

R-Ranch Owner's Association
Board of Directors
Special Board Meeting
October 3, 2009

I. CALL TO ORDER
Mindy Keheley called the meeting of the R-Ranch Board of Directors to order at 1:50 p.m. on October 3, 2009

II. BOARD OF DIRECTORS PRESENT AT MEETING
Board Members present included: Mindy Keheley, Fawn Howell, Richard Duceatt, Mary Sears, Don Hyatt.

III. PURPOSE OF MEETING

On September 19, 2009, at 11:54 a.m., the B.O.D. met in Executive Session to discuss changing the position of Administrative Director to the position of Executive Director. The purpose of this meeting on October 3, 2009 was to state and record for the Minutes that the Motion was made and carried. Don Hyatt made the motion to go back to the position of Executive Director with an Office Manager and an Operations Manager under this position of Executive Director. Gary Harden seconded the motion. The vote was unanimous and the motion was carried.

IV. ADJOURN MEETING

Fawn Howell made the motion to adjourn the meeting. Richard Duceatt seconded the motion and the meeting was adjourned at 12:05 p.m.

Respectfully submitted,

Fawn E. Howell
Secretary

Approval Date 11/21/09
Fawn E. Howell
Fawn E. Howell

**R-Ranch Owner's Association
Board of Directors
Special Board Meeting
October 24, 2009**

I. CALL TO ORDER
Mindy Keheley called the meeting of the R-Ranch Board of Directors to order at 12:30 p.m. on October 24, 2009.

II. BOARD OF DIRECTORS PRESENT AT MEETING
Board Members present included: Mindy Keheley, Larry Blaze, Fawn Howell, Richard Duceatt, Gary Harden, Don Hyatt, and Anita Curry.

III. PURPOSE OF MEETING

The purpose of this meeting is to make some votes official and address vacancies on the Board of Directors.

Fawn Howell presented a motion that was voted on via e-mail on October 6, 2009 which needed to be included in the minutes to make the vote official. The motion was to vote Anita Curry to fill a vacant seat on the Board of Directors. Richard Duceatt seconded the motion. All board members voted yes, with the exception of Wayne Humbar who abstained from voting.

Mindy Keheley proceeded to inform the Board of Directors that there were two more vacancies that needed to be filled on the Board of Directors. She asked for nominations from the floor. Richard Duceatt made the motion to nominate Brenda Harned to fill the vacancy on the Board of Directors. Anita Curry seconded the motion. The vote was unanimous and Brenda Harned was elected to the Board of Directors.

Richard Duceatt made the motion to nominate Doc Hutcheson to fill the vacancy on the Board of Directors. Anita Curry seconded the motion. The vote was unanimous and Doc Hutcheson was elected to the Board of Directors.

Mindy Keheley stated that to clarify a prior issue, a vote was taken in April 2009 to instigate an investigation into possible unethical behavior in the office regarding the election. In July 2009, it was voted to rescind the motion to have the investigation. This was a legal vote, there was notice given, there were sufficient number of votes to carry rescinding that motion. In August 2009, a board member brought the issue back up out of order, asked for another vote to rescind the prior vote in April. This vote resulted in a tie vote which does not override or supersede the prior July vote. The July vote stands as a legal, binding vote.

IV. ADJOURN MEETING


Fawn Howell made the motion to adjourn the meeting. Richard Duceatt seconded the motion and the meeting was adjourned at 12:05 p.m.

Respectfully submitted,

Fawn E. Howell
Secretary

Approval Date 11/21/09

Fawn E. Howell



**R-Ranch Owner's Association
Board of Directors
Owners' Bi-Annual Meeting
October 24, 2009**

I. CALL TO ORDER
The Bi-Annual Owners' Meeting was called to order on October 24, 2009 at 1:15 p.m. by President, Mindy Keheley.

Board of Directors Present At Meeting
Board members present at the meeting included: Mindy Keheley, Larry Blaze, Richard Duceat, Fawn Howell, Anita Curry, Brenda Harned, Don Hyatt, and Gary Harden.

II. OPENING PRAYER

R-Ranch Owner Ray Futch led the meeting in an opening prayer.

