

**MINUTES OF MEETING
RED MOUNTAIN RANCH OF GUNNISON COUNTY
ASSOCIATION, INC.
December 30, 2010**

A meeting of the homeowners of Red Mountain Ranch of Gunnison County Association, Inc. was held on Thursday, December 30, 2010 at 4:00 p.m. pursuant to proper notice, in the Meeting Room at The Nordic Inn, Mt. Crested Butte.

The meeting was called to order at 4:10 p.m.

ROLL CALL

Angela said 19 proxies had been received prior to the meeting and with owners of 7 lots physically present at the meeting at least 35% of the owners were represented in accordance with the Bylaws.

A quorum was declared present.

PROOF OF NOTICE OF MEETING

Notice of Meeting was mailed December 1, 2010, 29 days prior to the meeting.

APPROVAL OF MINUTES OF DECEMBER 28, 2009 MEETING

The Minutes of the December 28, 2009 meeting were mailed after that meeting and again on December 1, 2010. Becky Williams made a motion to approve the minutes as distributed. Danny Byron seconded the motion and it was unanimously approved.

MANAGER'S REPORT

Angela said there had been no sales during 2010. Angela said there had been two foreclosures and the banks now owned those lots. She said both banks had paid the arrears they were legally responsible for. Angela said one lot was still in foreclosure and Rod Landwehr, the association's attorney, was in contact with the attorney dealing with the foreclosure. Angela said two owners had not yet paid their 2010 dues but they would be paying in installments.

Angela said snow removal was considerably less than budget in 2010 but several big storms during the past few weeks would make the December invoice high. She explained fence repair was above budget as a section of fence near Oversteeg Gulch had to be replaced in addition to regular fence repair. Angela said cows had been walking into the ranch through the upper gate and therefore in the Spring the gate would have combination locks and wooden steps would be built over the fence.

Angela said high speed internet had been installed to the edge of each lot during 2010. She said the infrastructure was in place and owners needed to contact Qwest to select their required level of service and owners would just be responsible for those monthly charges.

Angela said the gate was installed but the heavy snow had delayed Summit Door from Delta making the final adjustments and delivering the transmitters. She explained Summit Door had finally made it into town two days prior to the meeting and had explained the operation of the gate to herself and Gordon. However, there were still several software issues to be addressed and they needed time to read the instruction manual and make the final setups. Angela said two transmitters would be mailed to owners of developed lots together instructions on the operation of the gate. She said additional transmitters could be purchased from the association for \$25 each. Vacant lot owners could request two transmitters at no charge.

RATIFICATION OF THE 2011 BUDGET

Angela said 2010 expenses were running close to Budget and the 2011 Budget was very similar to 2010 with dues at the same level. After a short discussion Becky Williams made a motion to approve the 2011 Budget with dues of \$2,500 per lot and \$1,300 for the 3 associate members. Bob Huckins seconded the motion and the 2011 budget, as distributed, was approved by a majority of the owners.

ELECTION OF BOARD OF MANAGERS

Angela said Ken Crouch was not running for re-election and thanked Ken for his service to the Association. She explained Bill Lacy was running for re-election and Kip Richards, who had been an alternate board member for two years, had put his name forward for a voting position on the board. As no additional names had been put forward Bill Lacy and Kip Richards were elected to the Board for 3 year terms.

UNSCHEDULED BUSINESS

Jim Fisher said the lack of sales in Red Mountain Ranch during the past two years would keep tax appraisals high. Jim suggested that all owners in Red Mountain Ranch appeal their taxes and after discussion it was agreed the Board would talk to David Leinsdorf about filing an objection to the taxes on behalf of the association. Jim asked about the return of cattle grazing to the ranch to reduce taxes. Angela explained the Board had discussed the matter several times but as homeowners did not receive such a large financial incentive to have cattle on the ranch as the vacant lot owners did, some owners who had built were not in favor of the return of cattle. Bill Lacy said one solution might be to have somebody on the ranch while the cattle were grazing so the cattle could be contained in certain areas away from houses. Bob Huckins said the issue of fencing around houses had never been resolved and if owners could fence a large enough area around their homes more people might be willing to vote in favor of the return of grazing. Don Brown suggested vacant lot owners, who would be receiving the largest tax benefit,

pay 25% of their tax savings to the association to be used for road maintenance. It was agreed the Board would discuss the various options and get back to owners.

A short discussion followed regarding noxious weeds and it was agreed the thistle needed to be sprayed. Angela agreed to obtain weed killer from the County.

Danny Byron said there were too many animals on the ranch. He said there were large herds of elk, a large bear population and at least four mountain lions. Danny suggested opening up certain areas of the ranch at specific times of the year for hunting. He explained this would help to move the animals around the area instead of them all gathering in the safe spot of Red Mountain Ranch. Bill Lacy said he had been approached with a similar question from somebody suggesting either opening up the ranch for a group paying to hunt or hosting a mentoring program so that children could learn to hunt in a safe environment. A discussion followed regarding restrictions that could be placed in order to operate in a safe manner. Bill Lacy said the Covenants prohibited hunting on the ranch but the Board agreed to review the request and get back to the owners.

DATE OF NEXT MEETING

Angela said no date had been set for the 2011 annual meeting.

The meeting adjourned at 5:30 p.m.

Billy Joe Lacy, President

Prepared by Angela H. Reeves, Manager