

Approved
November 17, 2015
as written

PINE MEADOW RANCH OWNERS ASSOCIATION
ANNUAL MEETING
SONS OF UTAH PIONEER HALL
3301 EAST 2920 SOUTH
SALT LAKE CITY, UT
NOVEMBER 18, 2014

In Attendance: Tony Tyler, President; Dan Heath, Vice President; Pat Kreis, Treasurer; Honey Parker, Secretary; Matt Brown, (Area 1); Jeremy Jespersen (Area 2); Alan Powell (Area 3); Tom Deaver (Area 4); Mark Hodgson (Area 5); Mike Gonzales (Area 6); Nick Boyle (Area 7)

Ex-Officio: Carol Steedman, KGC Associates

Tony Tyler called the meeting to order at 6:35 p.m. He thanked everyone for coming and outlined the agenda items for discussion this evening. This meeting would primarily focus on the budget and financials regarding how the Board spends the resources for the Ranch.

Board Member Introductions

The Board members introduced themselves. Mr. Tyler noted that Carol Steedman with KGC Associates handles administrative responsibilities for the HOA.

Mr. Tyler stated that the HOA is in charge of infrastructure and maintenance inside the Ranch, as well as the roads leading to the Ranch, such as Forest Meadow Road, Tollgate Canyon Road and other ancillary collectors. Mr. Tyler stated that they maintain over 32 miles of dirt roads and approximately 5 miles of asphalted roads. The work includes improving and resurfacing roads, applying magnesium chloride, asphalt repairs, and snow removal. The HOA plows to the owners' parking lot, which is traditionally called the gravel pit. They also plow the HOA connector which is from the Winter parking lot down Arapaho and then around the corner to Valley View to connect into the existing Forest Meadow route.

Mr. Tyler stated that the role of the Board is to review and approve any new construction on the Ranch to make sure it complies with the Architectural Guidelines. They collect assessments and impact fees, and they also enforce compliance with the CC&Rs. The motto is to preserve the quality of life on the Ranch property. The PMRHOA is committed to protect the health, safety and welfare of the lot owners.

Approval of 2013 Annual Meeting Minutes

MOTION: Larry Wood, Lot 28A, moved to APPROVE the 2013 Annual Meeting Minutes as written. Matt Brown, Lot SS-44-A seconded the motion.

VOTE: The motion passed unanimously.

Board Elections and Introduction of Candidates.

Mr. Tyler stated that three positions were open for election this year. They have an 11 member Board and three open positions were significant. Mr. Tyler asked each of the candidates to introduce themselves and provide a brief summary of their background. Following this meeting the HOA would mail out ballots to all the members. Once the ballots are returned they would be tallied.

Dan Heath was re-running for the Vice-President position. He assumed that most of the membership had seen his newsletter and already knew his position on many issues. Mr. Heath stated that his focus since he first got on the Board in 2000 is to make the Ranch a place that welcomes everyone. He was pleased with how things are running and he was pleased with how well the Board functions. Mr. Heath encouraged the members to vote for him to retain his position.

Bruce Hutchinson stated that he was affiliated with the Board for several years before he took a leave of absence. He had an interest in running again; however he was resigning his candidacy to put his support behind Scott Boyle. He and Mr. Boyle worked together for a number of years and he is very strong and capable.

Scott Boyle stated that he has been on the Ranch since he purchased his property in 1978. He has seen the Ranch grow and he thought it was exciting to see the direction it was taking. Mr. Boyle stated that he had previously served on the Board as the Area 7 rep for one year and then he became the Association President for nine years. After a leave of absence he was interested in serving on the Board again and being involved in taking the Ranch in the direction it was heading.

Mike Gonzales, Lot PI-G-53 asked Mr. Tyler to define the role of the Vice-President. Mr. Tyler stated that the Vice-President's role is generally to act in the role of President when the President is not available. The Vice-President also serves as an executive member of the four member Executive Board staff comprised of the President, Vice-President, Treasurer and Secretary. Mr. Tyler explained that occasionally internal issues arise that are handled by the Executive Board rather than the full Board. Mr. Tyler remarked that the Vice-President primarily assists the President and the other Board members in overseeing the operations of the Ranch.