III. APPROVE/AMEND AGENDA

Gary Harden made the motion to approve the Agenda as written. Richard Duceat seconded the motion. Motion carried. (See attached Agenda)

IV. INTRODUCTION OF CURRENT BOARD MEMBERS

Mindy Keheley introduced the members of the R-Ranch Board of Directors. She also introduced the R-Ranch Executive Director, Rudy Campanale.

V. SUMMARY OF ACCOMPLISHMENTS IN THE LAST SIX MONTHS

a. Events/Sales Presentation – Wendy Wood

Wendy Wood discussed the recent events held at R-Ranch. The R-Ranch hosted a Wedding Show in September that was very successful. This event was advertised in the Bella Magazine. Many vendors attended this show. More than fifty brides-to-be attended this event. The R-Ranch received much exposure from this event and booked two weddings. The money from the weddings will be placed in an endowment fund for the lodge for future repairs.

The R-Ranch is also considering hosting a Jazz Festival which would include a state-wide barbeque cook-off which is endorsed by our Georgia Governor, Sonny Purdue.

The R-Ranch participated in the Gold Rush Parade in Dahhlonga. R-Ranch had a float and owners on R-Ranch horses in the parade. Marketing brochures were handed out during the parade and in the R-Ranch booth. Wendy Wood stated that she did receive many sales leads from this event.

b. R-Ranch Website Improvements – Mindy Keheley/Chris McKemie

Mindy discussed the improvements made to the R-Ranch website. It has been updated and is very interactive. Owners can post comments and fill out work orders on the new website. Chris McKemie also discussed the new website. He stated that this website is much easier to use and update. Mary Sears had a large part in getting this website up and

running. Steve Caldwell and Chris McKemie will be working with the office employees to help them learn to navigate and update the new website. Mindy Keheley also discussed our use of e-mail blasts to owners. The R-Ranch feels that this is a wonderful tool to get information out to our owners. She stated that it is important that all owners give their e-mail addresses to the office in order to receive these informational e-mails.

c. RV One Leases - Mindy Keheley
Mindy Keheley stated that a lottery was held the first Saturday in October to lease five year sites in RV One Creek Side Sites. The money from the leases will pay to enlarge and upgrade these sites with sewer and electric. All but two of these sites have been leased. The two remaining sites will be available for lease in the November lottery.

d. Lift Station Eliminated in RV 4 - Larry Blaze
Larry Blaze stated that the lift station in RV 4 was not working properly. One of the pumps was not working at all, and the other was in need of repair. The electrical that serviced these pumps was also in need of replacement. Instead of replacing the two pumps, this system was replaced with a gravity feed system which has no mechanics to repair and cost much less to install and to operate. Steve Corbin was responsible for getting the permits and the contractors to make this repair and is commended for a job well done.

e. Re-facing Of The Office - Gary Harden
Gary Harden stated that the office was repainted and several desks were removed from the office. The R-Ranch is trying to decorate the office using a western theme to make it more pleasing for owners and guests visiting the office. This theme will be carried into the sales office and the restrooms.

f. Memorial Garden - Don Hyatt
Don Hyatt discussed the idea of erecting a Memorial Garden close to the Chapel. This memorial will be approximately 10 ft. x 10 ft. (there is a picture posted in the office). It will have a couple of benches and owners can purchase plaques with their loved ones names on it. The money to build this Memorial will come from donations from owners. John O. Sims, an owner at R-Ranch, has offered his services to help build this Memorial.

g. Chapel Hill Cabin Project - (Chili Cook Off) - Anita Curry
Anita Curry stated that she has just begun her third cabin renovation for the year. This program requires that the Chapel Hill Rehab Group complete four cabins. This group has done an excellent job and may even be able to complete five cabins this year. Anita stated that she has had several successful fundraisers to raise money to renovate these cabins. She stated that her group was having a Chili Cook Off fundraiser this evening. Owners donated chili for this event with the winning chili getting \$50.00 off their next R-Ranch assessment. Owners can purchase the chili, fixins, along with cornbread, drink and dessert for \$5.00. Owners can also play Bingo tonight after the meal.

