

PINE MEADOW RANCH OWNERS ASSOCIATION
MONTHLY BOARD MEETING
HOME OF BOB BURDETTE
1750 COUNTRYSIDE
SALT LAKE CITY, UTAH 84109
FEBRUARY 21, 2012

In Attendance: Hutch Foster, Dan Heath, Bob Burdette, Suzanne Larsen, Matt Brown (Area 1); Jeff Hubbard (Area 2); Mike Gonzales (Area 6); Bruce Hutchinson (Area 5); Tom Deaver (Area 4)

Nick Boyle, Alan Powell and Jody Robinson were excused

Guests: Tony Tyler, Lot D-33.

Hutch Foster called the meeting to order at 6:45 p.m. He noted that the Board was meeting at Bob Burdette's home because no one was at the Fire Station when the Board members arrived this evening.

Approval of Minutes

January 17, 2012

MOTION: Suzanne Larsen moved to APPROVE the minutes of January 17, 2012. Mike Gonzales seconded the motion.

Bob Burdette noted that Dan Heath was listed as being both in attendance and excused. The minutes should be corrected to accurately reflect that Dan Heath was not in attendance.

Mr. Foster called for a vote on the minutes as corrected.

VOTE: The motion passed.

Mr. Foster noted that the motion passed by majority vote; however, since he and other Board members had not read the minutes, he reserved the right to revisit the minutes at the next meeting if necessary.

Owner/Visitor Open Forum

Bob Burdette reported that some Ranch owners registered on the website for access to the forum site, but they were not yet approved. Mr. Foster stated that due to the number of spam registrations, he has to look at each registration individually to make sure the registration is from an actual owner. He could speed up the process if owners would send him an email with their registration name.

ECC Plan Review

There were no comments.

Ranch Manager's Report.

Mr. Robinson noted that Jody Robinson was present at the fire station. When the meeting was moved, he updated Mr. Foster on the Manager's Report and asked for permission to leave.

Mr. Foster reported that the grader had 60% cutting edge. The dump truck may need a cutting edge soon and the estimated cost was \$160. Mr. Burdette noted that the Association purchased an extra blade for the grader last fall and it was still at the shop.

Jody has primarily been doing snow pushing and sanding. He still planned to paint the shop. Jody had also helped the Water Company locate leaks.

Jody updated his cell phone plan and he was able to keep the same number.

Mr. Burdette thought Jody would have filled the potholes at the bottom at Exit 150, and he wondered if it was not done because someone had instructed Jody otherwise. Mr. Hutchinson understood that Jody was waiting for the road to dry out before filling the holes. Mr. Foster concurred that Jody was waiting for better road conditions.

Old Business

Posting financials on the web

Mr. Foster noted that during the Annual Meeting an owner had raised the question of posting monthly financial reports on the website. He stated that Carol had prepared a PDF version of the monthly report. However when Mr. Burdette reviewed it he thought it was difficult to compare the monthly expense report with the annual budget. Since the Board does not do a monthly budget there is no way to anticipate monthly costs. Therefore the numbers do not line up easily and it is a concern that they are transparent for the general public. Mr. Foster remarked that Mr. Burdette and Carol had discussions about whether the Association was required to post monthly numbers.

Mr. Burdette explained that part of the problem was lining up the budget with the actual expenditures. He noted that the Association's income comes in and goes out unevenly. For example, 1/12th of the annual budget for gravel would not be spent in January,

February or March; but those dollars would begin to decrease in large amounts once they begin the annual road repairs this summer. Mr. Burdette was concerned about misleading the Ranch ownership by presenting an Annual budget on a monthly financial statement.

Mr. Burdette understood that the financial posting was requested by only one owner at the Annual Meeting. If the Board chooses to honor that request, he suggested providing the income statement without the comparison for the budget. As an accountant, he would prepare separately an income statement where the budget item and the expenditure were lining up directly side by side to make it easy for someone to make a comparison.

Mr. Burdette proposed that the Board post the income statement without budget figures, or not post anything at all.

Mr. Hutchinson asked if it would be possible to put a note on the website stating that those interested in the financial report should contact Bob Burdette. He was certain that very few people would contact Mr. Burdette because it was an issue raised by one person. Mr. Hutchinson did not believe anyone else was that interested. The information is open and owners would be aware that it is available if they request it from Mr. Burdette.

