

PINE MEADOW RANCH OWNERS ASSOCIATION  
EAST MILLCREEK LIBRARY  
2266 EVERGREEN AVENUE  
SALT LAKE CITY, UTAH  
DECEMBER 9, 2008

In Attendance: Hutch Foster, Scot Erickson, Dan Heath, Bruce Hutchinson, Bob Burdette, Scott Clausen, Jody Robinson, Duane Yamashiro, Suzanne Larsen.

Guest: Freida Butterfield, Revenue Recovery

Hutch Foster called the meeting to order at 6:30 p.m.

### **Approval of Minutes**

MOTION: Bob Burdette moved to ACCEPT the minutes of October 14, 2008 as written. Scott Clausen seconded the motion.

VOTE: The motion passed unanimously.

MOTION: Bob Burdette made a motion to ACCEPT the minutes of November 25, 2008. Dan Heath seconded the motion.

VOTE: The motion passed unanimously.

Mr. Burdette commented on the length and detail of the November minutes and asked if the minutes needed to be that extensive. Mr. Foster suggested that the Board discuss this matter under new business.

### **Owner/Visitor Open Forum**

Dan Heath reported on a call he received from a gentleman on Navaho who informed him that Whiskey was taking him to court regarding culverts. Mr. Heath wondered if the Association has already paid for a culvert on Navaho.

Mr. Foster asked if the lawsuit was over the culvert itself or installation of the culvert. Mr. Heath was unsure. Mr. Foster felt it was important to have that clarification and he would go through his notes to verify. He assumed the one in question was the house with two driveway cuts and two culverts. Mr. Foster recalled discussing this house with Whiskey and at that time Whiskey stated that the HOA had paid their part but the property owner had not paid their portion. Mr. Foster believed the agreement was that the property owner would pay for the culvert and the HOA would pay for the labor. He thought that without the knowledge of the HOA, Whiskey had billed homeowners directly for the cost of the culvert.

### **Old Business**

Frieda with Revenue Recovery, provided an update on the accounts she had in collections. Less than half of the accounts are making payments and several have not responded. She had visited some people at their homes to talk about the process and she was able to collect the balances and avoid foreclosure.

Frieda stated that she recently found out that the HOA does not have assessment liens and that Carol has offered to file those liens. Frieda had submitted a letter to Carol to begin foreclosures on three properties. The intent is to start foreclosures on three or four properties at one time.

Mr. Foster asked Frieda to explain the foreclosure process. Mr. Burdette wanted to know if the HOA would end up owning the land if a property is foreclosed. Frieda explained that in a foreclosure, anyone who filed a lien prior to the HOA would get paid first. The property goes to a Sheriff's sale. She attends every Sheriff's sale and bids on the property for the judgement amount. She will not let the property go for less than what is owed to Revenue Recovery and the HOA.

Frieda used Lot PI-C-29 as an example of a property that has no mortgage and no other money owed except to the Pine Meadow Water Company and the Pine Meadow HOA. The property owner owes approximately \$40,000 and he apparently tried to mortgage his home to pay off the balance. Unfortunately, he was not able to obtain a loan because of his credit. Frieda reported on situations with other property owners she has met with. She asked the Board to discuss the process for how she should proceed on foreclosures and to notify her in writing.

Mr. Foster was not opposed to discussing this with Frieda present. He did not favor putting the Board in a position to choose which properties to take action on. Frieda stated that she chooses based on the financial viability of getting the matter resolved. Mr. Burdette stated that the hesitancy in having the Board choose is the perception of playing favorites with one landowner over another. What Frieda has presented shows that they can proceed to collect on some properties with little or no risk, while others would have significant risk to the Homeowners Association.

Frieda and Mr. Burdette discussed the bidding process at a Sheriff's sale. Mr. Burdette preferred to have a standard procedure for collecting debt as opposed to selecting which property owner to pursue. Frieda suggested that the Board set up criteria she could use to determine what properties she should pursue.

After further discussion, Scot Erickson agreed with Mr. Burdette that it should be based on what

they see presented, as well as the fact that they do not want to encumber the Board's position. He thought Frieda could make most of the decisions without the Board and they should give her the leeway to do so. Scott Clausen was comfortable foreclosing on someone after two years, unless they had a military person away or a death or illness that would cause someone to get behind on their affairs.

Frieda provided a brief explanation of the process she had followed with Lots PI-C-29, PI-E-16 and FM-D-159, the three properties she had presented for foreclosure this evening. Dan Heath asked if there was a period of redemption on the Sheriff's sale. Frieda replied that it was 30 days.

Suzanne Larsen thought they should go after the properties that Frieda thinks are purposely trying to avoid paying. Frieda stated that she is willing to work with anyone who makes an effort. Mr. Heath pointed out that the Board decided to use Frieda because they have been lax about collecting. He believed she was doing a phenomenal job and he deferred to her expertise to know what was best. Scot Erickson felt that Frieda understood how the process works. As for the people who try to avoid their debts, he would rather get something than nothing.

