

JL R O A X
Balance Sheet
12-31-90

CURRENT ASSETS

Cash	\$ 453	
Total Current Assets		\$ 453

FIXED ASSETS

Ranch House	\$ 25,000	
Furnishings	3,000	
Bunk House	11,000	
Furnishings	2,000	
Barn	11,000	
Personal Property	3,000	
Equipment Shed	3,000	
Machine Shop	3,000	
Personal Property	4,000	
Tack Shed	3,000	
Tack	2,000	
Granary	1,000	
Cattle Scales	1,000	
Corrals	10,000	
Well #1	3,000	
Generator	8,000	
Well #2	3,000	
Windmill	2,400	
Well #3	-0-	
Windmill	2,500	
Six Fish Ponds & Reservoirs	24,000	
Cabin Spring & Water System	5,000	
Other Wells & Water Rights	150,00	
Real Property See Schedule "A" 2,000 acres @ \$500	1,000,000	
Equipment	3,000	
Livestock	1,500	
Lots 69, 74, 75, 106	58,000	
Cabin #1	25,000	
Furnishings	4,000	
Cabin #2	25,000	
Furnishings	4,000	
Cabin #3	25,000	
Furnishings	4,000	
Cabin #4	25,000	
Furnishings	4,000	
Cabin #5	10,000	
Furnishings	3,000	
Cabin #5A	10,000	
Furnishings	3,000	
Cabin #6	25,000	
Furnishings	4,000	
Cabin #7	25,000	
Furnishings	4,000	
Cabin #8	25,000	
Furnishings	4,000	
Cabin #9	25,000	
Furnishings	4,000	
Cabin #10	25,000	
Furnishings	4,000	
Total Fixed Assets		\$1,631,500

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
JANUARY 3, 1992

The meeting was held at the ERA office and began at 4 p.m. The following board members were present: Dale Clarkson, Oscar Robinson, Val Cram, and Karon Jacobsen. Oscar offered the opening prayer.

Doyle Haws and Gene Purvis would like to manage Deer Springs Ranch and become very involved. Doyle and Gene both have impressive backgrounds. Dale has also talked with Kevin Laney about managing the ranch. However, Dale is a little nervous about Kevin moving his family out there. Dale would still like to have Kevin's bird farm at the ranch. Dale said his first vote would be for Doyle and Gene and not for Kevin.

The people we hire will have to put in enough hours to know where everything is. One of the things Dale hopes for is that Doyle and Gene can become involved enough to know all about the ranch and they will have long-range plans and get deeply involved in the whole project. Then we can build a bigger program. Doyle and Gene will be involved in promotion. Dale would like for Doyle to get his real estate license. DSROA cannot pay enough money to get someone excited. Additional income needs to be produced.

Doyle and Gene would like to put in a small store. We can leather good classes for kids; archery classes; archery bowling; archery golf; throwing ropes--rope a post and keep the rope; we need maps on trails for mountain bikes, hiking, horseback riding; cookouts and closed pit barbeques; team and wagon for hayrides; ski and rifle shoot. We can invite car clubs and horse clubs (Crow Wing Riding Group) to use the ranch. Doyle and Gene would like to put the store in the existing tack room and put saddles in the same area. They need to bring in a plan for the store construction and store inventory. We need to install some new hitching posts in the corral and grass the area between the cow palace and the ranch house. They need to make a list of small animals for 1992--goats, sheep, chickens, geese, rabbits, cats, (no dogs), etc. We also need to put up signs along the road. The BLM should be willing to work with us on this.

Doyle and Gene will be invited to the next meeting and they are to bring a good plan with them. We need to be thinking of what kind of a deal we can offer to them. They would like to have \$2,500 for store inventory and \$2,000 to renovate the store. They would also like to finish Cabins 5 and 5A or they can use the materials in these cabins (windows) and some rough cut lumber for the store. They also want an incentive money-wise to make their program work. Dale mentioned to them that some of the limited partners may want to sell out and that Doyle and Gene should look toward being a limited partner. Dale thinks he can see a way that this could work if they can make things click.

Bud Latturmer wants to manage the deer hunt. Dale has met a couple of times with Norm McKee of the Utah Fish and Game Department, and he will probably not allow DSR to go on a Posted Hunting Unit. The Fish and Game Department would like for us to piggy-back on Heaton's Posted Hunting Unit. Bud Latturmer is still working on this, and he is still very interested if he can make it work.

Where are we going with the ranch and are we going to expand? Val spoke about the expanded program. We would sell an associate membership only--no land would be included. We talked about using the Hillar Place for a swimming pool, tennis courts, and cabins. We could sell an associate membership for \$3,500 to \$4,000. This would only be for one week and they would be charged half of the annual assessment.

DSROA needs to charge every member a \$50 transfer fee when and if they sell their unit.

Oscar noticed that there was some new cookware which has never been used in a closet behind the bunk house, and there was some wadded up linen in the other closet. We will check this out.

There are still five horses at the ranch, and they are in good shape. We do need to bring them to town. Oscar said that they could stay at Sherrill Young's place again this year for no charge but that the fence needed to be repaired. Dale suggested that they go to the Ranchoes by the farm parcels for the winter.

We can have an additional line installed here in the office so the telephone at the ranch will ring in the office and at the ranch. Lippincotts have signed the contract with us for \$120 a year. Oscar will get back with Randy Cram on the telephone system.

Deer Springs Ranch also needs a power line so we can have electricity at the ranch. The BLM recently sold telephone poles for only \$2 each. If we would have known about this, we could have bid on them. Energy Fuels may take down some of their power lines at one of the mines. We need to check this out.

We reviewed the idea of a rental pool. People will need to first pay their assessments before they can put in for the rental pool. This needs to be done by March 31. The proceeds will be divided and applied to their next year's dues. Lydia Johnson may take reservations for all motels and DSR this year. If we do a rental program, we will need to have more printed material. All summer Kanab TV Channel 12 will do local advertising for one hour--from 6 to 7 p.m. and from 9 to 10 p.m. There will be a little tent on every TV in every motel which will say "WATCH CHANNEL 12 TO SEE WHAT TO DO AND SEE IN KANAB". There will be an add about Deer Springs on this program. Some old films will be used and Dale White will edit them.

Dale thought that maybe the limited partners would help to identify five DSR lots which could be sold with half of the proceeds going to DSROA and half to the limited partners.

DSROA also has four lots they can sell--69, 74, 75, and 106.

We need to buy seven new horses so we will have ten, we need to put five new roofs on cabins, a new floor in #3, and fix the deck on #1.

The answer to our budget is sales.

We had a big discussion on raising the assessment for 1992. We researched the dues history and this is what we found:

1980	- \$ 50
1981	100
1982	200
1986	225
1987	250

If we raise the 1992 assessment to \$350 this equals a 29% increase in five years or 5.8% per year. Val motioned to raise the assessment to \$350. Oscar seconded and all were in favor. Karon suggested that members be told that they can make three monthly installments--January, February, and March--but that all assessments are due in full by March 31. In our newsletter, we will need to explain why the assessment has been raised--telephone and water development.

Karon talked to JoAnn Bean about her lot being deed to the ranch. She called Jim Bean and he agreed to sign the deed.

We agree that by the end of the second year, we will show a increase over the 1991 receipts of \$74,700 (which is \$14,940.00). We will show a increase each year thereafter which will also be based on the 1991 receipts of \$74,700. which equals to a 100% increase in 10 years or a total of \$149,400. This does not include any additional membership fees over the \$250.00 level charged in 1991. As long as these conditons are met ~~Gene~~ & Doyle will have option of retaining position as mgrs. of D.S.R.