Mr. Burdette suggested that the information provided to the owners would be the profit and loss report. It was noted that the Board meetings are open meetings and every owner has the opportunity to attend a meeting and hear the financial report presented. If anyone wants additional or more detailed information, they could request it from Mr. Burdette.

Mr. Tyler stated that it was unusual for an HOA to prepare monthly statements. Typically quarterly reports are prepared. He suggested posting a quarterly financial report on the website. Mr. Tyler thought that there was no reason to compare it with the budget since the budget is already available in a separate document.

Mr. Foster asked if there was consensus among the Board that posting a monthly financial statement was unnecessary and possibly unproductive. Carol had pointed out that as a non-profit Owners Association they were only obligated to provide an annual report of profit and loss. Mr. Foster emphasized that the monthly statements are public and anyone who attends a Board meeting can hear the details of each item as they are discussed by the Board. Having to repeat the detail in numerous emails or telephone calls would be an unnecessary burden on Mr. Burdette.

MOTION: Mr. Hutchinson made a motion to post Annual statements and that monthly budget information is available to all those who attend the monthly Board meeting. Jeff Hubbard seconded the motion.

VOTE: The motion passed unanimously.

Deer Meadows Proposal

Mr. Foster reported that the Planning Commission split their vote on the Deer Meadows SPA proposal and it would now move on to the County Council. Mr. Foster would not presume to know the Councils' thoughts on the proposal; however, the County Council supports zoning and believes that the density of zoning in Tollgate Canyon was an error 30 years ago. To add to that density would make no sense. Mr. Burdette asked if having representatives from Pine Meadow attend the meetings was effective. Mr. Foster thought it was effective, as long as they maintain a consistent and rational approach.

Mr. Deaver was told that it was more effective if everyone speaks during a public hearing, as opposed to one or two people speaking on behalf of a group. Mr. Foster was of the opinion that the County Council preferred to hear a few coherent detailed arguments as opposed to a large number of short, emotional comments. He has attended meetings where the Council requested that groups designate a spokesperson.

New Business

Eligibility requirements for Board member candidacy

Mr. Foster noted that the Board had tabled this discussion from a previous meeting. He had not yet drafted a document for review and discussion, and requested a volunteer to create a first draft. Mr. Foster noted that currently the eligibility to serve on the Board is for the candidate to be a property owner who is current with dues and fees. There is not a written document that states eligibility to run for the Board, which resulted in the situation of a candidate who was not a property owner. However, that person became a property owner at the time they would begin to serve their office. Mr. Foster spoke with the attorney Ted Barnes regarding the situation, and he was told that the Owners Association did not have enough documentation in the bylaws to bar that from occurring again. If the Board wants to require that a candidate be a current owner to run for office, it needs to be stated clearly in writing. Mr. Foster recommended that the Board draft a statement of eligibility.

Mr. Burdette thought the Board should impose the statement that in order to run for the

office, you must be eligible to serve. He asked if additional eligibility requirements should be included in the document, such as being at least age 21. Mr. Foster stated that Ted Barnes could draft the document if the Board was willing to pay his fee. He suggested that the Board provide a first draft and ask Mr. Barnes to edit it.

Mr. Gonzales did not favor an age requirement. If someone is old enough to own land they should be able to make decisions. It would be up to the owners to vote against that person if they did not believe he or she was old enough to make responsible decisions.

Dan Heath volunteered to draft an eligibility document for review at the next meeting.

Utah Association of Special Districts

Carol had sent Mr. Foster information from the Utah Association of Special Districts asking if Pine Meadow Ranch would like to become a member. He noted that Pine Meadow is no longer a Special District and their name had been taken from an old listing in the 1990's.

Mr. Foster asked Carol to contact the Utah Association of Special Districts and have Pine Meadow Ranch removed from the mailing list.

Mr. Heath stated that when he attended the Eastern Summit County Planning Commission meeting he recalled hearing something about a recommendation on the Cabin Zoning. Mr. Deaver stated that he also heard mention of the Cabin Zoning, but there was no clarification. When he asked for clarification he was told that the Planning Commission was only looking at the matter. Mr. Foster remarked that Summit County must send a notice to all property owners within the zoning change area before the Planning Commission could make a recommendation. He did not believe that part of the process had occurred.

Mike Gonzales asked if contact information for the Board Members was posted on the website. Mr. Foster stated that he posts whatever contact information each member prefers to have posted. He had created an email address for each Board member at pinemeadowranch.org and correspondence forwards to their personal email address. If a Board members replies from their personal email address, whoever they reply to gets that information.