A member asked if Mr. Boyle had a specific direction in mind for the Ranch. Mr. Boyle stated that having been President for many years it is important to find a balance between all the different entities and head in the direction of taking care of everyone's needs.

Matt Brown, Area 1 representative, stated that he has been a full-time resident of Forest Meadows for six years. Mr. Brown believed the Board was doing a lot of good things and they were making progress on safety, roads, and other matters. He was running unopposed and he was interested in remaining on the Board.

Mr. Tyler explained that the Area representatives help address the needs of that particular area on the Ranch. There are seven individual regions within the Ranch boundaries and the owners should contact their area representative if they have issues, requests, complaints or even compliments and the area rep will bring it to the Board.

Mr. Tyler noted that Tom LeCheminant, Sue Larson and Mike Olsen were running for Area Rep positions.

Tom LeCheminant, Lot PI-D-29, stated that he is a part-time resident. He moved to the Ranch in 2002 and built his cabin. He is known for organizing the effort to get Bobcat Springs expanded and to put fish in the pond for the kids. Mr. LeCheminant wanted to make sure the Ranch continues as it is. He did not want to see asphalt, guardrails, etc.

Tom Deaver, Lot PI-D-71-A, asked if becoming an area rep would interfere with Mr. LeCheminant's work at Bobcat and continuing to further other recreation areas. Mr. LeCheminant did not believe it would interfere.

Sue Larson was not present. Mr. Tyler noted that Sue Larson was a past Board member. She is a part-time resident and has a cabin in the I-plat area off of River Birch.

Mike Olson, Lot PI-D-17, stated that he has spoken several times with Tony Tyler about different activities that would involve everyone in the Association. Mr. Olson believed there were large shoes to fill from the previous Area 7 rep, and if he is elected he promised to work closely with Tony Tyler and all the people on the Board to find ways to draw in all of the membership. He thought it would be good for the Ranch if they all knew each other. Mr. Olson looked forward to getting to know everyone in the Association.

Larry Wood, Lot PI-28, asked Mr. LeCheminant about other ideas for Bobcat Springs. In the late 1970's he had made tables for Bobcat Springs and the Association had parties and barbeques so people got to know each other. That has since discontinued and he knows very few people on the Ranch.

Mr. Tyler thought the Board should focus more on promoting Ranch-wide events and he personally supported the idea.

Mr. Tyler encouraged the members to vote when they receive their ballot cards and to make sure the cards are returned.

2014 Projects

Mr. Tyler reported that the Water Company put a significant amount of effort into resurfacing Tollgate Canyon Road. The HOA had participated in the project by widening the road and putting up the rock wall. They obtained the necessary permits from Summit County and Jody Robinson prepared the road base and did the prep work for that particular project.

Mr. Tyler stated that road material was added to Arapaho Road. Other road projects included Forest Circle, Pine Meadow Drive, Heather Lane, and Porcupine Circle. Bar ditching was also done on Tollgate Canyon.

Mr. Tyler described the Forest Meadow road realignment process. He explained that he and Eric Cylvick, the Water Company President, had been trying for a number of years to get some cooperative help from Summit County. The HOA has a limited budget to improve and maintain the roads. As a result of the limited budget the infrastructure continues to crumble. Mr. Tyler reported that he and Mr. Cylvick worked with Summit County, with the support of the HOA Board and the Water Board, to draft a proposal that got some attention at the County level. They were able to procure a grant from Summit County for \$240,000. The money does not need to be paid back. It was given specifically to the Pine Meadow Ranch HOA in order to address a major safety concern, which was the Forest Meadow Road realignment project. Mr. Tyler stated that the grant was an unprecedented move because Summit County has never given funds to a private entity for the maintenance and improvement of their own infrastructure. It was a good faith effort on the part of Summit County to show that they were interested in helping. It was also recognition of the fact that although Pine Meadow Ranch does not technically own the roads at the bottom, the Ranch maintains them for the benefit of the HOA, as well as all the users of Tollgate Canyon.

