

Legend Ranch Property Owners Association, Inc.

MINUTES

2006 ANNUAL PROPERTY OWNERS MEETING

FEBRUARY 15, 2006

- I. Call to order
 - A. The Meeting was called to order by Michael Sawhill at 10:00 A.M. at the Dambar Steakhouse in Kingman Arizona.

- II. Establishment of a quorum (Bylaws, Article V. Amended)
 - A. The presence at any meeting, in person or by proxy, of Members having at least 10 percent of the votes shall constitute a quorum.
 1. 39 homeowners were represented by proxy or in person.
 2. Having exceeded the 10% requirement a quorum was established.

- III. Review and approval of the draft notes from the 2005 Annual Meeting
 - A. A MOTION was made, seconded and unanimously approved to waive the reading of the draft notes taken at the 2005 Annual Meeting and to accept them as Minutes of that meeting.

- IV. Review and a motion to approve all Board actions made in 2005
 - A. A MOTION was made, seconded and unanimously approved to approve all actions of the Board of Directors during 2005.

- V. Election
 - A. Appointment of overseers
 1. A MOTION was made, seconded and unanimously approve to appoint Darryl Jones and Steve Steller as overseers of the election.
 - B. Possible candidate comments
 1. Louis Peoples, Sharon Peoples and Michael Rankin all gave statements regarding their qualifications to serve on the Board of Directors. Thomas Johnson was unable to attend the meeting.
 - C. Review of the questions on the ballot.
 - D. Balloting
 1. Discussion and a vote on Proposition #1: This proposition was approved.
[26] Yes [13] No Should the Association continue the annual audit of the financial statements?
 2. Discussion and vote on Proposition #2: This proposition was approved.
[40] Yes [9] No Should the Board of Directors have staggered terms with each Director being elected to a three year term so that each year only a portion of the Board may be replaced, maintaining some continuity on the Board?
 3. Discussion and vote on Proposition #3: This proposition was approved.
[44] Yes [4] No Should the date of the Annual Meeting be moved to the fourth Saturday in February or another date in February as selected by the Board of Directors?

4. Election of Directors

- [40] Thomas Johnson (Lot #81) was elected to a 2 year term.
- [34] Louis Peoples (Lot #80) was elected to a 1 year term.
- [10] Sharon Peoples (Lot #93)
- [42] Michael Rankin (Lot #153) was elected to a 3 year term.

VI. Financial Review

- A. The members discussed the 2005 actual financial results in comparison with the 2005 budget.
- B. The members discussed the line items of the 2006 Budget.
- C. The members discussed the dues collection efforts and the fact that there were 5 of the Associations 325 members on the delinquency report for 2005, and that efforts to collect will continue.

VII. Conditions, Covenants and Restrictions

- A. It was mentioned that inspections continue, however the actual number of violations is minimal due to the low number of improved and or occupied lots.

VIII. Open Discussion and Questions

- A. The manager gave a report on the road conditions and the actions taken during the year.
- B. The homeowners expressed their thoughts and concerns about the road conditions and trash being left on roads and properties.
 - 1. It was mentioned that last week a major trash clean up effort took place resulting in 5,890 pounds of trash and building materials removed from the roadways, and the property immediately adjacent to the roads in Legend Ranch.

IX. Adjournment

- A. There being no more business to come before the membership, the meeting was adjourned.