Mr. Gonzales stated that he continues to get emails and power point presentations from a Ranch owner. He keeps asking her to remove his email address from her list because the email is for Ranch business only. He preferred to have the option of using

the HOA email address and not use his personal email address. He continues to get spam from members who do not respect the fact that his email is for business contact only. Mr. Gonzales was hesitant to block someone because if they ever have a legitimate concern regarding the Ranch he would never know about it.

On a second issue, Mr. Gonzales preferred not to give out his phone number after taking action on Ranch business. Mr. Burdette suggested that Mr. Gonzales could set up a new email address that could only be used for Ranch business. Mr. Foster stated that he could change the process and set up their emails to actual mailboxes and give each Board member a login and password for those mailboxes. He explained that he chose the current process because it is easier to make changes when Board members leave and new members come on the Board. He was willing to set up individual mailboxes if the Board members preferred. Mr. Gonzales was not interested in making the process more difficult.

Mr. Foster also agreed with Mr. Burdette's suggestion. Mr. Gonzales could create a Yahoo account and send one email to the person who continually sends him information, telling her that he was moving his Ranch business to that account and she was welcome to use it. Her address would be moved to a junk list on his personal account and he would no longer see communication from her on that account. Mr. Gonzales remarked that if the forwarding process had been explained when he first came on the Board he could have been more aware and more careful about replying to emails.

Monthly Budget Review

Mr. Burdette noted that the bills were presented in a new format. The checks are now printed by the computer rather than handwritten. If approved this evening, he would sign the checks and submit them. If a bill is not approved, he would write VOID on the check and send it back into the system.

Mr. Burdette reviewed the unpaid bills in the amount of \$11,170.94. The bill from KGC Associates was larger than normal because it included costs for sending out the invoices for 2012 and notice of the special meeting, plus minutes from the regular January meeting, the annual meeting in November and the Special Meeting in January. The bills also included Jody's payroll for the middle and end of January. He indicated the insurance in the amount of \$1,042 on the last paycheck, and noted that it was 80% of the new health insurance premium.

Mr. Hutchinson asked for clarification on the mileage reimbursement to Jody. Mr. Foster explained that they do not pay mileage for his commute to work. However, the

Association reimburses mileage for running fuel trips or to attend Board meetings. Mr. Burdette stated that if Jody uses the Ranch truck to pick up parts or for other Ranch business, the mileage is not reimbursed. It is only reimbursed when he uses his own vehicle. Mr. Foster pointed out that the transfer fuel tank was in Jody's personal truck because there was no place to put it in the dump truck. Jody is reimbursed 50 cents per mile. Mr. Burdette noted that the unpaid bills also included Jody's payroll for the middle of February.

Mr. Burdette reported that the Capital One bill in the amount of \$364 was to Diamond Wireless for the cell phone. Based on the discussion at the last meeting, he expected the cost to be closer to \$200. Mr. Burdette questioned a lighting charge for \$86. Mr. Foster thought it may have been the carbon monoxide detector the Board required Jody to purchase.

MOTION: Bob Burdette made a motion to pay all the bills as outlined. Suzanne Larson seconded the motion.

VOTE: The motion passed unanimously.

The Board discussed fuel costs and the benefit of storing diesel fuel for Ranch vehicles. Mr. Foster believed the cost and maintenance of storage and delivery costs would not be cost effective. He was willing to price it out if the Board thought it was worthwhile.

Correspondence

Mr. Burdette reported on a letter he received from Brian and Ilene Parcell, Lot E-28, thanking the Board for doing a great job. They had included \$300 for dues, plus an additional \$500 contribution to assist in the normal HOA road work responsibilities.

Mr. Burdette received another letter from an owner in Plat A-54, questioning what they were paying for because the roads were not being maintained.

Mr. Burdette remarked that the two conflicting letters emphasized that they could not make everyone happy.

Mr. Burdette stated that he previously asked Carol to transfer \$25,000 from last year from the checking account into the Zions Money Market account. That transfer had not been made and he asked if additional authorization was required. Mr. Foster believed Mr. Burdette had the purview to transfer money in whatever way he thought was appropriate as long as it was internal. Hearing no objection from the Board, Mr. Burdette re-authorized Carol to make that transfer. He clarified that the intent was to

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have money set aside to replace the grader or other equipment when it goes out. He is continuing to try to build a reserve fund.

The meeting of the Pine Meadow Owners Association Board adjourned at 8:00 p.m.
