

Minutes 2025 Annual Meeting

June 28, 2025, 10:00 am, Hermit Lakes Barn

1. Call to Order 10:15 am
2. Invocation/Pledge of Allegiance Jon Mark led the invocation
3. Roll call and establishment of a quorum 53 members present, 40 proxies – total 93 members
4. Reading of Official Call for 2025 Annual Meeting
5. Proof of mailing of notice of meeting
6. Introduction of new members and recognition of deceased members – Jim Rogers, Lois Lamb passed away. New members Logan Wilkin and Jennifer Middleton-Wilken 158, Richard and Jeanne Stecklien 264 new members
7. Board Announcements
 - A. Do not dispense gasoline directly on the ground.
 - B. Thanks Robin – for getting a permit to work on the main road.
8. Approval of Agenda – Motion to approve the Agenda, Richard Thatcher seconded Kent Burrell Motion passed unanimously
9. Approval of 2024 Annual Meeting Minutes – Minutes approved as distributed
10. Financial Report - review of financial statements 5/31/25, 5/31/24
 - i. Discussion on financials from last year and how last year they didn't balance. The financials were fixed for this year.
 - ii. The fish fund was not transferred properly last year. It was completed during the current year.
 - iii. Why is the cash flow being omitted? There would be an extra cost that WSB can give us a quote for. The board gets a general ledger every month to make sure the expense is going into the right account.
 - iv. Last year, 2024 financials – Motion to approve, Richard Thatcher, seconded Joe Ed Godfrey – passed unanimously
 - v. This year, 2025 McDowell, Motion to approve Richard Thatcher – Passed Unanimously
11. Committee Reports
 - A. Grounds Committee – Alan McDowell
 - i. repair of the gate, remove willows across right of way, trails end suggested to cut willows there – need volunteers to get board to approve.

ii. Loafing shed – out of Alan's experience to repair– does anyone want to help with getting bids? Email members' bids must be submitted by August 1st. Shed, including all debris, must be cleaned up and removed within 3 months. Motion: Deanna Bartee - seconded by Jim Brusak

iii. Lot 171 was moved 60 feet up the hill, and 60 feet down the valley. Adjacent members were notified and agreed at the time.

iv. Lake two head gate needs to be reinforced, Gun range has new signs, plan to recycle brass, may try to use metal poles because people are shooting up supports.

v. Filling in mud holes from five between Lake 5 and Shooting Range, continue sealing office/caretaker, pump house. Shed roof needs to be completed with blocking finish project from two years ago. The door on the barn needs to be rebuilt, front wall of the pump house needs repaired, fencing materials for back fence above shooting range. Barn foundation, containment for gas tanks. All these need to have quotes and budget approved.

B. Fish Committee – Steve Rogers, Chairperson

i. Committee is very passionate – Jim Brusak, Kirby Self, Ed Leonard, Bob Prentice, Jim Prentice, Brett Bowdish, Bob Bowdish, Kent Barrett, Humphrey, All very important committee members. Terry has also been a huge help. Sucker mitigation is ongoing, Lake one is coming around. 500-man hours put in by committee. The contractor has quoted 100K for this work. Keith Capps, Emma Pauley, Self family, Bernard family, Riley, Joe Phillips, Jim Deandrea, Sam Ogden, Ron Breaux, Tom Zupan, Nash, John, Robin Thanks to all of these people – some may have been missed but the thanks is to all of those helping with suckers and other efforts on the fish committee.

ii. Thanks to the donations from members who have donated. Lake one will be stocked this year. Stocking trophy fish. We need to catch and release so they continue to do the work of the large fish. Please release big fish after you take a picture, measure length and girth then send to the fish committee to enter the contest for the year.

iii. Brookies are reproducing and cut bows are trying, releasing these fish helps the sustain the fishery. The fish committee is proposing 100 fish only to take out, and to have the fees changed to 8.00 per day.

