

**FALLS CREEK RANCH ASSOCIATION**

**RANCH MANAGER EMPLOYMENT CONTRACT**

This CONTRACT is by and between FALLS CREEK RANCH ASSOCIATION, INC., hereinafter known as “FCRA” and Raymond Smith, hereinafter known as “Ranch Manager”.

**1. Term**

This Contract shall be effective January 1, 2011 and shall remain in effect until the end of employment, which shall be in accordance with the termination provisions of this Contract. This Contract may be modified or amended, as needed, at any time by the FCRA Board of Directors.

**2. Duties of the Ranch Manager**

The duties of the Ranch Manager shall consist of the full and complete performance of all duties which are set forth in the Falls Creek Ranch Manager Job Description, dated January 1, 2011, which is attached hereto and incorporated by reference as Attachment “B”, together with any and all further duties which may be assigned to the Ranch Manager by his Supervisor and/or the FCRA Board of Directors. The Ranch Manager shall be accountable to the Board of Directors and the Ranch Manager Supervisor to whom the Ranch Manager shall report directly on a daily basis.

**3. Work Schedule/Review**

Generally, the Ranch Manager shall work on a planned schedule of Monday through Friday, with weekend days off. It is understood that, in some instances, duties will require more than eight-hour days or five-day weeks (e.g., in cases of heavy, prolonged snow fall; water system failures/repairs; emergency Ranch maintenance issues or road grading for timely post-storm maintenance). There will be periods of intense demands for time and labor as well as periods during which demands will be more relaxed. Coordination with the Supervisor is necessary to establish priorities and assure adequate rest periods are taken by the Ranch Manager. The Ranch Manager is expected to be a self-starter who uses his time efficiently to accomplish the tasks and duties of the Ranch Manager Job Description in a timely and complete manner. Any vacation and sick time used requires prior written Supervisor approval (email is sufficient). The Ranch Manager is to report any used vacation and sick time in his monthly activity log provided to the Supervisor and the Board of Directors.

At his discretion, the Ranch Manager is permitted to perform extra work, using Ranch equipment, for FCRA residents. Such work is to be performed outside of regular FCRA work

time and use of Ranch equipment/tools is to be approved by the Supervisor. Residents are to be charged a reasonable hourly rate for his labor, payable directly to him at the time services are rendered. The Ranch Manager will report any use of tools or equipment to the Treasurer who will bill the resident consistent with the existing FCRA policy for use of such equipment.

At his discretion, the Ranch Manager is permitted to perform work outside of FCRA. However, any non-FCRA related work time shall not interfere with FCRA priorities. Such time away from the Ranch is also to be reported in his monthly activity log provided to the Supervisor; Ranch vehicles, equipment or tools are not to be used in such non-FCRA activity.

The Ranch Manager shall receive performance evaluations, at least annually, provided by the Supervisor and reported to the Board. The Supervisor may seek input from Committee chairs and residents.

#### **4. Compensation**

As compensation for the faithful and complete performance of duties, the Ranch Manager shall receive the following compensation and benefits package:

a) An annual salary rate to be determined per the FCRA annual fiscal year budget as approved by the FCRA membership. This rate shall be effective August 1 of each year and shall be paid in 12 monthly installments, on the 27<sup>th</sup> day of each month (or the preceding Friday in the event the 27<sup>th</sup> occurs on a weekend). FCRA shall pay the Ranch Manager via The Payroll Department, Durango, CO 81301. The approved salary rate for the 2010-2011 fiscal year is \$41,421.00.

b) An allowance for health insurance, to be paid in 12 monthly installments, per the FCRA approved fiscal year budget. Any portion of this allowance unspent during the fiscal year shall remain the property of FCRA. The Ranch Manager is responsible for procuring his own health insurance. Any amount exceeding the FCRA annual allowance is the responsibility of the Ranch Manager. The Ranch Manager shall provide a copy of the monthly insurance premium payment check to the FCRA Treasurer.

c) A retirement allowance, in 12 monthly installments, at a rate of 7.0% of the annual salary rate. The Ranch Manager is encouraged to match this amount with his own funds.

d) An annual allowance for travel expenses related to FCRA business and/or training expenses required for the Ranch Manager's job requirements per the FCRA approved budget. Any portion of this allowance unspent during the fiscal year shall remain the property of FCRA.

e) An annual allowance for training registration/fees relative to the Ranch Manager's job requirements per the FCRA approved budget. Any portion of this allowance unspent during the fiscal year shall remain the property of FCRA.