Mr. Tyler stated that Summit County offered to fund a very significant part of the Forest Meadow Road realignment project. The County was funding 86% of the full project amount. The HOA was responsible for the remaining 14%. Mr. Tyler stated that the work currently going on in Forest Meadow was a direct result of that grant money. The HOA would have never been able to do the work without the financial support from Summit County.

Mr. Tyler stated that after Tollgate Canyon was repaved, the larger issue at that point was a 19% grade on that section of Forest Meadow Road. A switchback was added and the highest slope of the road is now less than 10%. They also added retaining walls and a

section of guardrail. The road is currently intended to remain a dirt road; however, they may decide to asphalt it in the future. Mr. Tyler anticipated that the road would be opened the following week and he believed people would see a positive difference.

Mr. Tyler reported that the entire Tollgate Canyon area was annexed into the North Summit Fire District which resulted in a number of changes. The first change is that Pine Meadow Ranch is actually in the Fire District. Prior to the annexation the Ranch was in a Wild Land Fire Service District and it was becoming more and more difficult for lot owners to obtain homeowners Insurance. Mr. Tyler stated that since North Summit Fire District had been responding to the area for a number of years, it made sense to annex into the District.

Mr. Tyler reported that the HOA was working with the Fire District on a short-term land lease to provide a temporary structure on the gravel pit parking lot, where the Fire District will keep a year-round fire response and emergency response vehicle. The Fire District is also working on a permanent fire station for the Tollgate Canyon area. The HOA is working with the District to find a suitable location. Mr. Tyler stated that having response vehicles and the fire station in the area was a major benefit to everyone.

Ken Smith, Lot PI-59, a property owner and Fire District Chief, stated that there are twelve trained volunteers in the Canyon. Even though the facility is not up yet the fire truck is up there. Mr. Smith stated that they were working on getting a temporary building built on the leased land, and this coming year they will be working on the engineering and site plan for a permanent fire station. Mr. Tyler remarked that it was a mutually beneficial relationship with the Fire District.

Mr. Tyler reported that the HOA had purchased a new tractor this year. The tractor is used to maintain the roads in the summer and winter.

A member asked Mr. Tyler to provide some background on the Tollgate Canyon Road. He asked if the Water Company had improved the road using grant funds for the new water system. Mr. Tyler stated that Tollgate Canyon Road is historically no man's land. There are recorded easements on part of the road going up the canyon, but not on all sections of the road. The easements vary in both scope and size. Mr. Tyler explained that when the Special Service District at Summit County was dissolved in 1999, the County executed an easement agreement recognizing that there are users of the road, as well as recorded and unrecorded easements for the use of that road, and that the roads and rights-of-way to those roads belong to the HOA. Mr. Tyler remarked that road maintenance has always been an interesting situation because technically they are not Ranch roads, but Summit County does not claim them as County roads either. Mr. Tyler stated that the Water Company received significant Division of Drinking Water loan funds to upgrade the system and they did a fantastic job doing that. He believed the funds the

Water Company used to re-asphalt the lower section of the road came from those funds. Mr. Tyler stated that the Water Company needed to guarantee their access up to the well houses and pump houses, which is why they agreed to lay the pavement. Mr. Tyler pointed out that the project gave the HOA the opportunity to widen sections of the road at the same time.

2015 Projects

Mr. Tyler presented a number of projects the Board had discussed for 2015. He clarified that it was a list of potential projects but they still needed to be approved by the Board. Some projects will get done this year and others could be delayed due to budget or other reasons.

The potential projects included sections on Navaho, Elk Road, Modoc Loop, Forest Meadow Road, Aspen View, Hidden Circle, Windy Circle, Shady Lane, and limited applications of mag chloride. Mr. Tyler noted that a few roads are mag watered. It is primarily used as a dust suppressant, but it actually binds the road material together. Mr. Tyler stated that other projects include grading secondary roads and replacing culverts as needed.