Deer Springs Ranch Owners Association and ~~Deer Springs Ranch Limited Partners~~ agree to pay as compensation for said agreement to Doyle Haws and Gene Purvis 20% of net receipts over the 1991 receipts (\$74,700). This does not include additional membership assessments over 1991 levels nor does it include any changes in receipts that is not controllable by us such as drop of cattle operations, interest receipts, or miscellaneous projects, but does include profit or proceeds from all new programs and activities such as store and restaurant or ranch facilities. We retain the right to see all records to verify receipts of money received. In addition to said percentage as said compensation, Doyle Haws will receive \$1,500.00 per month base salary. Doyle will be employed fulltime with 2 days off per week. Gene Purvis will receive as compensation \$1,000.00 per month as base salary. Gene will be employed parttime to start, working three & one-half days per week and will continue this schedule until such time that he wishes to become employed fulltime, at this time his base salary will change to \$1,250 per month and Doyle Haws will likewise change to \$1,250 per month.

The 20% compensation paid to Doyle and Gene will be divided, 60% to Doyle and 40% to Gene until which time Gene decides to become employed fulltime. The percentage will then be divided 50/50. □

We reserve all rights eligible to anyone else regarding finders fees, incentive programs or awards

All proceeds from cabin rentals over 1991 levels will be put in a special account. This account will be used for special ranch operating expense, such as travel expense, prizes, store stock, pamphlets, videos and extra help. This account will be ongoing until fiscal year end of 1993. At this time all unused proceeds will be transferred to receipts under cabin rentals. A draw on this account will require the signature of Dale Clarkson and/or Doyle Haws or Gene Purvis.

D. S. Purvis
1/2/93

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
FEBRUARY 7, 1992

The meeting was held at the ERA office and began at 7 p.m. The following board members were present: Dale Clarkson, Val Cram, Nellie Hoyt, and Karon Jacobsen. Patsy Clarkson, Doyle Haws, and Gene Purvis were also in attendance.

The minutes of the January 3, 1992 meeting were read and approved.

Jim Bean's deed was returned to DSROA and it has been recorded.

Kevin Laney is too committed in St. George with his bird farm to come to DSR.

We have not heard from Bud Lattuner for a while. Norm McKee from the Utah Fish and Game Department said that we are too late for this year. Next year we may be able to go with the Brinkerhoffs or Roy Mackelprang with 4,000 acres in Slide Canyon. All of the land must be contiguous-- Tinny Canyon and Mill Canyon. We will put in for the draw again this year. Doyle Haws may be in charge of the deer hunt for 1992. There is also a professional hunter in Wyoming by the name of Larry Moore who is interested in doing the hunt. Doyle said permits should sell for \$4,500.

Doyle and Gene bought a horse for \$200; its name is Thunder. They broke and rode it in one day. They want to use him for kids and to pull carts.

Dale has not talked to Lydia Johnson yet about renting cabin time.

A lot of work still has to be done on the TV advertising. Dale suggested that we put the DSR video in stores to be rented out or sold.

We discussed the 1992 budget. Should we charge for water hookups. Can we deed water on a deed for undeveloped or developed water? The State Engineer will not extend water rights for DSR, but he will extend them for Roy Pool if we give him our water right. Some water rights need to be moved and some abandoned. We discussed water hookups, water rights, fees, construction, delivery, and costs of pumping. We could charge a \$500 hookup fee. This would be only for those who want water to their lot.

The Odell's know about ten couples who would like to park their RV's for a week at the ranch and do miscellaneous work like building and creating things in exchange for letting them have free RV space.

We are short on horses and Nellie said she may have two horses that could go to the ranch.

Doyle said in order to keep the fish alive in the ponds on a year-round basis, we need to install a pipe in the pond to get air in the water so the fish will live.

Dale reported that the South Central Telephone Company is in the process

of running a fiber optic \$2 million telephone line through DSR to Cannonville. We could hook up to this line for about \$500. The system we have ordered through Randy Cram is on hold while South Central is making their final plans. These plans should be confirmed by March 1.

Doyle and Gene reviewed their plans for the summer. It sounded as if they did not have the members interests and activities in mind. It appeared that they were thinking more of generating income from the general public and not DSROA members

We asked Doyle and Gene to leave so we could discuss their plans.

We talked about what we would require of them:

1. Members are #1.
2. The ranch needs to be covered seven days a week and 24 hours a day.
3. The cabins need to be clean (they may need to pass inspection on a weekly basis and we should give them a list of cabin standards).
4. Have a good stack of wood at each cabin.
5. Welcome the guests.
6. Pump water.
7. Maintenance work.
8. Cabins 7 and 8 need new roofs.
9. Fix the deck on #1.
10. We need some DSR signs posted along the road.
11. It is their responsibility to make things work.

Dale suggested that we give Doyle a 1/2 interest in Lot 106 and Gene a 1/2 interest in Lot 106 (\$302 per month for two years = \$7,248) as a bonus or incentive.

Vai motioned for a more detailed proposal from Doyle and Gene for the members at the ranch.

Submitted by,

Karon Jacobsen

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
MARCH 13, 1992

The following were present: Dale Clarkson, Nellie Hoyt, Val Cram, Karon Jacobsen, Pat Clarkson, Larry Moore, and Jack and Nola Reed.

We reviewed the job description with the Reeds. Jack and Nola will start work on Monday, March 16, and Mike and Lori Reed will start on April 1.

We need three sets of sheets for every bed. We need to have a count on the sheets so we know how many to buy. The cabins need to be inventoried and the two storage sheds in the bunkhouse need to be cleaned out.

Karon called on the price of gasoline. She called Jenkins Oil where we got gas from last year at \$1.14 a gallon. This year the price would be \$1.16. Karon will also check on the rules and regulations for the gas tank at the ranch.

Karon will also talk with Jack Tatum about fixing tack and shoeing horses in exchange for cabin time.

Larry Moore was introduced. Larry, Boyd Hall, and Woody Bachman entered into a contract with ERA to sell the remaining 100 lots at Deer Springs. They have had a good response but because of bad weather they have not been able to show the ranch. They have advertised in Las Vegas, in a sportsman magazine, and in Los Angeles. Their main concern is road maintenance. They are looking for a blade for the ranch to use.

The only complaints we have had about the \$350 assessment so far is that two people now want to sell their lots.

Val commented that the shower curtains are too narrow and need to be changed. We also talked about the Adopt a Cabin plan.

Terry Alderman talked about doing a photo seminar at the ranch at the cost of \$150.

Sandu gave 40 acres at Deer Springs to the LDS Church several years ago. These lots, 6 and 7, have no memberships. These are ugly lots and they may be traded for property in Lick Wash for a scout camp on a stake basis.

Doyle Haws and Gene Purvis would still like to do horseback rides and jeep trips. Dale said to go ahead but they will not be on the payroll. They would also like to help build the store and be paid for that. We cannot pay them for building the store, because there is not enough money. They would also like to get the buggies and train the horses to pull them. They would do this on a 60/40 split with the ranch getting the 60%.

Dale would like to get some mountain bikes and establish the archery golf activity.

Mike needs to get some peacocks from Jet Mackelprang. He should also run an ad to see if we can get some chickens, ducks, a lamb and a goat.

Dale motioned to nominate Larry Moore to the Board of Directors to fill Bill Curl's term until the elections in June. Nellie seconded the motion and all were in favor.