VI. MILITARY SERVICE APPRECIATION – Mindy Keheley
Mindy Keheley asked if there were any military personnel past or present in the audience. She thanked them for their service and asked owners to recognize their service and sacrifice. These owners received a warm and heartfelt applause.

VII. RECOGNITION OF PAST BOARD MEMBERS – Mindy Keheley
Mindy recognized past board members present at the meeting. She thanked them for their service to R-Ranch.

VIII. PRESENTATION OF FINANCES – Richard Duceatt/Larry Blaze
Richard Duceatt presented a summary of the R-Ranch finances. He stated that R-Ranch had approximately \$218,000 in the bank. He stated that we have 827 active owners and 366 suspended owners. He is hopeful that those inactive owners will pay assessments soon.

Larry Blaze commented about the long term leases that will be coming available next year. The Board has not yet decided how many sites will be available and the term of the leases, but that will be decided soon. Owners will be notified about these leases as soon as a decision is made.

Larry Blaze also discussed the long term plans of our director, Rudy Campanale. Rudy will be looking carefully at our finances to see our strengths and weaknesses and where we need to trim our costs. Rudy will be looking at the contracts of our contracted labor. Larry stated that there will be some changes made to save money for R-Ranch.

IX. RAINBOW DAM UPDATE – Larry Blaze

Larry Blaze gave an update on the Rainbow Dam. He stated that this problem has been going on for a very long time. Larry gave a summary of the problem with the dam. He stated that the dam was sited as a Category 1 dam in 2003. In 2004, there was an inspection by the DNR. The DNR sited several deficiencies including overtopping of the dam in the event of 7 ½ inches of rain in six hours. Another issue is damage to the primary spillway. Previous Boards spent money, time, hired an engineering firm to give possible solutions to the problem. One solution to repair the Rainbow Dam was at a cost of \$1.3-1.5 million. Larry stated that with the current economy, this price could be lower. He stated that for the last six months, this Board has been reviewing the data for the dam, speaking to the engineer on record, a Georgia State Senator, and seeing what other avenues to pursue.

X. INTRODUCTION OF R-RANCH NOMINATING COMMITTEE FOR 2010

Mindy Keheley introduced the members of the Nominating Committee that were present at the meeting. These owners include Doug Moore, Rich Miramont, and Cullen Brown. Also on the Nominating Committee, but not present, are Bryan Walker and Gail Powell. These owners will assist the candidates running for the board during their campaign and election process. Mindy stated that this committee is not in place to determine who will run for the board, or if someone can run for the board, because any owner in good standing can run for the Board of Directors. This committee will become more active in January 2010. Anyone considering running for the Board of Directors next year, will need to contact this committee. Look for further information on the R-Ranch Website.

XI. RECOGNITION OF R-RANCH STAFF – Mindy Keheley

Mindy Keheley introduced and recognized the R-Ranch employees for their hard work and service to R-Ranch.

XII. CROSSWIND UPDATE- Madeline Wirt (R-Ranch Attorney)

Mindy Keheley introduced Madeline Wirt to the R-Ranch owners. She stated that owners would be welcome to ask Madeline Wirt questions about the Crosswind issue. Madeline Wirt stated that R-Ranch was nearing the end of the Crosswind settlement. She stated that after the vote in April, she was going to go to court with the results of the vote and the Settlement Agreement and ask the court to approve the Agreement and the vote. Madeline filed a motion to enforce the Settlement Agreement. There is a hearing on that motion on Friday, October 30th at 9:00 a.m. at the Lumpkin County Courthouse. The court has already been provided with the Joint Motion to enforce the Settlement Agreement that was filed by both sides. Owners have received a mailing stating that this had been turned into a Class Action. In the Settlement Agreement, it was stated that one of the requirements for the settlement to go through, would be that the property that would be transferred to Crosswind would be able to be insured with title insurance. Because of the declaration in our covenants stating that R-Ranch needs a 2/3's vote of the owners in order for a sale or partition of property, the title insurance company insisted that the owners be notified. The court certified the ownership as a class with the Board of Directors as spokesperson for the class. As of this date, no one had objected to the Settlement Agreement. After the hearing, and if the court approves the Settlement Agreement and enforces the vote results (which is anticipated), then R-Ranch will proceed to closing with Crosswind.