Mr. Tyler stated that the Board tries to review the Architectural Guidelines once a year to make sure they are in line with what the membership wants to see on the Ranch. This year the Board intends to relook at the Rules and Regulations and the Bylaws. He noted that changing the Rules and Regulations and the Bylaw requires a vote by the members at the Annual meeting. The Board does not have the authority to change those two documents.

Mr. Tyler stated that other projects anticipated would be to inventory the Ranch signage and possibly replace some of the signs. Some roads have no signage at all which presents a problem for emergency vehicles.

Mr. Tyler remarked that the Board was looking at overhauling or replacing the road roller next year. It was the only piece of equipment that has not had major work done to it over the past few years.

2014 Year to Date Financial Report and Proposed 2015 Budget

Pat Kreis, Treasurer, stated that she has been on the Board since January of 2014. She thought the Board was amazing and she has enjoyed working with this professional group of people. She found the dynamics interesting because each of them has their own opinion on how things should be done. There is a lot of debate and discussion, but in the end the Board usually comes together to prioritize and approve projects and to find

funding to accomplish the work.

Ms. Kreis noted that the dues have been consistently \$240 for landowners; \$300 for part-time owners; and \$420 for permanent full-time residents. Ms. Kreis reported that the Board had voted not to change the current dues structure.

Mr. Kreis started her presentation with 2014 because she felt it was important to show how they have been performing against budget. She noted that when the budget was presented last year, it was based on 830 property owners. She stated that over time that number has changed because some people have annexed lots. For this presentation it was adjusted to the number of landowners who actually get invoiced for their dues. This was done to accurately measure how they have collected revenue against what was invoiced and what has been paid. Ms. Kreis stated that the budget projected 100% of the revenue to be collected was \$235,000. However, the actual collection was 95% of the revenue. She noted that collections have been good due to the help of a collection agency that helps collect on delinquent accounts. Ms. Kreis pointed out that Revenue Recovery, the collection agency, had collected \$10,518 on past due accounts, which was well beyond the \$2,000 that was budgeted.

Ms. Kreis commented on LDS Church Camps that are outside of the Ranch but use Ranch roads. Every year the HOA asks the Church for a contribution to help maintain the roads. The Church has been a good neighbor and consistently contributes the budgeted amount of \$9,036. Mr. Tyler noted that the contribution is not required. It is a voluntary contribution by the LDS Church for their use of the roads and the contribution is very much appreciated.

Ms. Kreis remarked that the SS lots outside of the Ranch also use the roads. The HOA invoices those lots for a donation to the road maintenance. They budgeted \$9,000 for that donation, but they invoiced a much higher amount. Unfortunately, they were only able to collect \$6,899. Ms. Kreis understood that the SS lots were invoiced approximately \$40,000. Mr. Tyler pointed out that the SS lot owners are asked for a contribution but it is not mandatory to contribute.

Ms. Kreis referred to the impact fees that are paid by a lot owner when they build a new cabin or add on or renovate an existing cabin or home. They had budgeted \$18,000 in 2014 for impact fees. She noted that people have been good about coming to the Board and presenting their plans for building and paying the impact fee. Ms. Kreis stated that \$30,500 was collected in impact fees this year.

Ms. Kreis pointed out a line item labeled Other Income, which is a catch all for various types of fees income, such as transfer fees, finance charges, delinquent fees, or other contributions. She stated that it is difficult to how much would be collected in this

category. It was budgeted at \$500, but they were able to collect \$10,595.

Ms. Kreis commented on the grant from Summit County for the Forest Meadow realignment project. To date, Summit County had given \$95,145 and that money was deposited into the HOA account. She noted that the grant money was a new item and it could not be compared to the revenue column. Ms. Kreis stated that the \$83,000 was a portion of what has been billed and paid against the realignment of Forest Meadow.

Ms. Kreis stated that the approved funds available for use in 2014 was \$326,577. She noted that the amount was different from what was approved at the Annual Meeting in 2013. She recalled that a motion was voted on approving \$330,000. The variance between the two amounts resulted from adjusting the number of landowners to reflect what was invoiced.