Nellie motioned that in order for board members to get their assessments credited that they must attend seven out of 12 or a majority of the board meetings. This would be retroactive to January, 1992. Val seconded and all were in favor.

Larry Moore is selling the unsold units for \$14,950, and this will include the \$350 assessment.

Dale has talked with South Central Telephone Company. They are about to begin installation of the lines. It may be summertime before we get a phone. Dale will talk directly with Dan Spencer to find out more details. With this company, it would only cost about \$500 per hookup and \$10 a month versus \$100 a month with a radio phone. We could have two phones--a company phone and a phone for member use.

We reviewed the budget, and Val motioned that we accept it. Karon seconded and all were in favor.

Dale said that we need three groups of locks all keyed alike.

Larry Moore would like to dam up DSR wash and make a big pond.

WATER RIGHTS

Cabin Spring, the Well Field and Half Moon should be finalized.

We need affidavits signed by previous managers or people who have used water on the following and Richard Kimball will approve.

Leaf Spring - Val Cram

Cabin Spring - We can have all of the water from this spring to water one acre of of the ball diamond. We need an affidavit from Val on work that was done and the flow.

Oak Spring - Kimball will do nothing on Oak Spring.

Black Knoll - Dale White and Benny Jordan can do an affidavit.

Slide Canyon Spring - Affidavit - Benny Jordan

Upper Slide Canyon - We get 4 gpm.

Lower Slide Canyon - -0-

Lower Gravel Spring - It is on private land, and we need to file for an extension.

Upper Gravel Spring - Has been cancelled.

Bear Spring - Has been cancelled.

Crawford Spring - Has been cancelled.

Pipeline Spring - Has been cancelled.

Filing for an extension is the only evidence to the State Water Engineer that we have worked on our water rights. Our extension will be for six months. We can plant trees, grass, etc. for our final proof. Dale will do more paper work on the water rights. If we can get an extension, we will do more creative things this summer. The extension needs to be completed by March 31.

Roy Pool will develop the water we cannot use at the present time. He will perfect the water right and then give us half of the water back when we can use it. The State Engineer is aware of Pool proving up on the water. He will drill a well, put in a sprinkler system and plant a field. We will get a contract with him to protect our interest. The State Engineer is not aware that we will get half of the water back.

Dale wants to keep Lick Wash.

The fish ponds are okay and don't need to be filed on.

Our next meeting will be on April 24 at 7 p.m.

Submitted by,

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
MAY 9, 1992

We met at the ranch on Saturday morning. The following were present:
Dale Clarkson, Val Cram, Oscar Robinson, Terry Alderman, Nellie Hoyt, Karon Jacobsen, Jack and Nola Reed, and Mike and Lori Reed.

We talked about horses. We only have four horses and Mike has two. We need to put an add in the paper and see if someone will let us use their horses this season. We may need some new saddles or have some repaired.

Mike would like his children to be paid for working. Karon will call Job Service and see if there are any restrictions on paying the kids for ranch work.

Oscar will check on a trailer to put the generator on.

The roads are in bad shape and need some work done on them. We could use the Suburban to pull a drag on the roads to even them up. The roads really need to be bladed. Clark Lamb may be too busy to do it this year. Nolan Button will charge \$45 per hour and Dennis MacDonald gave us a \$5,000 bid. He would not put in any culverts but would just do a dip in the road.

They will begin construction on the store about May 12. They will use the tool room and open it to face the barn.

The telephone has been ordered from Randy Cram and should be installed in about 30 days.

The couch in the Garden Cabin and in #3 need to be replaced. Cabin #3 also needs a chest of drawers.

Dale wants everything that is loose in the headquarters area to be put together in one area along the fence so all you can see when you drive in is the buildings.

We talked about the condition of the tractors. The green one is in second gear and the red one has a wiring problem.

The International is not worth much--the tires are worth more than the vehicle.

The Bunkhouse restrooms have been fixed.

The irrigation pipe is broken and has bullet holes in it.

Mike needs more Dutch ovens for cookouts.

Mike needs to get a good supply of wood for each cabin and a general supply of wood to store at headquarters.

Jack is working on redoing all signs. We need one at the fish pond to remind people of the fishing rules and one at the Junction.

5-7

If a nonmember is using a member's time, he has the same privileges the member has. If DSROA rents time to a nonmember, then horseback riding and fishing are an extra charge.

Jeff Allen is interested in doing overnight rides, cookouts, and lion hunts.

We need a first aid kit for Mike.

Mike needs to keep charts and calendars on many different things—horseback rides, how many days the cabins are occupied, how many hours the generators are run, how much oil do they use, and when the oil and filters need to be changed, etc.

Mike needs a supply of maps and sales packets.

We need activities such as horse shoes, skeet shooting, archery golf, basketball, volleyball, etc.

Larry Moore will be going to the Mule Deer Expo in Las Vegas on June 11, and will have a D&R booth showing Deer Springs in the middle of the Paunsaugunt.

We may have an open house in June.

We have two old pioneer cabins that could be fixed up so people could stay in them. The old cook stove could be put in one of them.

Nola is concerned about Prince and would like him taken off the ranch. Dale said he would like to leave him there for a few more days to service Princess Di and then he will take him.

There is a leak in the lower water tanks. Mike will see if he can fix it or if it needs to be replaced.

We are working on a revised set of bylaws which would include a water company. DSROA members would receive a half acre foot of water. They could either drill their own well, hook onto the system and pipe water to their lot. The Leggs will be up in two or three weeks. They want water this summer. We need to decide on a policy—do we charge monthly fees, hookup fees, etc.? The ranch has 800 acre feet of water.

Mike prepared a delicious lunch of Dutch oven potatoes and chicken.

It was agreed that we should give Mike \$100 a month for the use of his pickup, and he would receive this as of April 1.

Submitted by,

Karon Jacobsen

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
JUNE 6, 1992

Those present were Dale Clarkson, Karon Jacobsen, Jack and Nola Reed, *Nellie Hoyt*

The Annual Meeting will be held on June 27 from 7 p.m. to 9 p.m. at the ranch. We will not have a dinner this year, but we will have watermelon as a refreshment. The main topic for the agenda will be water development.

Jack and Nola Reed gave us the following report on the ranch:

They think we have enough horses for now.

Mike found two saddles in the corner of the tack room covered with dirt. They are in pretty good shape.

Cabin 6 is now ready. It has a new kitchen sink, the deck has been stained, and two bathrooms are working. It does need a new vinyl floor in the kitchen.

All the refrigerators are now working.

The deck on Cabin #1 needs to be fixed. The new generator we got from Dale White can be used to fix the deck.

Cabin #2 has been restrained on three of the outside walls.

Cabin #3 needs a new threshold and a new door.

The store is coming along fine. It has a 2x4 window, it is insulated and wired. So far the only expense has been receptacle boxes, the window, and a door for about \$250. The generator can also be used as power for the store. We may buy a sky light for the store for added light. The store should be finished in about ten days. We may go through IGA for some of the store supplies. We can get cameras and film from Terry Alderman. Leather kits would also be a good item to carry. We have some of Leslie Clarkson's art, Indian jewelry, fishing poles & tackle, trail mix, food, batteries, etc. Good records need to be kept of both buying and selling. We need two more notebooks for the cabins. We need a gas light by the bulletin board and one by the store. We should also have baseball and volleyball by the fish ponds. We need to have a barbeque and picnic table at every cabin.

They are still using the Cow Palace for linen storage. They have bought some crib sheets and cleaned out the storage next to the bunkhouse. The dirty linen is kept in there. Jack may build some shelves in the store for linen storage either all of the time or just in the winter. The garden is beautiful and growing good.