iv. Prices for fish have tripled in two years. We need to manage water quality, habitat and having the budget really helps. We still need volunteers to help. Survey showed 100:1 suckers to trout in lakes 3 and 4 and 5. May need to drain these lakes to fix it.

v. Jim Brusak thanked Michelle, his wife, for everything she does for the fish committee. Thanked Steve for the work he has done to further the cause.

vi. Recreation Committee – Penny Wagner – the committee sponsored a breakfast in May and was well received. May do a pancake breakfast in August, July we are planning a Christmas in July, week of activities and decorations. Lisa and Joyce are also helping the committee.

12. Old Business

A. Progress on culverts for Lakes 2 and 4 – Keith has discussed with State Engineer's office and various contractors, trying to get other meetings set up. Has a contractor who looked at the site,

looked at wing walls and reinforcements. Currently, a budget quote now 38K higher now than \$149,580 from two years ago, adding other head walls, etc. was another 100K. Dam 2 lining, and preserving the other outlet, meeting this week to discuss. Plans and specs are being reviewed hoping to do lining of culverts rather than cutting the dam. We are looking at grants and low interest loans might be a possibility. Suggested Sky-high engineering may be more cost effective. We have currently been using Davis since they had previous knowledge. There is quality control on the lining if we go that way. Also looked at cure in place lining. They can make it a bit longer so it can be tested. Suggested to add automatic boards would have to do wider dams.

13. New Business

A. Williams Gift - The gift was \$86,334. A committee was formed and is working towards suggestions. Steve Humphrey, Deanna Bartee, Others.... Robin Clutter, may use funds to drain upper lakes, kill suckers, and refill. These funds will be used for the project; it may not cover the entire project. Those in favor of this proposal – passed unanimously. The timing needs to be worked out with Rio Grande if we keep it there for two years then the cost is \$50 per acre foot. All must be coordinated with all parties on timing. We would like to coordinate with the dam project to save those costs.

Members asked: Is the money in a savings account currently? Edward Jones has quoted 4% and if we make over a certain amount in passive money we would have to pay taxes (not sure the exact threshold). We would like to keep it locally but may need to consider going to national banks. Why do we pay sales tax? We have to either pay sales tax or use tax – it was a wash and not a benefit. There's accounting involved and a cost associated with it.

14. Proposed annual budget and assessment for 2025-2026

Keith commented we are on the fourth year of the special assessment which is included in the budget. Have tried to control expenses as much as possible. Increasing regular assessment this year by \$1,522.50 plus \$500 assessment. Increases in fish fund transfer, caretaker pay, registered agent, and insurance costs. Registered agent costs have increased by \$6000 and include WSB being at the annual meeting. Prior years these types of things were done without being charged. Members asked if we should increase the assessment for other purposes.

Could we have a committee who could focus on finances and look at options for those finances? Yes, board can form a committee and would look for people to volunteer.

Thatcher moved to approve budget as proposed, Michelle Brusak approved unanimously. Deanna Bartee volunteered to check out rates for interest bearing accounts.

15. Election of Directors

A. Brian Pauley resignation. This Board position will be 1-year. Nominations will be accepted from the floor.

Nominations – Jim Brusak, Penny Wagner – declined the nomination for this 1-year position
nominations – closed, By acclamation, Jim Brusak is elected to the board.

B. Jon Mark Jester and Sherry Scaggiari terms expiring – both have agreed to run again, Nominations from the floor – Penny Wagner, Steve Office. Nominations are closed.

Penny Wagner was the winner of the first round of voting. Steve Office is the second winner.

The new board is Jim Brusak, Keith Walker, Robin Clutter, Penny Wagner, Steve Office

16. Adjournment at 1:20 PM.

A handwritten signature in blue ink, appearing to read "Keith R. Walker". The signature is fluid and cursive, with the first name "Keith" being more prominent.

Keith Walker, President, Hermit Lakes Recreation, Inc.