Ms. Kreis indicated the column of fixed expenses and the column showing the actuals of the fixed expenses to date. The totals showed that they were at approximately 81% of their fixed expenses. One line item included in the fixed expenses that still needed to be approved by the Board was the property taxes the HOA has to pay on Ranch-owned lots. Ms. Kreis stated that when that amount is added into the chart, the percent against budget will be 85%.

Ms. Kreis reviewed the line items for variable expenses. She noted that a significant amount was budgeted for asphalt and repairs. Total variable expenses were budgeted at \$171,000. Typically, they are very constrained by the budget for road repair. However, with help from the Water Company and the grant from Summit County they have had flexibility in the budget. This year they have spent 57% of their actual expense against the budgeted amount for variable expenses.

Ms. Kreis explained how the current year budget helps plan the budget for the coming year. She reviewed budgeted line items for 2015. They projected cash of \$276,000. The same fixed expenses were budgeted and they projected fixed expenses in the amount of \$191,000. Variable expenses were projected to be \$75,900. Ms. Kreis commented on specific changes the Board voted on for the budget in 2015. Several projects were completed this year for road repair. Asphalt repair was one item that was adjusted down for 2015. The Board voted on \$5,000 for asphalt repair. If they have an unforeseen priority project the Board may have to re-visit that amount. Mr. Kreis noted that the aggregate budget was \$50,000, which was the same amount that was budgeted for 2013. However, the mag water budget was increased. In 2014 they only used half of what was budgeted for mag water, but they anticipate going through three applications in 2015. The mag water was budgeted at \$9,000.

Mr. Kreis explained the reserve account and noted that \$10,000 in cash was earmarked

as a rollover into the reserve accounts. In 2014 some of the reserve money was used to purchase a new tractor and repair the grader. Therefore, the Board wanted to replenish the reserve and budgeted \$30,000 to be rolled over into the reserve account to replace some of what was taken out last year.

Scott Boyle, PI-I-18, asked for the number of lots versus the lots that are invoiced. Ms. Kreis stated that 813 lots will be invoiced.

John Baker, Lot PI-D-10, asked if the collection agency takes a percentage of the amount collected. Ms. Kreis stated that Revenue Recovery collects the funds and they do not take a fee unless they are able to collect. The fee is added as a separate line item on the bill and that is paid by the property owner when the delinquent amount is collected. Mr. Tyler clarified that when the account is turned over to collections, the HOA still receives the full amount owed.

Bruce Hutchinson, Lots PI-F-3 & 4, wanted to know why they budgeted \$9,000 for mag water when they only spent \$3,000 last year. He asked if they were planning to mag water more roads in the area. Mr. Tyler stated that he and Jody have been doing research on how to better maintain the roads to be more cost-effective in the long-term. They found that when other subdivisions add new material they grade it, roll it and apply mag water; and they do not have to do anything else for ten years. Mr. Tyler stated that when new material is added they intend to apply mag water to help it bind up in an effort to reduce the maintenance costs over time. The only way they will know whether or not it actually works is to try it. Mr. Tyler was unsure whether they would spend the full \$9,000, but they wanted the funds available. He clarified that they were not planning to mag water the entire Ranch because it would not be feasible or practical.

John Bergerson, Lot PI-D-68, noticed that on the 2014 Budget and Actual there was a line for a contribution to reserve but there was no number. Ms. Kreis stated that a line item was budgeted for \$10,000 in 2014 to be rolled over to a contribution to reserve. The starting point was the savings that they had at the end of 2013. That amount was \$203,000. A second line item was the \$10,000 they planned to roll over into the reserve account. Ms. Kreis explained that for the entire portion of 2014 up until this presentation, \$10,000 has been a line item to be rolled over to reserve. For purposes of this presentation Ms. Kreis wanted to show that the rollover had taken place.