The new directional signs look great. We need four or five more signs. We need one coming from Alton and Glendale and one by the Cannonville road.

Cothern has fixed the big generator and changed the oil. There will be a log kept for each generator. The new generator may be used at Half Moon Reservoir.

We have had a lot of rain this year, and the grass is green and tall, but the lower fish pond is still not full.

Nolan Button has a road grader for sale for \$4,000 delivered.

Two have complained about the assessment being raised to \$350--Kurtis Johnson and Tom Davis (Tom Davis later changed his mind and was happy about the improvements at the ranch). We will send a letter to all delinquent members on their assessments and tell them we will turn them into the credit bureau if their assessments are not paid. Curtis Cutler should receive a letter from an attorney.

The ranch managers have not seen anyone fishing illegally. However, Terrance Hunt from Page owes a large assessment. He rented time and the next week he was back again to fish.

We need to develop a point system so fishing and horseback riding won't be misused. Also the smaller cabins would take so many points and the larger cabins would take more points.

Firewood needs to be cut and hauled. The wood that isn't put at the cabins can be stored behind the ranch house.

Everything has been ordered for the telephone.

Rentals need to be pushed. Jack has made a vacancy sign for the ranch. Where should it go? People may want to use credit cards for cabin rental or in the store. Karon will check with the bank and see what we need to do to use credit cards.

Ranch managers need to keep charts on the horseback rides, management charts, gas charts, generator charts, cabin charts. The charts can be done on a calendar.

We may be able to use the off season, vacant time for youth programs to help the ranch make money.

We also need a big hall or lodge to accommodate large groups.

We need more large maps so each cabin will have one on the wall. Dale said that he would have his children make some new maps.

We need to have activities that will give people something to do such as: archery golf, the Indian Legend, mountain bikes which could rent for \$10 a day.

It is important to get the rest of the units sold. It would be good to have an open house at the ranch this year. Dale could give a trip to Mexico for a good referral or a \$500 referral fee for a phone number that pans out.

Royce Young could serve as a good activity director; Brad Millet can do cookouts and entertaining; Gary Dameron from Page does exciting wildlife videos.

If we don't prove up on our water we will lose it. In the fall our water rights are dead if they are not proved up on. We need to change the bylaws so that everyone will have a half acre foot of water with their membership certificate. It would then be their responsibility to keep the water or lose it. Then they can drill a well or get together with others in their area to drill a well. Val is working on the water at Johnny Brown and Dale White wants to develop some water. We can prove up on water by growing a crop or using it in a home. OR all of the water will stay in DSRGA name. The members will have a certificate, but this way if they don't use it they won't lose it. The association will use it. The water needs to be changed to people use instead of cow use. Leaf Spring is not proved up on. It needs to be cleaned out and have the water come out of a pipe and sprinkle once to prove up.

Nola has been painting, working in the garden, and making quilts and mattress pads for the cribs. Lori works in the garden, takes care of the animals, does yard work, and plants flowers. Nathan and Shane turn the water off and on at the wells, helps with the store, and mows the lawns. Christi wants to make cookies to sell in the store.

Dale would like to see the two log cabins fixed up with new windows and new roofs. He feels that we could then use the meadow cabin.

If we can get the grader from Nolan Button, maybe Darryl Johnson could run it for us.

We should get a list of all who drew out from the deer hunts and send them a letter telling them about the cabins, horses, and a guide.

Karon suggested that we get a loan now and draw on it as we need it. We need \$4,000 for a grader, \$4,000 for the phone, and some for wages, unpaid bills, etc.

The following is a schedule of our draws for the Paunsaugunt:

1992 - 0
1993 - 1
1994 - 2
1995 - 1

We should get another draw for the 20 acres of alfalfa for deer damage.

We will work on getting some money for Mike's four kids for the work they do at the ranch.

Submitted by,

Karon Jacobsen

**DEER SPRINGS RANCH OWNERS ASSOCIATION
ANNUAL MEETING
JUNE 27, 1992**

The following people were present: Dale and Pat Clarkson, Oscar and Alana Robinson, Karon and Steve Jacobsen, Val Cram, Nellie Hoyt, Terry Alderman, Kevin Johnson, Landis and Rhonna Legg, John Hess, Rick and Nancy Bowen, Mike and Lori Reed, and Jack and Nola Reed.

We need to rewrite the Bylaws because DSROA owns water rights for the cabins and use on different lots. We have 800 acre feet of water. A cabin needs only a half acre foot. So with 800 acre feet, there is enough water for 1,600 homes. Some of this 800 acre feet is now being used for our ponds, irrigation, livestock, and our cabins. A membership certificate could be used to convey a water right of a half acre foot to each member.

Last year we spent about \$20,000 proving up on water so our water rights would not expire. We will still lose some of our water. Roy Pool, who owns the ranch next door, is suppose to develop part of one of our water rights since we cannot prove up on it. Then when we need it, we will get half of it back. All of the water in Utah belongs to the state. An application needs to be filled out and turned in to the state for water for a home, field, or livestock. The water then needs to be put to beneficial use. In Utah you have to use the water or you lose it. The water needs to be proved up on. You can do this by planting a crop in a field. An engineer can then certify that it has been put to beneficial use.

Our filings were 14 years old. Thirty years ago 28 filings were made, and they are permanent. New well rights filed on had to be proved up on before March 3, 1992. We have seven filings on springs which we have asked for an extension until October 1, 1992. If we don't prove up on them before November, we will lose them. Some of our springs only put out three gallons a minute. This is not enough to irrigate with, but we could use a drip system to irrigate trees with. This could be enough to prove up with. Three gallons per minute is also enough water for 12 homes. We learned that agricultural rights can be transferred to homes quite easily. Also, the littlest we can do to prove up on a water right is to plant trees, a garden, grass, etc. We should work together on drilling a well on our own property. We should drill an exploratory well before we transfer the point of diversion.

Mr. and Mrs. Legg want to have water piped to their Lot #141. They are close enough to Half Moon Reservoir that they could do this. The Board needs to decide on a hookup fee--\$500, \$1,000? Should we have a monthly fee of \$10 or so? The people should put in their own pipeline and at their own expense.

Oscar Robinson suggested that we get a water truck and deliver water to each lot. The member would need to have a storage tank on their lot. They do this at Cedar Mountain and charge a delivery fee. A water truck of this type would also be good to have for fire protection.

The water rights will always stay in the name of DSROA. However, members will be given a half acre foot of water to use on their lot. Those members who will not be using their water or who are not ready to use their water will not be in jeopardy of losing it, because the ranch will use it.

Also, when we rewrite the Bylaws, we need to add that voting can be done by proxy for issues and elections.

We also talked about a rental pool. It was suggested that the pool start the first of each year instead of March 31. The Board needs to spend enough time to get this program written up and finalized. A member can put in one week or both of his weeks. Does the first one to put in his time have his time rented first? Or do we put everything in the pool, and at the end of the year divide it all up evenly? The proceeds would be applied to the members next year's assessment. Also it was suggested that 40% of the rentals would go to the members and 60% to the Ranch.

You can rent out your own time, or you can give your time to others to use. Anyone using your own time has all of your privileges--horseback riding, fishing. Rental only from the rental pool only has cabin privileges. These people would have to pay to fish and ride horses.

Some people resent paying the same assessment as those who are able to come and enjoy the ranch each year when they cannot come. Also there are some guests who like to ride horses every day and some who want to fish all of the time. Some people get large cabins and some have to be satisfied with a small cabin even if they have a large group. Therefore the Board wants to go to a point system so everyone would be equal. If someone uses all of their points, they can purchase additional points.