There was a Question and Answer Session with Madeline Wirt. All questions were written down and included the owner's name and owner number.

Questions Included:

Q. How was the debt acquired and what is the risk of reoccurrence?

A. The founder and developer of the R-Ranch gave a deed to secure debt to the sellers of the property. The developer never paid that debt and went into bankruptcy. The lien was sold by the heirs of the sellers of the property to Crosswind and they foreclosed on the property. Reoccurrence would be "slim to none" based on the protection of our Covenants.

Q. As a member of the class, do we have the right to opt out and reserve our legal rights as in other class actions I have been involved in, if not, why?

A. This particular class action is under the GA code, and there is not an opt-out in this particular action. There is the right to be notified about what is going on and the right to file an objection before the judge makes the determination.

Q. How many ownerships does Crosswind's claim to have? And how many ownerships were canceled because of the debt?

A. Crosswind had 545 interests left. Madeline did not call them units because these interests did not include tract 6.

Q. How many owners are to be counted towards Crosswind vote?

A. Everybody that voted counted.

Q. How can we sell 20% of an 11 billion dollar property for \$300,000?

A. The purchaser of this property bought it from a family that sold it in good faith and they never got paid. They were owed millions of dollars. This was a legitimate foreclosure. They had to buy the deed to secure debt. In addition to what they paid the family, they also had other expenses in dealing with the lawsuit. And, the R-Ranch will be receiving the 545 units back from Crosswind in this settlement. The \$300,000 was not to purchase the property, it was part of the settlement of the lawsuit.

Q. Did you confirm Mr. Sandler's claim to power of attorney for American Reserves (See written document).

A. Yes, he had power of attorney because he owned the deed to secure debt. This is called a non-judicial foreclosure.

Q. Is the original title insurance for the 1980's validated?

A. Madeline stated that she did not know anything about the original title insurance.

Madeline concluded that with this Settlement Agreement, the deed to secure debt would be gone, and we would have a clear title to the R-Ranch property.

A reminder was given for the Bery Christmas collecting of stuffed animals for the under privileged children in Dahonega. Drop-off your stuffed animals in the office or up at the chapel. The deadline for the stuffed animal drop-off is Dec. 23, 2009. Also a reminder was given for the up and coming Breakfast with Santa, Dec. 5, 2009. We still need breakfast food donations and elves for manning the craft stations. Sign-up sheets are posted in the office.

XIII. ADJOURN MEETING

The next regularly scheduled monthly Board Meeting will be held on November 21, 2009 at 9:30 a.m. in the Garden Room.

Fawn Howell made the motion to adjourn the meeting. Brenda Harned seconded the motion. Meeting was adjourned.

Respectfully submitted,

Fawn E. Howell
Secretary

Approval Date 11/21/09

Fawn E. Howell



R-Ranch Owner's Association
Bi-Annual Meeting Agenda
October 24, 2009, 1:00 pm

- I. Welcome/Call to Order
- II. Opening Prayer
- III. Approve / Amend Agenda
- IV. Introduction of current Board
- V. Summary of Accomplishments in the Last Six Months
 - a. Events, sales presentation (cover recent events: gold rush parade, wedding show, weddings, Blue Grass Fest 2010, groups ect. -Wendy
 - b. Website Improvements-Mindy Keheley/Chris Mckemie
 - c. RV One Leases-Mindy Keheley
 - d. Lift Station Eliminated in RV 4-Lary Blaze
 - e. Re-facing of the Office-Gary Harden
 - f. Memorial Garden-Don Hyatt
 - g. Chapel Hill Cabin Project-(Chili Cook Off) –Anita Curry
- VI. Military Service Appreciation-Mindy Keheley
- VII. Recognition of Past Board Members-Mindy Keheley
- VIII. Presentation of Finances-Richard Duceatt/Larry Blaze
- IX. Rainbow Dam Update-Larry Blaze
- X. Introduction of R-Ranch Nominating Committee for 2010
- XI. Recognition of R-Ranch Staff-Mindy Keheley

XIII. Adjourn Meeting

*** Brief Break for Owners to Write Questions ***

XII. Crosswind Update – Madeline Wirt (Written Q & A Only)