

**MINUTES OF MEETING
RED MOUNTAIN RANCH OF GUNNISON COUNTY
ASSOCIATION, INC.
December 19, 2005**

A meeting of the homeowners of Red Mountain Ranch of Gunnison County Association, Inc. was held on Monday, December 19, 2005 at 5:30 p.m. pursuant to proper notice, in the conference room at the Nordic Inn, Mt. Crested Butte.

The meeting was called to order at 5:45 p.m.

ROLL CALL

Angela said 18 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 November 9, 2005, 39 days prior to the meeting.

APPROVAL OF MINUTES OF JULY 22, 2005 MEETING

The Minutes of the July 22, 2005 members meeting were mailed after that meeting and again on November 9, 2005. Becky Williams made the motion to approve the minutes as distributed. Bob Simmons seconded the motion and it was unanimously approved.

MANAGER'S REPORT

Angela said the front entrance landscaping and fencing had been completed. She said the dumpster, according to Gunnison County's requirements, had to be a bear-proof container. She said the Red Mountain dumpster would be part of a large delivery of dumpsters to Gunnison County and Waste Management would arrange the final delivery and placement of the dumpster during the first week of February. Angela said the Association's attorney, Rod Landwehr, was working on the final documentation with the County and Kap Fitzgerald to purchase the one acre of land.

Angela said that despite hard work and \$15,000 it had still not been possible to keep cattle out of Red Mountain although it had been better than the previous year. Angela explained that towards the end of the grazing season the cattle had been entering the Ranch through a wire gate which somebody had been lowering after the fencing contractor had inspected it. Bob Huckins suggested replacing the wire gate with an easy to use metal gate to encourage people to close it. Angela said the Board were also considering ways to regularly monitor that section of fence and had also discussed the

removal of the cattle guard at the front entrance as the rancher would have an additional incentive to stop the cattle entering Red Mountain if it was possible for the cattle to walk straight onto the highway.

Angela said future construction projects would be required to pay a security deposit at the time of plan approval. She said the deposit would be refunded at the end of the project if the road had been restored to the condition it was prior to construction. She said that when plans were approved a digital photograph would be taken of the road and retained on the file. Angela said the security deposit would be \$1,500 for driveways and \$2,500 for a main residence, guest house or barn. Angela said that if the owner did not restore the road to an acceptable condition the security deposit would be used to do that work.

Bob Huckins said that once the 1½" road base applied in the summer had settled, the driving surface of the road was much better, especially when the road was damp. Bob said some ditches above Lot 45 required attention following the heavy rains and Rocky Kimball said the land below Lot 21 continued to hold water. Bill Lacy agreed to inspect those areas.

Angela said that heavy snow in 2005 had pushed the plowing costs close to budget and several heavy storms during November and December would guarantee that Red Mountain would finish 2005 over budget for snow plowing. However, Angela said the total operating expenses for 2005 would finish at approximately 90% of budget. Angela said approximately \$40,000 had been spent on landscaping the front entrance and \$30,000 would be paid for the purchase of the land. She said that the reserves for Red Mountain would be depleted because of those capital improvements but that it was an attractive addition to Red Mountain.

Angela said that 4 vacant lots and 1 house had sold in 2005. She said that 12 vacant lots were listed for sale and 2 homes with one of those under contract and expected to close in January 2006.

Angela said that if Bob Simmons sold his house in January there would be a vacancy on the Board and encouraged owners to contact her if they would like to volunteer to complete that term.

RATIFICATION OF THE 2006 BUDGET

Angela said that dues would remain at \$1,400 and \$850 for associate members. She said that due to the major project at the front entrance there were no reserves but the operating expenses would be covered by the collection of dues. Becky Williams made a motion to approve the 2006 Budget. Allan Newcomb seconded the motion and it was approved by a large majority.

UNSCHEDULED BUSINESS

There was nothing new to add.

DATE OF NEXT MEETING

Angela said future meetings would be held once a year and said the date had been provisionally set as December 18, 2006.

Billy Joe Lacy, President

RED MOUNTAIN RANCH OF GUNNISON COUNTY ASSOCIATION, INC.

2006 BUDGET

INCOME	
Assessments	\$ 92,150
Interest	\$ 800
Design Review	\$ 750
TOTAL INCOME	\$ 93,700
EXPENSES	
Legal	\$ 3,000
Insurance	\$ 3,200
Snow Removal	\$ 19,000
Road Maintenance	\$ 8,000
Dust Retardant	\$ 30,000
Management	\$ 18,900
Miscellaneous	\$ 830
Utilities	\$ 320
Design Review	\$ 450
Fence Repair	\$ 9,000
Landscaping	\$ 1,000
Total Operating Expenses	\$ 93,700