Our telephone should be installed in about two weeks. It is a radio duplex system which means you can talk and listen at the same time. You can callany where just like a regular phone. The telephone number will be a local number, so it will not be long distance from Kanab to the Ranch. The phone will be a great help. It will be helpful in case of an emergency, to get messages back and forth, and in our rental program. We will be able to be notified if someone has left in the middle of the week so we can send someone out at a moments notice to rent a vacant cabin.

The county does a good job of keeping the main road open. We would like to be able to use the ranch more in the off season. We would like to use it earlier in the season and later. The spring and fall months are beautiful. Some may even enjoy coming in the snow or for Christmas and Thanksgiving.

We discussed a small problem that we are having. Some people are staying in the cabins and using their privileges and then they come back later to fish or ride horses again. This is a small problem, and we feel with a point system it will take care of itself.

Some people like to fish and fish and fish. They like to use a catch and release program, but we have to be very careful that the fish don't die. You can only use flies and lures. Also, you cannot touch the trout with your hands or they will die. The hook needs to be removed by just getting a hold of their lip. If a trout swallows bait and you pull the hook out, it will kill him. A sign needs to be posted describing

Dale talked about purchasing a grader for the ranch so we can do our own roads. There is one for sale in Kanab for \$4,000. If we had our own, we could work the roads when they are wet. It is impossible to smooth out the ruts when the roads are dry, and it is difficult to get someone out to the ranch when the conditions are the best to grade the roads.

We would also like to close in under Cabins 6, 9, and 10. They would look so much nicer and all of the plumbing would not be exposed. Mike may be able to do this in the fall months when the ranch is not so busy.

Also, Cabins 7, 8 and 4 need new roofs. We have enough shingles to do this, but someone would need to be hired to do the job. The roofs are very steep. We need someone with enough experience and equipment to fix them. Cabin 4 also needs to be painted.

Jack Reed has made some new signs that really look nice. We should have some more in different locations and maybe put some on private property advertising the ranch.

Rick Bowen suggested an Adopt A Cabin program. He likes to come and stay in #7 or #8. When he comes, he likes to bring something to the cabin to improve it; and since he makes improvements, he would like to stay in that cabin every time he comes and enjoy what he has done.

Dale White has produced a new video that will be available soon.

It was suggested that work assignments be posted on the bulletin board so people will have something to do when they come and something that will help out and benefit the ranch. It was brought up that in the past we had an annual work day where members came and spent the whole day doing various projects around the ranch. A lot can be accomplished on a work day like this.

There are two old cabins at the ranch--one in the meadow and one by the grove. Dale would like to see these cabins restored. They would be fun for people to stay in.

The Odell's know of people who live in RV's who are looking for special places to stay. They will stay at the ranch for free; and in exchange, they will do work and help around the place.

Mike suggested that we have a Mountain Man Rendezvous, Bird hunts, rifle range (trap shooting), etc. to earn more money for the ranch.

The Paunsaugant is the number one trophy hunting area in the world. Larry Moore is at a Mule Deer show in Las Vegas tonight. There is no reason why our cabins can't be full in October for these hunters.

Landowners permits sell from \$2,500 to \$5,000. Last year we drew out for the hunt and sold our permit. We did not draw out this year.

We counted the votes. The election went as follows:

- | | |
|--------------------|-------------------|
| Dale Clarkson - 59 | Kevin Johnson - 1 |
| Joy Jordan - 69 | Nyle Willis - 2 |
| Val Cram - 64 | Leo Weber - 1 |
| Oscar Robinson- 44 | Evan Callister- 2 |
| Larry Moore - 36 | Mark Tisdail - 2 |
| | Kas Rose - 2 |

Handwritten notes: Mike... was named

Handwritten notes: Kevin Johnson

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
OCTOBER 9, 1992
7 P.M.

The following were in attendance: Dale Clarkson, Oscar Robinson, Val Cram, Joy Jordan, Terry Alderman, Karon Jacobsen, Larry Moore, and Mike Reed.

The opening prayer was offered by Terry Alderman.

Sam Pell is a new owner at the ranch and is very excited--he just loves it!

Mike took the floor and expressed his concerns about the following:

Very few board members have stopped by the ranch to see how things are going or ask if there is something they can do to help. Mike feels that the board of directors don't know what he does or what his problems are. Mike puts in a lot of hours--he works until the sun goes down. He said that the board members don't spend time in the cabins and are unaware of the problems. He feels the ranch is stagnant and has been going down hill for years. He would like for the board to form a committee and each member be responsible to help at the ranch. For example: Joy could be the activity chairman, Oscar would be in charge of repairs like for the lawn mower and the tractor, Larry Moore (not a board member) could be responsible for general maintenance.

Mike thinks he is losing 4,000 gallons of water from the upper system every day and a half.

He has taken over 400 people on horseback rides this year, and it takes a lot of time.

Mike would like to build a small building for the upper cabin generator to protect it. After the upper cabins are closed down for the season, the generator needs to be taken back to headquarters for better protection.

Mike is keeping a log on employees' work, he has one for each cabin and what repairs are needed for next year, he has a log for the water systems, and the ranch house. Oscar would like for Mike to keep track of his hours and how much time he spends doing what.

Mike reported that he normally runs the lower generator 8-12 hours a day. Irrigating the alfalfa is very costly propane wise, and it takes a lot of Mike's time to move the pipes. The alfalfa is coming up good.

The store was finished this year and did pretty good.

Mike's four kids worked all summer for only \$250 each.

As was mentioned earlier, he is having a big problem with the upper water system losing 4,000 gallons of water every day and a half. The water may be going into the fish ponds from the overflow tank. Mike

would like to have another storage tank. Last summer someone opened the valve that let the water run back into the pond, and it was not discovered and closed until July. We need to close off where the old generator was. Some of the pipe is not in use. There is a leaky valve, but we need a backhoe to dig it out. Mike has shut two valves off.

Mike would like to send out a newsletter, list various items needed at the ranch and ask for donations. For example--tools, electrical testing equipment.

Mike would also like to schedule a work day once a week. He would like to send a letter to members two weeks before they come so they can bring chainsaws, paint brushes, gloves, etc. Terry Alderman suggested a list of daily chores that people could help with. Members should come prepared to work at the ranch. Mike would also like to send out a list of activities for 1993, such as: cookouts, halfday horseback rides, etc.

Mike wants to set a goal to raise \$10,000 through horse rides, the store, cookouts, deer hunt, etc. Next year we will have one landowners deer tag which could be sold for \$4,500. This would include meals, a cabin, and a guide. This year we raised \$1,350 on trespass permits plus another \$200 should be coming in.

Our laundry bill this year is over \$2,000. Mike suggested that we charge \$10 per cabin for laundry to help cover the cost.

Dale White has prepared two DSR videos. One is the do's and dont's of the ranch. Everyone needs to see this video, but it is too difficult with people arriving at all different times to make sure everyone sits down and watches the video. Mike suggested charging every member \$10 for the video and mailing it to them. That way they could watch the video before the came to the ranch. He would also like to have a DSR calendar made to sell. It was suggested that a calendar could be made with one picture to cut down on the costs.

Mike has been offered a good deal with Parkway in Cedar City where he used to work. He would like to have a raise next year. Jack and Nola won't be coming back so the money that was budgeted for them could possibly go to Mike and to his kids. Mike has also put about 7,000 miles on his truck; and \$100 a month is not even enough to cover his repair bill and tires.