Mr. Foster asked the Board for criteria and parameters Frieda could use as guidelines to decide which accounts to pursue. Scott Clausen thought she should be able to pursue an account up to foreclosure, but hold on foreclosing until a property is two years in arrears. Frieda preferred to consult the Board on any property with a sizable mortgage before pursuing a Sheriff's sale. Mr. Foster summarized that people who approach nine months delinquent are eligible to be sent to Revenue Recovery for collection. In addition, accounts must be two years or more in arrears before they go to foreclosure. Frieda suggested filing a lien against the property at nine months to a year. She had advised Carol to file liens for the entire amount that is assigned to Revenue Recovery. As an assessed fee, they are entitled to collect collection fees. Mr. Foster suggested that Carol write up the liens and include them in the envelope for Jody to deliver to the Courthouse.

**MOTION:** Scott Clausen made a motion that any account 9 months in arrears is eligible to be sent to collections. Any account having a payment arrangement with Carol can be withheld from going to collections. After two years delinquent, an account is eligible for foreclosure.

Frieda recommended that the motion include filing assessment liens on a regular basis.

Dan Heath seconded the motion.

**VOTE:** The motion passed unanimously.

### **ETC Plan Review**

There was nothing to report.

Mr. Foster commented on ongoing projects on the Ranch. This weekend he spoke with a contractor who was working on Navaho and hauling up a cabin. He wanted to make sure the area reps were aware that those things are ongoing.

Mr. Foster reiterated that when area reps can get to the Ranch they should look at projects in their areas and make note of the status at that time. Mr. Foster stated that Dan Heath is still trying to draft building guidelines and they will move slowly on that matter. He did not believe the Board was in a rush to do something that has not been done to date.

### **Water Board Update**

The Water Company Board had not held a recent meeting and Dan Heath had nothing to report.

### **Old Business (continued)**

Mr. Foster called for discussion on old business matters, aside from the discussion they had with Frieda.

Bruce Hutchinson asked if Dan Heath had gotten the boxes of envelopes Carol was going to use for the February mailing. Mr. Heath stated that he would pick up the envelopes and get them to Carol.

Scott Clausen stated that he had not yet seen the plow route insurance information. Mr. Foster stated that Carol has the Certification of Liability Insurance on file and a stack of signed plower agreements. Carol had sent him a note indicating that she had not seen insurance for individual plowers and explained that PMEEF carries a blanket policy for everyone in the organization that signed the document naming PMROA. It is up to the individual plowers to obtain liability insurance.

### **New Business**

There was no discussion.

### **Ranch Manager's Report**

Jody Robinson reported that very little was going on at the Ranch. Activity consists mainly of snow plowing and equipment maintenance. Mr. Foster understood from Mr. Robinson's report that the Board should anticipate significant costs regarding some of the repairs. Mr. Robinson answered yes and stated that he could wait to make those repairs after the first of the year. He would research the costs. One of the items is the solenoid switch needs to be repaired on the grader. Mr. Foster reported that the last item on Mr. Robinson's report was a request for upgrading the work space in the shop whenever there is money in the budget.

Mr. Foster stated that as discussed at the annual meeting, Mr. Robinson had moved the winter conditions sign down to the bottom of the Ranch. Mr. Foster will purchase a light to go on the sign.

Mr. Robinson reported that the health insurance premium would increase after the first of the year.

### **Budget**

Mr. Burdette reported that there was \$9,151 in the checking account. He proposed to pay \$5,529 in bills and took personal pride in knowing that they made it through 2008 without running out of money. Mr. Burdette reviewed the unpaid bills. He noted that the significant increase in the bill from Carol was due to the time involved for the balloting and election process. Mr. Burdette noted that payroll was handled through ACH and he was proposing to write checks for the remaining \$3,446.

MOTION: Mr. Burdette made a motion to approve all the bills as outlined. Sue Lawrence seconded the motion.

VOTE: The motion passed unanimously.

Mr. Foster stated that he spoke with Bill Overman and he has a two-ton dump body sander setup that he may not use after this season. He suggested that Jody go by and look at it when he is in Coalville. Mr. Foster thought this might be something of interest in the future. Mr. Overman also keeps a sand truck locally and if the Ranch needs someone to do work on the Forest Meadows side, he might be a good prospect for short spot sanding.

### **Area Rep Discussions**

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Duane Yamashiro (Area 6) stated that he was assigned to contact George Ramjoue (Area 3) regarding the rentals on Arapaho. He had emailed him but did not hear back. However, he has only seen one activity at his rental. Mr. Yamashiro had seen him take down the bobcat that he kept at the new house. Mr. Foster understood that George had conflicts through November and December and they should be seeing him on a regular basis after the beginning of the year.

Mr. Burdette suggested that Carol send out invoices to the landowners as early in January as possible.

Mr. Foster stated that prior to the meeting, the Board had discussed the minutes from the last meeting. The Board was concerned about the cost and Mr. Foster asked Carol to prepare an estimate between those minutes and the minutes from this evening to give the Board an idea of the monthly cost.

It was noted that due to the holidays, the Board would not have a second meeting in December. The next meeting would be January 13<sup>th</sup>.

The meeting of the Pine Meadow Ranch Owners Association adjourned at 7:39 p.m.

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