

**HIDDEN MINE RANCH OWNERS' ASSOCIATION, INC.**  
**BOARD MEETING**  
**NOVEMBER 11, 2021 – 11:00 A.M.**  
**VIA ZOOM**

Present: David McEntire  
Derek Zeck  
Rusty Johnson  
Will Frischkorn  
Chet Boyce, Toad Property Management

Chet called the meeting to order at 11:01 a.m. and confirmed a quorum. Rusty made a motion to approve the minutes of the August 18, 2021 meeting. Derek seconded the motion, and it was unanimously approved.

Chet said that Chip Fudge had stepped down from the Board, and the Board had the option to appoint a new Board member now or leave the seat open until the Annual Meeting. Chet confirmed that Chip's term did not expire until 2024 and the Association's Bylaws allowed the Board to appoint a replacement for the remainder of Chip's term without holding an election.

Rusty said that he had previously owned two lots in Hidden Mine Ranch. Rusty said that when David sold his lot, Rusty appointed David as the delegate for one of Rusty's lots to allow David to remain on the Board and continue to lead the Association through the conclusion of the Reservoir Project. Rusty said that he had recently sold one of his two lots and would therefore likely need to step down from the Board so that David could retain his delegate status. Rusty said that he would be happy to continue volunteering his time as a consultant for the Board.

It was generally agreed that there was not an urgent need to appoint a new Board member, and the Board could take the time to gauge the interest of potential candidates and then revisit the question of the appointment in January.

David made a motion to defer the appointment to a future date on or before the Annual Meeting. Rusty seconded the motion, and it was unanimously approved.

Chet said that he had circulated a draft budget to the Board via email prior to the meeting. David mentioned that the Association had gone over budget in 2020, but that the majority of that overage was tied to an almost \$12,000 investment in fencing, which the Association had been obligated to build as part of the Joint Fence Agreement with Whetstone Mountain Ranch.

David said that he thought there could be room for savings in the draft 2022 Budget in line items such as landscaping and road maintenance.

There was some discussion of the \$100 per quarter increase in dues in the draft 2022 Budget. There were suggestions that the increase in dues could be postponed or decreased to \$50 per quarter.

David explained that the cost for Phase 2 of the Reservoir Project would be approximately \$106,000. David said that the Board had previously decided to postpone Phase 2 until the Board

had a plan to finance Phase 2 and had seen the benefits from Phase 1 of the project during runoff season. David said that he had obtained a 30-day commitment from Community Banks to provide a loan for the full cost of Phase 2, and that the income stream from annual dues would be collateral. David recommended that the Board take into account the financial goals of paying off the current loan, paying off the loan for Phase 2 of the Reservoir Project, and building up the Reserve Fund to \$100,000.

There was general agreement that the Board should explain at the Annual Meeting that some of the increase in the cost of dues was also attributable to the increase in Toad's management fees, which had gone up so that Toad could remain competitive in Crested Butte's labor market.

Will made a motion to increase dues by \$50 per quarter. Rusty seconded, and the motion passed unanimously.

Chet noted that this change to the draft budget would require the Board to either decrease spending in other areas or operate at a deficit for 2022.

David made a motion to decrease the budget for road maintenance by \$3,800. Rusty seconded, and the motion passed unanimously.

Chet agreed to amend the Budget in accordance with the two unanimously approved motions.

David said that Phase 1 of the Reservoir Project had been successfully completed by the November deadline. David said that he would send around pictures of the completed project, which was looking very good. Chet agreed that the completed project looked great and thanked David for his work.

Rusty said that Ted Colvin, a key player at Whetstone Mountain Ranch, had passed away. Rusty said he had gotten the opportunity to thank Ted Colvin for his great contributions to both Whetstone Mountain and Hidden Mine Ranch. David Baker would now be the primary point of contact for negotiations with Whetstone Mountain Ranch.

Chet noted that Hidden Mine Ranch was still trying to collect Whetstone Mountain Ranch's portion of the expenses for snow plowing from the previous year and had not yet received an invoice from Whetstone for Hidden Mine Ranch's portion of the trash collection.

Rusty made a motion to adjourn the meeting at 11:45 a.m. David seconded the motion, and it was unanimously approved.