Mike said that the members hope to see him back next year. They feel that he is under paid and has a lot of work to do. Mike feels that he knows the ranch inside and out and it would be better to keep him on than to start someone brand new. Dale and Karon read two very complimentary letters from the Dunwoodys and SUU.

Everyone felt that it is a good idea to have the same managers at the ranch for over a period of years.

Dale reported on our water proofs. He did not think that we would get any of the extensions we applied for, but it now appears that the Well Field, Half Moon Well, and Cabin Spring will all be approved. Lower Gravel Springs is the only one that was denied. We have extensions for Roy Pool, Black Knoll, Oak, Leaf, and Slide Springs, and Lick Wash until November 30, 1993.

Dale has spent hours and hours on the water development and has received no pay for it.

Oscar may have discovered a new spring in the wash below the old Hidden Cabin. This water should go into the fish ponds. If it had been diverted this year, the lower pond may be full now. Mike will check into this water source.

Two tires were replaced on the Suburban. The tires were put on last year and were under warranty. They only had about 10,000-11,000 miles on them. We need to be more careful with expenses. The two tires were replaced at \$125 each. This is an example of how we can save money.

Dale is concerned about the time spent traveling back and forth to town. Last week Mike and Lori were both in town four times, and they were in town three times this week.

The garbage is a big problem. It stinks and has maggots. Oscar suggested that they spray the garbage once a day to get rid of the flies. He said not to use the spray that comes in a can but to use the kind you put in a large container with a pump.

Mike does not have a day off. He works seven days a week and needs time to do his grocery shopping and laundry. He has made a lot of trips to town at the beginning of the season because of all of the repairs that had to be made. The longer he is at the ranch, the easier the job will become.

Dale read a letter he received from the BLM about sublease grazing on public land. The government may aggressively pursue windfall profits made on their land. If this program goes into effect, we would have to own and control our own livestock. We get \$8,000 a year from the cattle-- \$4,000 on our private land and \$4,000 on BLM land. If this passes, we must comply. We need to preserve our BLM land.

Dale had a good meeting with the Forest Service about Brent's cows being on the forest. The fences are not good enough and it is hard to keep the cattle out. Dale mentioned that the Great Western Trail is on part of our private land. They said that the cattle can stay until the end of the season. They offered to furnish the material for the fence if we will maintain it forever. The Forest Service men were polite but very one sided.

The Forest Service can destroy the roads north of the ranch to deny DSR access to the forest. They want to turn it into a wilderness area and they don't want any cattle in there. Legally we can lock the gates at the north end of the ranch.

If someone wants to hunt on the ranch or on the BLM accessed by the ranch roads, they must pay a \$300 trespass fee. If a hunter wants to hunt on the BLM and not pay a trespass fee, he must enter from the BLM and stay on BLM land only. He would either have to walk in or ride a horse. If hunters drive on our private roads, they must pay the trespass fee. We have a court decree showing DSR roads as private roads. The roads are open to drive through, but no hunting can be done unless they purchase a trespass permit.

Next year the gates at the south and the north end of the ranch will be locked. A camper will be at each end to check the people going through. Their license number will be taken, they will be checked for a tag, etc. Any locked cables across ranch roads need to be marked well. Oscar suggested meeting with the Fish and Game in Salt Lake City and get a letter stating that people are not allowed to hunt on DSR without a permit.

Delinquent assessments were discussed. Richard Childress has three lots and owes \$5,457.49 on each lot. He is one of the original limited partners in Deer Springs and has never received one cent for his original investment. He will pay his assessment when he receives a return on his investment. Mike called some of the people. Some of them said the assessment is too high and they won't pay, or they want to sell and will not pay. John Taylor owes \$2,682.30. He was in an accident and is expecting an insurance settlement probably in February and will pay then. We will send one more collection letter to those who are delinquent and tell them if we do not receive their dues, we will turn them over to our attorney (Todd McFarland) for collection. They will then have to pay attorney fees in addition to their assessment. Can we take their lot and membership away for unpaid assessments?

We bought a blade from Nolan Button for \$4,000 to maintain the roads. Dale thought that with hauling the fuel, doing the mechanical work, and having different people operate it, is probably not a good idea. Larry Moore's business is grading roads. Larry will either reimburse us the \$4,000 or charge us for work at \$35 an hour. Larry will pay 1/3 of all expenses and DSROA will pay 2/3. The ranch will pay \$23 and hour and deduct it from the \$4,000 we paid for the grader. The \$4,000 should last about two years.

Now that our water rights have been approved, we need to see how much water we have and make a decision. It may make a difference on winter employment. There is no water going to Slide Canyon Reservoir, Crawford is almost dry, and Lower Slide is 1/2 to 3/4 full. The culvert or pipe for Lower Slide Reservoir was discussed.

DSROA owns four lots with memberships: #69, 74, 75, and 106. Lots 1 and 190 need memberships.

This year we borrowed \$15,000 from State Bank this year and we are \$12,000 short of being able to pay all of our bills through the end of the year. We must collect on past due Assessments.

We could make some money through Patty Wilcox. Patty has six girls and Dale and Pat have one boy on a rehabilitation program. It would

be great to put these youth on a ranch. They are from the cities, and they would enjoy the ranch and the ranch would be good for them. We have the facilities for a group of kids. We would have to decide where we would put them and who would take care of them. The insurance companies pay for this program at \$400 per month per boy. That would be \$4,000 per month for ten boys less expenses. These are not bad kids. They come from broken homes and some are lazy. Royce and Sylvia Young have expressed an interest in this program. Royce would be excellent to work with these kinds of boys especially with all of his scouting experience. This could be a great possibility of making additional money for the ranch. There are innumerable kids on this type of a program. There is about \$2,500 paid monthly for each one. This includes counselors who interview them and other people who participate in the six month program. The old Hillar Place that Larry Moore just purchased may be a good place to put them. Dale may even do a program like this in Boulder.

Val motioned that we should have elections since we have not met since the annual meeting. Val motioned that we would leave the officers as is, Karon seconded the motion, and all were in favor. The officers are as follows:

- Dale Clarkson - President
- Oscar Robinson - Vice President
- Karon Jacobsen - Secretary
- Val Cram - Board Member
- Nellie Hoyt - Board Member
- Joy Jordan - Board Member
- Terry Alderman - Board Member

Dale White has made two videos for the ranch--a marketing video and an orientation film. Dale has approved the marketing video and said that the orientation video has been made for us at no charge. The script has not yet been approved. Val has read the script and felt that the rattle snake part has been overdone. Terry brought out the fact that rattle snakes are territorial and they won't cross boundaries. Mike has killed about two dozen snakes this summer.

Val said he would try to write up a rental pool for us.

Lot sales are progressing good. The most recent sales are Sam Pell, two lots; Jack Quinn, 1 lot; Dennis McClean, 1 lot; Doyle Edson, 1 lot; and Blaine Lundquist, 1 lot (sale in process). The average price is \$12,500 on terms at 10% interest and for seven years. Dale felt that Evan Callister has caused a lot of aggravation by having a sign in front of his place on the Johnson Canyon Road advertising his DSR lot for sale for \$8,000. Dale felt that the sign was out of line and very annoying. The sign is now down, and Dale told Evan he would try and sell his lot for him.

We discussed the Suburban. The transmission isn't working right, there is extreme oil leakage, the back door latches are rusted and the doors don't shut tight which causes the inside of the Suburban to get real dusty, the gas gauge doesn't work right, the dash lights don't work right, and the door on the passenger side is hard to shut. The Suburban is now at Earl Robinson's. Oscar volunteered to overhaul the transmission and said it would cost about \$200. He would have to have Earl pull it for him. Oscar will evaluate the Suburban for us.