- f) A cell phone (property of FCRA).
- g) Three weeks paid vacation per fiscal year, to be scheduled with approval of the Supervisor. Unused vacation time shall not carry over from year to year. Vacation time used is to be reported in the work log submitted to the Supervisor and the FCRA Board of Directors.
- h) Sick leave is provided per the attached FCRA Sick Leave Policy, Attachment "A". Use of any sick leave time is to be reported to the Supervisor and included in the activity log submitted to the FCRA Board of Directors.
- i) Eight paid holidays (New Years Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and the day after, and Christmas Day). FCRA reserves the option of requiring work on these days due to emergency or severe weather conditions. In such case, double time off (of approved work hours only) will be provided as compensation.
- j) Full use of the FCRA Ranch House as the home for the Ranch Manager and immediate family together with use of all Falls Creek Ranch premises. The Ranch Manager is financially responsible for all living and utility expenses of the Ranch House during his use of the home.

#### **5. Use of FCRA Vehicles/Equipment/Tools**

The Ranch Manager understands that use of motor vehicles on, and supplied by, Falls Creek Ranch shall be limited to Ranch business and to his own driving. He shall not, except as otherwise authorized by the Board, allow the use of any motor vehicle owned by FCRA by any other person.

The Ranch Manager shall maintain all FCRA vehicles, equipment, and tools in satisfactory working condition at all times, including the timely preventive maintenance and accurate record-keeping of all maintenance and repairs of all vehicles. The equipment shed work area shall be maintained by the Ranch Manager in a neat, clean and orderly condition at all times.

Equipment/tools owned by FCRA are not to be loaned out to any non-FCRA member. Personal use is limited to the Ranch Manager, himself, and ordinarily shall occur in the equipment shed work area. Resident use of Ranch equipment/tools shall be in accordance with the Supervisor approval and the FCRA policy for Use of FCRA Equipment by Residents.

## 6. **Compliance with Covenants and Enforcement**

The Ranch Manager understands and agrees that he and his family, while living on Falls Creek Ranch property, shall completely and fully comply with all Covenants, Rules and Regulations and policies of FCRA.

The Ranch Manager also understands that he is authorized by the Board of Directors to enforce all protective covenants and rules and regulations in his interactions with residents and guests. He is authorized to direct trespassers off FCR property and report such incidents to the Supervisor or Board of Directors.

## 7. **Termination**

Either party may terminate this Contract and Ranch Manager's employment without cause upon not less than 45 calendar days notice to the other party. FCRA may terminate this Contract and Ranch Manager's employment without prior notice under the following circumstances:

(a) The Board of Directors of FCRA shall find that Ranch Manager has engaged in theft, embezzlement, or other grossly immoral, dishonest or criminal conduct.

(b) Ranch Manager shall fail to perform his duties as described in this Contract and the FCRA Ranch Manager Job Description.

(c) Ranch Manager shall fail to follow the directions of the FCRA Board of Directors or the Supervisor.

(d) Except in the event of serious or gross failures which result in personal injury or property damage, termination under (b) and (c) above shall only occur after repeated failures on the part of the Ranch Manager to perform his duties or follow directions, or failure to follow specific directions of the Board of Directors or the Supervisor and after warning that continued failure will result in termination.

Any notice of termination of this Contract shall be in writing and, if given by the Ranch Manager, shall be delivered to the President of FCRA with a copy to the Supervisor. If given by FCRA Board of Directors, it shall be hand-delivered to the Ranch Manager. Ranch Manager shall have the right to a hearing, concerning his termination and any terms or conditions thereof, before the FCRA Board of Directors. A written request for hearing must be delivered to the President of FCRA and to the Supervisor. If termination is upon 45 days notice, the request for hearing shall be delivered within five days of receipt of notice of termination. If termination is without prior notice, the request for hearing shall be delivered within 24 hours of Ranch Manager's receipt of notice of termination. The hearing shall be promptly arranged and notice of the time thereof shall be given to the Ranch Manager. The decision of the Board of Directors shall be final.

**8. Interpretation**

This Contract shall be interpreted consistent with the purpose for which it is made; that is, to incur Ranch Manager's management and performance, and to insure job security and stability to the Ranch Manager. The Ranch Manager agrees to comply with all terms of this contract and attached job duties and responsibilities.

**9. Venue and Attorneys**

Should any legal actions be brought to interpret the terms of this Contract, they shall be brought in the District Court of LaPlata County, State of Colorado, and in no other place.

Should legal action be brought, the prevailing party shall be entitled to receive compensation for reasonable attorney fees incurred.

To signify this Contract, we have set our hands and seals this \_\_\_\_\_ day of February, 2011.

\_\_\_\_\_  
Raymond Smith, Ranch Manager

FALLS CREEK RANCH ASSN, INC.

By: \_\_\_\_\_  
President

WITNESSED BY:

\_\_\_\_\_  
FCRA Board Member