

CELADON II PROPERTY OWNER'S ASSOCIATION, INC.
July 23, 2011 Annual Meeting Minutes

The meeting was called to order at 10:00 a.m. by president Monte Miller with attendees as follows: Monte and Sally Miller, Lot 21, Bryan Hondru, Lots 11 & 24; MacDonald Becket, Lots 7, 14 & 20; Brian Clark, Lot 15; Jerry and Suzanne Blumberg, Lot 19; Kathy Gates, Lot 18; C.D.Dickson, Lot 8.

Proxies as follows: Ward Wilson (Miller, #10), Jackie Roberts (Miller, #23), Carl Adams (Miller, #12), Bob Daniels (Miller, #25), Mark Williams (Miller #17) and David Shaw (Hondru, #9)

The minutes from the 2010 annual meeting were approved unanimously.

The previously provided financial history and proposed 2012 budget were reviewed by Bryan Hondru as well as the recommended 2012 monthly dues of \$560 (down from \$575 in 2011) and were both approved unanimously.

The 06/30/11 balance sheet was handed out and reviewed and the 06/2012 balance sheet will be distributed in advance of the future annual meetings.

If excess funds are available, the Executive Committee may declare a "dues holiday" either for 12/2011 or 1/2012.

Page 2 - Celandon II July, 2011 minutes continued.

Grant Smith's base salary is to be maintained at \$32,000. Based on satisfactory performance, the Executive Committee was authorized unanimously to pay up to \$3,000 in bonuses cumulatively during 2011.

Grant was authorized to spread gravel on inclined icy sections of the road using available gravel or, if necessary, purchased gravel.

The old F350 Ford truck, during summer months will be outfitted with our existing 250 gallon water tank along with a new, more powerful pump to generate increased water flow from up to two 100ft. garden hoses. Grant, via Brian Clark and/or the Durango Fire District will obtain basic fire training along with purchasing fire retardant clothing. The phone number of the Fire Department should be kept in both trucks.

The majority of the common area noxious weed control has been completed and some property owners have used Grant's spray services using Celadon II's electric pump and ATV.

Don Becket and Monte Miller will recommend new Ditch Company officers for future continuity.

Page 3 - Celandon II July, 2011 minutes continued.

Assuming that Celadon (Valley) POA will pay part of the cost, Carl Adams will investigate the cost and feasibility of installing a Webcam system at the gate.

The \$1,000 per member maximum emergency assessment, with Executive Committee discretion, was unanimously approved for 2012.

The Capital Reserve Fund has \$22,507.16 with an additional \$7,500 to be deposited by ASAP by the end of December 2011 and ongoing anticipated contributions of \$15,000 per year.

Don Becket distributed the Celadon History brochure which took significant time and effort by Don and Diane and was greatly appreciated.

Don Becket indicated that there was “nothing new as respects the Lot 14 variance request to La Plata County.”

The 2012 Annual Meeting will be on 07/28/2012

This meeting was unanimously adjourned at 11:15

Sincerely,

Bryan C. Hondru, Secretary/Treasurer