

**HIDDEN RIVER RANCH ASSOCIATION
BOARD OF DIRECTORS MEETING
THURSDAY, MAY 25, 2017 – 9:00 A.M.
318 ELK AVENUE, CRESTED BUTTE, CO 81224**

Present: Roger Cesario
Tracy Wentz
Rob Harper, Toad Property Management
By Phone: Rob Green
Brent Allen
Nick Chirekos

Rob Harper called the meeting to order at 9:00 a.m. and said the purpose of the meeting was to continue discussion on the finances of the association and the draft 2018 budget.

Rob Harper said the mosquito control contractor had agreed to reduce service and charge \$2,700 although the contractor had said the reduced service would not be as productive. It was agreed service could be increased once the association had the funds available.

Tracy said she had been in contact with the Gunnison County weed management and been told 60/40 grant funds were available for weed spraying. Tracy said she had the form and would submit it to Gunnison County who would then inspect the property and confirm if the association qualified for grant funds and how much money would be available. Tracy said the work must be performed by an approved licensed contractor and there were five local contractors on the Gunnison County list. Rob Harper said at least two of the contractors on the list were not taking on any additional work in 2017.

Rob Harper said he had spoken to Jay and Jay understood that moving forward prior approval must be obtained for any work he performed as funds were limited. Rob said Jay had offered to do weed spraying for \$20 per hour plus materials. Rob said they had also spoken about snow removal.

Rob Harper said he had spoken to Lacy Construction about snow removal and been given a price of \$155 per hour for a loader and \$175 per hour for a blade. Bill Lacy had said he was still undecided about obtaining a large snow blower and Bill felt plowing the road was a better option than blowing. Brent cautioned that road maintenance expenses would increase if the road was plowed. It was agreed to revisit methods of snow removal closer to the start of winter as the budget figure would not change.

After a short discussion it was unanimously agreed Jill Norris did not need to participate in the annual meeting as the water rights work would be completed by that time.

A long discussion followed regarding the appropriate level of annual assessments necessary to allow the association to function for the remainder of 2017 and to begin to rebuild a reserve during 2018. It was agreed the association would continue to operate in a responsible manner and once a reserve had been obtained a reduction in dues would be considered. Rob Harper said the reserve funds of approximately 10% of operating expenses must be moved across to the reserve account annually and not left in the operating account and used to cover operating expenses.

Tracy stressed every contractor must obtain prior approval from the Board for any work performed. Without prior approval invoices would not be paid.

It was agreed nobody was happy about a dues increase but the Board was resigned to the need for a dues increase and prior to the annual meeting a financial report through May and a full year projection would be prepared so Board members could address owner concerns at the annual meeting.

Tracy made a motion to raise dues to \$2,500 per year in the 2018 Budget with a dues increase to \$1,250 for the second half of 2017. Nick seconded the motion and it was unanimously approved.

Rob Harper said the 9 Governance Policies could be discussed at the annual meeting but the language was boilerplate and it was not possible to make many changes. Rob said the policies would strengthen the association's ability to collect delinquent dues or respond to covenant violations.

Prior to the meeting Tracy distributed photographs showing areas on the Betz lot which had been cleared of Alders, Evergreens and Willows. Rob Harper said the lot was now listed for sale. Tracy said Section 8.8 of the Covenants prohibited the cutting and removal of trees without prior Board approval unless the work was associated with clearing land as part of a driveway, construction or the removal of dead trees. Rob Harper said Jill Norris would be providing options for the Board on how to deal with the matter and the potential costs involved in the process. Rob agreed to report back to the Board when Jill responded.

Tracy made a motion to adjourn at 10:19 a.m. Roger seconded the motion and it was unanimously approved.

Submitted by Rob Harper, Toad Property Management, Inc.

Approved by: Rob Green, President