Joy asked about the barbeque she purchased for the ranch this summer for \$10. Mike was going to find out where it is. He said he was unaware that she had brought one. Joy also commented that Mike is doing a good job.

Larry Moore brought up the fact that members cannot send their friends up to the ranch to hunt. They must get a permit from Mike, and members must accompany friends or relatives when hunting. Sam Pell does not want anyone hunting on his lot. Mike is the only one to give permission for hunting on the ranch.

Dale wants Mike to find the leak at the upper system and get it fixed. Joy said that the stoves and refrigerators need to be cleaned this fall.

Mike said that it is too expensive to have one-nighters stay in the upper cabins because of the gasoline it takes and the time for him and Lori to drive back and forth to clean the cabin. All one-nighters should stay at the lower cabins.

What is the ranch's responsibility for cleaning the cabins? Do the members do all of the cleaning? What should Lori's responsibility be in cleaning the cabins? What does she need to do?

Val suggested that Mike use an air compressor (one that will run a jackhammer) to find the water leak at the upper system. He said that the air will blow out through the leak.

Karon will call Kerri Hepworth who is scheduled in #1 and tell her that we have to move her to the Garden Cabin because the weather is such that the upper cabins need to be winterized now. We want to winterize early so we won't have the problems this year that we did last year. The temperatures at the upper cabins are dropping.

Dale mentioned that the bylaws need to be revised to give members water shares.

Our next meeting will be on October 30 at 7 p.m.

Submitted by,

Karon Jacobsen

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
OCTOBER 30, 1992
7 P.M.

The following were present: Dale Clarkson, Val Cram, Joy Jordan, Nellie Hoyt, and Karon Jacobsen. The opening prayer was offered by Joy.

The water leak at the upper end has been found and fixed.

We will ask Terry Alderman to draw a new "Freeman" map so it will look professional. The "Freeman" map is a map giving very simple directions on how to get to the ranch from Kanab.

We will get each board member an updated member's list.

Val volunteered to work on a point system and a rental pool.

We received a letter from the BLM concerning ranchers making a profit from subleasing their BLM land to others for grazing. Dale feels that they will disallow subleasing next year. Brent Robinson suggested putting the BLM permit in his name. At the present time we cannot have cattle on private land and not on the BLM land. What are our options?

1. Do we need to buy our own cattle?
2. Do we put Brent's cattle in our name?
3. Do we own the cattle and the permit jointly with Robinsons?

We will have to decide within three to four months. On the Forest Service, we were strictly leasing the grazing rights. We should ask the BLM what we can do so we will be legal.

As of today, all of the cattle have been moved off the ranch.

Dale suggested a new way to make money at the ranch. He thought it might be fun to make a game out of hunting cattle. We could charge \$1,000 to draw out for the hunt. If someone drew out #4 and killed #4, they would receive \$1,000 and a bonus of \$500 or maybe a free cut and wrap. If they drew out #3 and shot #4, they would receive \$1,000 and no bonus. This would happen after the roundup when no other cows were on the ranch. These would be special cows and they would be ruffed up a little to make them wild so they would be hard to find and shoot. We could buy a 600# calf in the spring for about \$500. We could also try this with wild pigs. People would also enjoy hunting chickens, pheasants, and turkeys. Perhaps we could make \$10,000 a year on this type of activity.

We could also do a horseback ride where people would bring their own horses. They could stay in the cabins, put their horses in the corrals at night, and start out in a different direction the next day. There are a lot of people in the southern Utah area

that would enjoy an experience like that.

We discussed water rights again. We have not received an approval letter yet for Cabin Spring. There are some additional items we need to do. Richard Kimball will go to DSR on Monday to finish up. He wanted to know if we were going to put water to 5 and 5A. Dale is sure that Roy Pool did not drill a well this summer. If he is not going to drill a well, we should do one ourselves to keep the water right. Dale may have a written agreement from Pool.

Leggs are getting ready to drill a well instead of piping their water. Dales tells people when we redo the bylaws, everyone will get a 1/2 acre foot of water which would equal 150 acre feet of water for all 300 lots. Sam Pell wanted more water and paid us \$1,000 for an acre foot. We have about 600 acre feet. If we give the members 150 acre of water, we will still have 650 acre feet for the ranch for irrigation and other purposes. We could sell additional water to members. Some water rights in southern Utah are selling for \$1,500 an acre foot.

Next summer Richard Kimball should go to Lot 1 where Oak Spring is. No water improvements were done there this year.

The upper end of the ranch has been winterized.

We discussed the ranch managers. Dale would like to have Mike and Lori back next year. He has been very impressed with their kids. They always seem to be very interested in the ranch, and they are good workers. The following is a list of things Mike and Lori could do this winter:

1. Work inside the cabins and do repairs, paint, and fix up.
2. Build a picnic table for each cabin.
3. Make more signs.
4. Work in the office updating the different books on the water system, equipment, cabins; help update the filing system; create an activity list for next year; make four or five of the big maps to put in the cabins that don't have one.
5. Paint the cabins.

Roy Wehnes is a deer hunter who was at the ranch this year. He has been hunting in the area for several years and is interested in buying a lot. Dale suggested that we could sell him one of DSROA'S lots or sell him one of UPI'S lots and exchange it for one of DSROA'S lots. If we could sell a lot, it would really help the ranch out financially.

We reviewed the letter that was sent out to members who owe delinquent assessments. We received a letter from a collection service who is licensed and bonded. They charge 18% and guarantee results in writing. It may be a good idea to check them out. Richard Childress has never paid his assessments. He

is one of the original limited partners and has never received anything from his investment in the ranch. Childress may have a part of his investment back by February when Larry Moore makes a large payment.

We could then withhold his assessments from that payment. Dale White's dues are paid. He has exchanged a generator, a video on the do's and don'ts of the ranch members, and a marketing video which can be used by DSROA and DSR. Every member should have a copy of both videos. We could charge for the videos.

Val suggested that on November 15, the deadline for people to pay their assessments, we should be ready to turn over the delinquent assessments to an attorney who will move quickly. It was suggested that we contact Todd McFarland. Maybe we could trade for some cabin time.

Someone thought that Brent Robinson still owed us \$1,600 for cattle. (Later when Karon checked the records, she found out that he was paid in full for this year.)

Dale feels that the county is charging us double for property taxes on the land. They are taking into account the membership in the value of the land. We feel that the land and the membership are valued about the same. If a unit sells for \$14,500 then the land is worth \$7,250 and so is the membership. Lot 114 is valued at \$11,562 and Lot 232 was valued at \$12,870. The assessor is charging us illegally. We need to mastermind a program to have this changed. A unit can sell anywhere from \$14,500 to \$1,000 depending on the circumstances. The state sends out a questionnaire and asks people how much they paid for their lot. They can only tax the land--they cannot tax the membership in property taxes. The members pay taxes, through their dues, on the 2,000 acres, cabins, etc. Drew Robinson said he would be able to lower the taxes in 1992. If the average lot sells for \$12,000, then the taxes on the land should be based on a \$6,000 value. We need to write a letter telling new buyers about the letter the state sends out and tell the new buyer what our position is--that the land is worth one-half of what they paid for the unit. The unsold units are on the greenbelt and are billed at \$1.16 a year, and the same lot when sold is billed at approximately \$120 a year. DSROA has 2,000 acres on the greenbelt. When an unsold unit sells, Utah Properties, Inc., has to pay a five year rollback tax which can amount from \$600 to \$1,000. Dale suggested that in 1993 we study and organize to win and cut down the tax program. Val said that Drew was too hard headed to listen and lower taxes before when we went to Salt Lake and blundered through a tax protest. With Drew Robinson retiring soon, a new assessor may make the difference. Larry Moore may have time to spearhead a tax protest. Dale does not have the time to do it. Eric Johnson may help. It is really up to the County Commissioners, Ray Lopeman, Jack Maxwell, and Glen Martin. Everything goes back to the State Tax Commission's letter they send out when people buy a piece of property. The questions on that letter need to be answered correctly, and we

need to inform people how to answer the questions:

Lot #1 and Lot #190 do not have memberships. There are 305 lots and five lots do not have memberships.

