

**MINUTES OF MEETING
RED MOUNTAIN RANCH OF GUNNISON COUNTY
ASSOCIATION, INC.
November 29, 2004**

A meeting of the homeowners of Red Mountain Ranch of Gunnison County Association, Inc was held on Monday, November 29, 2004 at 5:30p.m., pursuant to proper notice, in the conference room at the Nordic Inn, Mt Crested Butte.

The meeting was called to order at 5:40 p.m.

ROLL CALL

Present in person:

Mike Watts	Lots 1 and 2
Becky Williams	Lot 9
Rocky Kimball	Lots 12 and 19
David Clark	Lot 17
Bill Lacy for Lacy and Dow LLC	Lots 26 and 36
Gordon & Angela Reeves	Toad Property Management

Present by proxy to Bill Lacy:

Norman Urmy	Lot 5
Jeff Hermanson	Lots 13 and 49
David & Rhonda McCay	Lots 15, 24 & Lots 1 & 2, Red Mountain Estates
Hassan Najafi	Lot 18
Ron & Donna Seufferling	Lot 20
Bryan & JoAnn Burnett	Lot 25
Daniel & Joan Dow	Lot 27
David Dow	Lot 28
Rollin Polonitza	Lot 29
Bob & Ann Simmons	Lot 30
Matthew Gelber	Lot 39
Jeffery S. Adam	Lot 44
Heather Jean Collinge	Lot 51
Mark & Deborah Lieberman	Lot 52
Wyatt & Allison Beard	Miscellaneous Parcel A
Marty & Jackie Mosley	Red Mountain Estates Lots 4 & 5

A quorum was declared present.

PROOF OF NOTICE OF MEETING

Notice of Meeting was mailed October 15, 2004, 45 days prior to the meeting.

APPROVAL OF MINUTES OF 08/02/04 MEETING

The Minutes of the August 2, 2004 members meeting were mailed and unanimously approved as distributed.

RATIFICATION OF 2005 BUDGET

Angela said that 5 lots had sold since the August meeting making a total of 10 lots sold in 2004.

Angela said that Lacy and Dow LLC would be installing acceleration/deceleration lanes in 2005. The highway would be moved to the east to allow space for those lanes. She said the work would probably happen late summer/early fall to coincide with United Companies schedule for the paving.

Angela explained that for a couple of years they had spoken about Kap bringing in additional lots and the Association purchasing land at the front entrance for a dumpster and postal boxes. Unfortunately, that was still not completely resolved but considerably closer than previously reported. She said Kap had reduced the number of new lots from 5 to 3 to address the density concerns of the other owners on Oversteeg Gulch Road. Rod Landwehr, the Association's attorney, was presently working on an agreement for the Association to purchase approximately one acre of land at the front entrance for \$30,000. Angela said it was the Board's intention to have a dumpster, with weekly collection, a postal drop and attractive landscaping at that location. The agreement should be ready to send to Kap in the next couple of weeks. Angela explained it was the desire of the Board to sign the plat to include Phase 2A and sign the agreement before the end of the year. Angela said that once the agreement was signed by the Association and Kap, the Board would be able to present it to the County for a land use change.

Angela said that snow removal was once again running low to budget due to mother nature. But if the snowfall of the past few days continued it could change that. She said they could not reduce the snowplow item in the 2005 budget as that would probably be the year of the major snow fall! Road maintenance was under budget - Lacy Construction had applied one application of magnesium chloride to all of the roads and one additional application to the main road. The repairs appeared to be holding up well.

Angela said that perimeter fence repair had been an unbudgeted expense of \$6,379 in 2004. Extensive work in 2005 would be needed as it had not been possible to fence the cows out for the entire 2004 season. Angela explained that one owner had written to complain about grazing stopping but every other response has been positive about not having the cows on the road.

Angela said the Association would finish 2004 under budget if the \$30,000 for the front entrance was not paid until 2005. If the unbudgeted \$30,000 was paid the Association would be approximately \$15,000 over budget.

Angela explained the proposed budget for 2005 increased dues by \$200 per lot and \$100 per lot for the three associate members who just pay for road expenses. She said this

adjusted the budget so that dues would cover the general operating expenses of Red Mountain. This was necessary as the front entrance project and perimeter fencing would deplete the existing reserves.

Mike made the motion to accept the 2005 budget (copy attached). Bill seconded the motion and it was unanimously approved.

Unscheduled Business

There was no unscheduled business.

Date of Next Meeting

Angela said the next meeting would be held in July or August, 2005.

Mike Watts made a motion to adjourn. David Clark seconded and it was unanimously approved.

Billy Joe Lacy, President

RED MOUNTAIN RANCH OF GUNNISON COUNTY ASSOCIATION, INC.
2005 BUDGET

Anticipated bank balance @ 12/31/04	\$ 52,211
INCOME	
Assessments	\$ 91,300
Interest	\$ 400
Design Review	\$ 750
TOTAL INCOME	\$ 144,661
EXPENSES	
Legal	\$ 5,000
Insurance	\$ 3,000
Snow removal	\$ 18,000
Road maintenance	\$ 8,000
Dust retardant	\$ 36,000
Management	\$ 18,000
Miscellaneous	\$ 1,500
Utilities	\$ 300
Design Review	\$ 450
Fence Repair	\$ 20,000
Landscaping Front Entrance	\$ 15,000
Carry Forward Balance	\$ 19,411
TOTAL EXPENSES	\$ 144,661
Anticipated bank balance at 12/31/05	\$ 19,411