Ms. Kreis stated that in addition to the \$10,000 that was rolled over in 2014, at the Annual meeting last year, it was presented that \$50,000 would come out of reserve for grader repair. However, Jody Robinson has the knowledge and expertise to perform most equipment repairs which saves the HOA a lot of money. Therefore, the grader repairs that were performed in 2014 were \$7,128 and that amount came out of the reserve account. Ms. Kreis noted that the Board approved funds to be taken out of the reserve

account to purchase the new tractor. The remaining balance in the reserve account was a subtotal of \$157,000. She reiterated that the Board voted to replenish the reserve account at the end of 2015 with a rollover of \$30,000. The projected balance in the reserve account at the end of 2015 would be \$187,000.

Mr. Tyler explained the unfunded reserve account. He referred to pages in the packet provided that showed the assets they have as an HOA, and how they intend to maintain those assets and pay for the maintenance over time. It also showed projected replacement and repairs. Mr. Tyler intended to show what the capital reserve balance should be, and what percentage of it was unfunded. He provided examples to explain the concept. Mr. Tyler stated that in addition to the capital reserve, the Board felt it was very important to have an emergency reserve, and they earmarked \$75,000 as emergency reserve, which was included in the reserve account.

The Board believed the current assessment amount was adequate for the coming year and they voted to recommend that the members vote to keep the assessments in their current configuration. Cards were passed out to the members to vote on the proposed 2015 Budget.

Other PMRHOA Issues and Information

Snowplowing

Mr. Tyler stated that private snowplowing has been an issue over the past few years. They have a relationship with all the area plow associations. They allow individuals to plow Ranch roads that are owned by the membership, but they have to comply with the HOA's insurance requirements and plowing requirements. Mr. Tyler recognized that there were competing interests on the Mountain and that some people like to snowmobile or cross-country ski. The plowing standards ensure that plowing would still allow those activities to occur on the roads. Insurance is also a major issue because if someone plows a road without signing a snowplowing contract with the HOA and an accident occurs, the HOA as a group is liable for the actions of one individual.

A member asked Mr. Tyler to explain the \$1 million insurance policy. Mr. Tyler stated that the HOA requires that individual plowers provide a liability policy for \$1 million naming the Homeowners Association as the insured party. That policy does not protect the plower. It only protects the HOA. Mr. Tyler clarified that individual plowers are not required to have personal liability insurance for plowing the roads, but he recommends it. The member asked what the insurance fund they pay into as a group pays for. Mr. Tyler noted that Alan Powell runs the Pine Meadow Emergency Evacuation Fund, which is the group insurance, and that pays for the plowers insurance requirement to the HOA. Mr. Tyler explained that if a plower signs the contract with the HOA and they also pay into the

Pine Meadow Emergency Evacuation Fund, the plower needs to note that on their contract because they are covered under that policy and a separate \$1 million policy is not required.

Pets and Leash Laws

Mr. Tyler clarified that the HOA does not regulate ownership of pets, noise complaints, or running wild animals, dogs, cats, etc. Summit County Animal control is the regulatory authority and people should contact Animal Control if they see dogs or other animals running free, chasing wildlife or causing other problems. Animal control will address the issue directly with the property owner and the HOA is not involved at all.

Parking Restrictions

Mr. Tyler stated that parking is not allowed on Ranch roads at any time for safety reasons. Most of the roads are narrow and have blind corners and they need to be kept clear for plowing. He noted that each Board member has a yellow card and if they find a car parked on the road they place the card on the car. If the car is still there in 24 hours it is towed. If a car is actually blocking the road creating a further safety hazard, the Board has the discretion to have the car towed immediately without warning. Mr. Tyler emphasized that the Board does not like to have cars towed, but their first responsibility is to protect the interest of all the owners.

Mr. Tyler stated that parking is allowed in the winter parking lot. The lower level is reserved for cars, pickups and other passenger vehicles. The upper lot is reserved for items such as snowmobile trailers. Mr. Tyler remarked that with the Forest Meadow road realignment, the two parking lots at the bottom of the hill have been reduced to one parking lot. That parking lot is intended to be a permanent location for the dumpsters to move them from the canyon entrance. At this point the full scope of what would remain of the parking lots was unknown. Mr. Tyler noted that parking is permitted in the parking lots with a sticker. The sticker lets them know that the vehicle is not abandoned or stolen. Another reason for the sticker is to be able to contact the owner if there is an issue and the vehicle needs to be moved.