Karon will send out a blank budget form to each board member so they can work on it for our next meeting.

The next meeting will be held on December 4, 1992, at 7 p.m.

Submitted by,

Karon Jacobsen

DEER SPRINGS RANCH OWNERS ASSOCIATION
MINUTES
DECEMBER 4, 1992
6:45 P.M.

The following were present: Dale Clarkson, Nellie Hoyt, Terry Alderman, Karon Jacobsen, Woody Sachman, and Mike Reed. Val Cram was not able to attend because of bad weather and Oscar Robinson could not come because of his surgery that was scheduled on Tuesday morning. (Oscar passed on Wednesday morning, December 9.)

Terry Alderman offered the opening prayer. Karon read the minutes and they were approved.

The water system should be ready to go next year. The problem was leaky valves. We now have key handles that properly fit all valves. Pipes and valves have been replaced.

Terry was given the Freeman map and agreed to do it. He has some good ideas, and it will be fun to see what he comes up with.

Mike talked to the man who is mapping The Great Western Trail for the Forest Service. This will be a non-motorized trail, but we feel that our members are not ready to open the ranch up to the general public.

Karon started to work on the updated members list but ran out of time. She will get the list ready in the next week or two.

We will still work on getting a point system and rental pool written up and used for 1993.

Dale talked to the BLM, and they said that we are not in violation of grazing. Brent and Dale will both talk to the BLM and get this issue settled in January so we can have several months to get ready for next year.

Nellie asked if our brand has expired. We will have to check on it and see if it needs to be renewed. Some brands are good for 10 years and some for five years.

Woody suggested that we use mountain bikes and invite different groups to come to the ranch to ride. This is becoming a very popular sport. We could make an obstacle course. Woody said he would get more information for us. He has a friend who is doing this.

Dale thinks we can serve Cabins 5 and 5A with the current water right of Cabin Spring. Cabin Spring is still running strong, and there appears to be plenty of water for the upper cabins. We refilled on Cabin Spring, and Richard Kimball resurveyed it. Roy Pool was in the office and talked to Dale today. He will drill two wells on his property in the next day or two.

Governor Leavitt may have someone new. Also Drew Robinson has retired and Eric Johnson was selected to fill his position as the County Assessor.

We need to remember to write a letter to new owners and inform them how to fill out the letter they will receive from the State Tax Commission.

Mike brought in the logs of his and Lori's time, the logs he kept on the equipment, etc. and gave them to Dale.

The big Briggs and Stratton motor has a cover on it, but it still needs to be moved and put in the shed to protect it during the winter months.

We need to establish a policy on rentals. Are horseback riding and fishing included in the rental price? Should the cabin price be increased to cover these items? Dale felt that if we were using a point system, everything would work out even.

Mike said he took about 600 horseback rides this year. He documented this figure by the number of Liability Waivers he had in his file. He would give about three one-hour rides per day. He gave rides everyday but Friday when he was cleaning cabins and people were arriving and leaving and on Sunday. He felt that three rides took about 4 1/2 hours of his time. We had a lengthy discussion on the horses and how much time it should take to round them up and saddle them. It was suggested by Joy that Mike use grain to get the horses in in the mornings. Horses will always come for grain once they are accustomed to it.

Joy felt it was best to keep the horses in the Well Field, because it is easier to round them up. We really need to buy more horses for next year. We should have ten horses on hand and we only have four rideable horses for the ranch. We have two colts also.

When we buy horses, we should have someone go who knows what to look for. David Johnson was suggested and so was Wendell and Nellie Hoyt. Also when we borrow someone's horse for the season, Mike felt that they should sign a paper saying how much their horse is worth in case we have to replace it.

We should sell moonlight rides and half-day rides for \$25. Two wrangles should go on each ride in case there is an accident, run away horse, etc. One should lead and one should follow the group.

Mike said that Cabins 7 and 8 each need half of their roofs repaired, and Cabin 4 needs a new roof and paint. Each cabin needs a barbecue, and Mike felt he could build a nice one for about \$130 each. We also need some outhouses.

Terry Alderman volunteered to help at the ranch from January to April as his business is slow then.

Landis Legg wants to purchase an additional acre foot of water. We deeded the water to Leggs for \$1,000, and they will pay for it in December or January.

The State Engineer has written a letter accepting Sam Pell's and Landis Legg's Water Deeds. The State Engineer talked about our different types of water rights. We cannot change from surface water to underground water; we can go from a well to a spring; we cannot go from a spring to a well. Of the 25 water rights we have, most of them are for livestock and have very little value. We only need 14 1/2 acre feet to water cows. Irrigation water has to be converted to culinary water for individual water rights. We will work on the water rights. There is a culinary stock water right at Half Moon. We may be able to convert it to a culinary right for people.

Val is developing Oak Spring. He found another spring off of our property which ^{with rights} has formed a ditch and is running ^{on right on} DSR. This spring may belong to ~~Norris~~ ^{Johnny} Brown.

The ranch house will be winterized on Sunday. Mike will leave the water tanks about half full. There are five horses at the ranch. The two colts are at Karon's. The two mares will foal in March or April. We also have two goats, one goose, nine chickens, and two turkeys at the ranch. Mike reported that there is no water for them to drink as the ponds and springs are frozen solid. Dale will look at the acreage in Kanab Creek Ranchos where we kept the horses last year and see if the horses can be kept there again this year.

Mike has fixed the gate at the entrance, and it looks real good. The gate is now recessed in about 15 feet and is on a 45 degree angle. This will allow more room for trailers and semis to go through. Dale wants the gate locked when no one is there.

Mike will go back on Sunday and will change the oil in the generator. We have three generators:

1. Onan generator - it is in a shed at the upper end. We bought it from Richard Wolf and it is on a snowmobile trailer.
2. The Dale White generator - it is in the Well Field.
3. Well Field generator - we have always had this one.

Dale will contact Roy Wehnes about buying a DSR lot.

Van Mackelprang sent out a mean letter on the delinquent assessments on November 30. It was a great letter. Tim Burgess called Dale and said he was sending his \$250.

Dale hopes we can get ourselves in gear on the property taxes. Lot No. 269, a 30 acre lot, has a market value of \$19,328 from the tax notice. The chairman of the State Tax Commission, ~~Mr Holman~~ ^{Mr Holman} is from Panguitch and maybe we can get some help from him. However, he has been serving under Governor Bangeter &

Karon handed out some blank budget sheets for everyone to work on so we can finalize the budget at our next meeting.

It was voted that Mike and Lori would go on unemployment as of December 1.

OUR NEXT MEETING WILL BE HELD ON DECEMBER 30, 1992 AT 6:30 P.M.

Submitted by,

Karon Jacobsen