006

The teleconference meeting of the Abbe Springs Ranches Board of Directors (BOD) was called to order at 7 pm MST by Kat Brown. Also present were new members Marshall Adams and William Green. All three directors were elected by a mail-in vote following the March 2006 annual meeting.

Since this was the initial meeting of the newly elected board, the first issue discussed was the selection of officers and their related duties. Following a lengthy discussion on all these matters it was agreed that each director will hold the offices listed below and will be responsible for the areas of management listed in addition to those described in the By-Laws:

Marshall Adams, President (road management, liens, corporate records, board agenda, website)
William Green, Vice-President (insurance, hiring HOA lawyer and CPA, liaison with committees)
Kat Brown, Treasurer & Secretary (all financials & related reports, tax filings, meeting minutes)

The BOD also agreed that all three officers will be carbon copied on all correspondence related to ASR HOA and board matters. The Treasurer/Secretary asked the other directors to submit reimbursement requests for expenses if they had long distance charges from the conference call meetings.

The BOD also discussed the following agenda items:

1. Roads. The Treasurer/Secretary announced she had been in contact with the road contractor on several occasions, and that he understood there was a standing order to blade all the roads as soon as the area received substantial rain. He also was asked to survey problem areas and recommend a remedy.

2. Insurance. The Treasurer/Secretary announced that the HOA's general liability & directors' & officers' annual insurance policy was renewed for \$1,562.

3. Liens. The BOD approved filing liens against owners for nonpayment of dues. It was also agreed that only the Treasurer/Secretary will be the contact person who can grant payment plans to owners that are in arrears who contact the HOA.

4. Legal info. The Treasurer/Secretary announced that HOA attorney Jerry Armijo sent a letter to the BOD dated May 12, 2006 in which he endorsed the actions taken by the previous board and membership to ensure the continuing, satisfactory operations of the HOA. The Treasurer/Secretary emailed copies of this correspondence to the new board members.

The 2005 BOD had discussed and agreed to obtain a new attorney because Mr. Armijo continues to represent the developer of Abbe Springs Ranches, and directors expressed concern that there may be a conflict of interest. The new BOD unanimously agreed to retain a new attorney. It was agreed that the Vice-President will conduct this search.

5. Financial Review. The Treasurer/Secretary announced she had met with one CPA regarding the financial review that the membership voted on during the March 2006 annual meeting and that she planned to meet with two others before submitting three proposals to the board for consideration. After a short discussion, it was unanimously agreed that the Vice-President will assume the CPA search.

6. HOA voicemail. The 2005 BOD had agreed to set up a permanent phone number and voicemail for the HOA to make it easier for owners, real estate agents and government officials to contact the BOD. The Treasurer/Secretary said she had investigated the issue and neither Qwest nor the local phone company could offer the service necessary of having a permanent phone number with voicemail that would include a listing in the phone book Magdalena shares with surrounding communities. The board agreed to revisit the issue in three months to determine if it should be pursued.

7. C&R Committee. The BOD discussed the creation of the C&R committee, which held its first teleconference on April 28, 2006. It was stated that members of the C&R Committee were working on a charter, and the BOD agreed that it would review, amend as necessary, and approve the charter once it is submitted. The BOD also unanimously agreed to undertake the following actions on pending C&R matters:

- a. Lots 89 & 90 overhead power complaint: No action will be taken.
- b. Lot 57 power issue: The President and Vice-President will visit the lot & email reports.
- c. Lot 12 complaint: The President will draft a second letter to the owners re: building status.

8. Minutes. The BOD unanimously agreed that minutes of all meetings will be posted on the HOA website.

The final agenda item regarding changes to the By-Laws was postponed for the next meeting, which was scheduled for Thursday, June 8, at 7 pm MST.


The meeting was adjourned shortly after 10 pm MST.

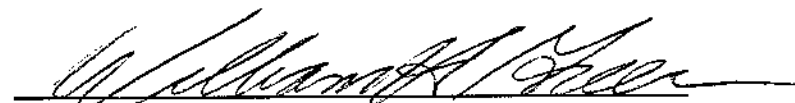
DATED: September 18, 2006

Minutes presented by:


Kat Brown, Treasurer & Secretary

Minutes approved by:


Marshall Adams, President


William Green, Vice-President