A member noted that some people use the Oil Well parking lot and she asked if that was a legitimate parking area. Mr. Tyler replied that neither the Oil Well parking lot nor the gravel parking lot at the bottom below the mailboxes are owned by the HOA. The Oil Well parking lot is owned by a private individual who lives near the Ranch. The owner has historically allowed people to park there, but they do not have a right to park there. People should understand that it is not HOA property and the property owner has the right to decide whether or not to have cars towed. Mr. Tyler explained that the gravel lot below the mailboxes is a UDOT right-of-way owned by Summit County. He doubted that

Summit County would tow cars from that parking lot.

Snow Stake

Mr. Tyler noted that Hutch Foster had put up the snow stake a few years ago and it is a great resource to see how much snow is on the Ranch in real time. There is a link to it on the website.

Fire District Annexation

Mr. Tyler referred to his earlier comments and explanation regarding the Fire District Annexation. He informed the members that they would see the change on their tax bill next year. The Wildland Fire Service District would be removed and replaced with the North Summit Fire District and a different mil levy.

Mike Olsen, Lot PI-D-17, stated that many people on the Ranch are paying four times the cost of what people in the valley pay for insurance. Mr. Olsen did not believe the insurance rates would decrease right away just because they annexed into the Fire District, unless someone pushes to have that recognized by the insurance companies. Mr. Tyler agreed that there was a learning curve. He explained that the insurance companies started doing on-site inspections for homeowners insurance, and the inspectors were calling the North Summit Fire District and finding out that the Ranch was not in the Fire District. The inspectors identified it as a huge risk and the insurance rates were inflated. Mr. Tyler stated that Ken Smith has been working with the HOA and the rest of the North Summit Fire District staff to respond to questions from the insurance companies as quickly as possible. Mr. Olsen offered his help to push the insurance companies if it would help the Association.

Hunting and Shooting

Mr. Tyler stated that there is an unofficial Facebook page for the Pine Meadow/Forest Meadow Ranch that is filled with "gossip". The HOA has an official Facebook page as well as a website where the members can obtain specific information. He noted that if the Facebook page does not show the HOA logo it is not official.

Mr. Tyler noted that hunting and shooting have separate regulations. The hunting regulations are governed by the Division of Wildlife Resources. The Division of Wildlife Resources has a tag process to obtain the legal ability to harvest an animal. There are areas in Tollgate Canyon where people can legally hunt if they have a legal tag and are within the guidelines of the hunting regulations. Mr. Tyler pointed out that there are areas within Tollgate Canyon where hunting is absolutely not permitted. Pine Meadow Ranch HOA does not allow hunting of any kind within its boundaries.

Mr. Tyler commented on shooting regulations. The shooting regulations are governed by the Summit County Sheriff's office. The Sheriff's office prohibits shooting within a registered legal subdivision. The Pine Meadow Ranch HOA is a registered legal subdivision and a firearm cannot be discharged within the Ranch boundaries. It is also prohibited to discharge a fire arm within 500 feet of the boundaries of the subdivision. That includes Pine Meadow and Forest Meadow, Mount Lewis Estates, Aspen Ridge and other subdivisions in the area.

Mr. Tyler stated that the HOA was made aware of a Cooperative Wildlife Manager Unit (CWMU) behind Pine Meadow Ranch, which is essentially a private hunting reserve sanctioned by the State of Utah. Individuals run it as a commercial operation and they can sell tags and harvest animals within that region. Mr. Tyler remarked that historically the legal mountain top access for the CWMU is from Morgan County. Therefore, they rarely saw hunters on the Tollgate Canyon side who were coming up for the CWMU. However, since the CWMU is a commercial operation, their right to use Ranch roads is not a legal right. Ranch roads exist specifically as a private use for Ranch owners and guests. There is a public right-of-way that allows members of the public to cross Ranch roads, but that the use does not extend to a commercial operation. He pointed out that currently the CWMU owners are renting cabins in the Tollgate Canyon/Pine Meadow area to hunters who pay money to harvest large animals, and they are accessing through Ranch roads. Mr. Tyler stated that the HOA was in the process of issuing a Cease and Desist letter from their attorney to the owners of the CWMU, which would force them to recognize the private roads and the rights to use and maintain the roads, and that those rights do not extend to a commercial use of the road.

Mr. Tyler outlined additional regulations for hunting, noting that people do have the right to hunt on their own property if they are at least 600 feet away from a habitable structure and have a legal tag to harvest the animal. He noted that several lots on the Ranch clearly qualify for hunting as long as the owner or guests of the owner comply with the regulations of the Division of Wildlife and the Summit County Sheriff's office.

Mr. Tyler remarked that it was very difficult to tell who may be hunting legally and those who are not. If an individual has a concern that someone may be poaching, they should contact the Division of Wildlife Resources and issue a complaint. If they see someone discharging a fire arm within the boundaries of the Ranch, it should be reported to the Sheriff's Office.

Someone asked how cabin rentals differed from the CWMU in terms of commercial use of the roads. Mr. Tyler replied that it was a gray area. Based on conversations with their attorney, the law is very clear that the use does not extend to a guest ranch or a bed and breakfast, which is what the CWMU is doing. Therefore, the use of the property is

entirely a commercial use. Mr. Tyler stated that the legal explanation may extend to nightly rentals because it is a commercial use in many ways; however, that determination is still vague and needs more research.

Open Forum

Scott Boyle, Lot PI-I-18, asked if there was an opportunity to reserve some of the grant money from Summit County to repair a section of Tollgate Canyon that keeps sloughing off and would probably block the drainage this Spring. Mr. Tyler stated that they could address the road issue and work on preventing a drainage problem. However, it is impossible to reserve any money from Summit County because the funds were granted specifically for work that has to be performed before the end of this fiscal year.

Carole Van Hook, Lot PI-C-83, asked if anyone could recommend a decent cell phone and internet service. Mr. Tyler stated that it is a difficult place to get service. Verizon has a tower on Lewis Peak but they are the only carrier that has a tower. He suggested Satellite Internet as another option.

Tom LeCheminant, Lot PI-D-29, referred to the property taxes and asked how many lots were Ranch-owned. Mr. Tyler believed the HOA owned 11 parcels of land. Some are hold overs from the dissolution of the Special Service District in 1999. Two parcels are at the gravel pit, two parcels are at the bottom, and a large parcel on the west side of Tollgate Canyon Road just before Oil Well Road. The rest are smaller parcels scattered throughout the subdivision and surrounding areas. Some are in Morgan County and some are in Summit County. Mr. Tyler stated that the Board has tried to identify what they think there are strategic parcels they should own as an HOA for open space or park versus the developable lots that should be sold.

Dan Kemper, Lot PI-D-19, asked if those lots have ever been valued and whether they were listed on the balance sheet. Mr. Tyler stated that the lots are listed as assets on the balance sheet but there is no associated value attached to them. The property has not been appraised and the HOA rarely recognizes that they exist. In the past, when they needed to make a large purchase or incurred other expenses, they would sell a lot to fund those items. Mr. Tyler stated that the role of the HOA is to maintain the roads and the equipment. They are not intended to be an investment vehicle for real estate.

Mr. Boyle stated that when he was on the Board they tried to hold the property for major expenses. He commented on times when property was sold to pay for specific improvements. He believed it was always good to have that option because it is impossible to predict what might happen in the future. Mr. Tyler pointed out that some parcels would never be sold because they are needed for things such as parking lots, a place to house the equipment, etc., and they benefit the membership as a whole.

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Honey Parker stated that ideas have been discussed for using the property for community building activities, but that would not devalue the property should they have to sell it in the future.

Mr. Tyler thanked everyone for making the effort to attend the meeting this evening. He reminded everyone to turn in their voter card to Carol before leaving.

The annual meeting of the Pine Meadow Ranch Owners Association adjourned at 8:24 p.m.
