

PINE MEADOW RANCH OWNERS ASSOCIATION  
MONTHLY BOARD MEETING  
EAST MILLCREEK LIBRARY  
2266 EAST EVERGREEN AVENUE  
SALT LAKE CITY, UTAH 84109  
DECEMBER 18, 2012

In Attendance: Hutch Foster, Bob Burdette, Tom Deaver (Area 4); Mark Hodgson, (Area 5); Nick Boyle (Area 7); Jeff Hubbard (Area 2); Mike Gonzales (Area 6); Alan Powell (Area 3); Matt Brown (Area 1)

EX OFFICIO: Jody Robinson, Ranch Manager.

Excuse: Dan Heath

Guest: Tony Tyler, Lot D-33; Doug McAllister, Lot D-13.

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

### **Election Results**

Hutch Foster reported that 101 votes were cast out of 800+ possible. Tony Tyler received 97 votes for President. Honey Parker received 99 votes for Secretary. Alan Powell was re-elected to represent Area 3 with 13 votes from eligible voters in Area 3. Tom Deaver was re-elected to represent Area 4 with 17 votes from eligible voters in Area 4. Mark Hodgson was elected to represent Area 5 with 6 votes from eligible voters in Area 5. Tom Groot received 1 write-in vote.

### **Approval of Minutes – July 17, 2012**

MOTION: Alan Powell moved to APPROVE the Minutes of November 13, 2012. Nick Boyle seconded the motion.

Mike Gonzales pointed out that he was listed as being in attendance; however he was in Germany at the time and had not attended the meeting.

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

VOTE: The motion passed.

### **Owner/Visitor Open Forum and Other Owner Communications**

Matt Brown (Area 1) reported on an email he had received from the Milligans opposing the Deer Meadows project. Mr. Foster noted that the Board would be discussing Deer Meadows later in the agenda.

Mr. Foster stated that another owner was angry that the Board was “ramming” through the Deer Meadows discussion with two days notice. This owner was clearly unaware that Deer Meadows has been on the last 12 agendas.

*Mr. Tyler* reported on a conversation he had with the Summit County Building Official regarding the Yurt, and how Yurts were addressed in the County guidelines. He was told that a Yurt could only be erected with one of two permits. One is a standard building permit, under which it does *not* comply because it does not meet building Code. The second is a temporary use permit. The Building Official noted that the Yurt at Pine Meadow had not obtained either permit because it would have required posted notice.

Mr. Foster remarked that a temporary use permit implies that the structure is erected and removed; not that it is only used temporarily. Mr. Burdette asked if there was a time limit on when the temporary structure is erected and removed. Mr. Tyler replied that once a temporary structure is erected it cannot stay for more than a calendar year. The Building Official told Mr. Tyler that Summit County investigates those types of issues if Pine Meadow wanted to pursue action at the County level.

### **ECC Plan Review**

Mr. Boyle reported that a few weeks ago he spoke with Robert Bethke, the Yurt owner. He had made improvements and put in a stove. Mr. Boyle emailed Mr. Bethke and invited him to attend this Board meeting to answer questions and provide information. When Mr. Bethke replied back he thanked him for the invitation but declined to say whether or not he would attend. Mr. Boyle had hoped Mr. Bethke would attend because he wanted clarification on whether Summit County had actually talked to him about permits, or whether he interpreted it differently than it was presented. Mr. Boyle noted that Mr. Bethke’s view of temporary is that he only uses it temporarily.

Mr. Foster pointed out that Mr. Bethke’s view does not comply with either the Ranch guidelines or Summit County guidelines. Mr. Foster suggested that the Board send Mr. Bethke a letter clearly explaining that the Ranch defines temporary use as a structure, RV, vehicle, tent, cabana, yurt, etc. that is only there for use on a temporary basis, and it is not a permanent structure that is used temporarily. He thought the letter should also specify that Summit County has a similar definition, but with a different timetable. Unless Mr. Bethke attends a meeting and tries to resolve the issue directly with the Board, they would have to pursue their own HOA enforcement against that use, as well as pursuing County enforcement.

Mr. Boyle pointed out that he had also invited Mr. Bethke to attend the October Board meeting. Mr. Foster stated that the Board would have Carol send a certified letter and

begin the penal notice of violation. Mr. Bethke needs to come to the table; otherwise the Board would be forced to pursue other means.

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

Jody reported that he has spent most of his time pushing snow and sanding. He filled in the pot holes along the canyon with rotomill. He purchased a \$250 furnace for the office that was delivered yesterday. Jody stated that he needed to purchase more sand for the sand shed. He was sanding both Forest Meadows and Tollgate this year. He wanted to try road base with bigger rock. The sand he was currently using didn't have big enough rock. The sand will be delivered to the lower parking lot and he will truck it up to the sand shed.

Mr. Deaver suggested that Jody calculate how much sand he needs for the entire winter to avoid trucking it in piecemeal several times during the winter.

Jody had purchased a couple of sets of chains for the dump truck to have extra on hand. Bearings went out on the sander and he had to replace them. He purchased four bearings at approximately \$8 each.

Tom Deaver stated that he called Jody yesterday around noon because there were five slide-offs starting at Boyce's on Tollgate down to the the water pump house. All the cars he saw sliding were weekend renters with all-wheel driver Lincoln Navigators with city tires. Mr. Deaver felt that all the slide-offs and all the damage and road blockage are caused by weekend renters. He pointed out that the Ranch absorbs a great deal of extra expense because of the short-term rentals. People who rent their property for profits create a significant additional cost for all the owners. He asked if the Board had any recourse to make the rental owners put something in their rental contract that requires chains to access the property during the winter.

Mr. Powell suggested that Mr. Deaver contact the rental owner since he had spoken with the renters, to let him know that the renters had called the number on the contract to ask about chains and they were told they did not need them. That was the best way to advise the owner of the situation. Mr. Powell believed the Board could do nothing more than post a sign at the bottom saying that 4 x 4's, common sense and chains are needed.

There was concern expressed about legal issues. People could be asked but they could not be *required*.

Mr. Deaver commented on previous issues with renters where the Board or the area

rep successfully worked with the owner to resolve the problem. He has been working with the two rentals in his area and they have responded.

It was noted that the cabin owner was in Area 3 and Alan Powell is the area rep. Mr. Powell would contact the owner.

### **Water Board Update**

Mr. Foster noted that construction on the pump house continues slowly. He understood that the plan is to bring it online during the winter. Mr. Deaver spoke with the workers and they plan to have it enclosed by the end of the week and bring in the pump line next week. The intent is to provide water by the end of next week, weather permitting. Mr. Foster pointed out that the benefit of this well site is that it can be maintained during the winter.

The Water Company was still pursuing the Aspen well and loan money had been secured.

### **Old Business**

#### Deer Meadows Subdivision Proposal

Mr. Foster reported that over the past month there had been considerable discussions between him, Doug McAllister, Tony Tyler, Ted Barnes, and the Summit County Staff. As discussed in previous meetings, the Board was doing their best to observe the 2007 agreement. Mr. Foster pointed out that instead of just holding Pine Meadow to that agreement, Mr. McAllister was willing to re-open the discussion to allow the opportunity to improve it. Mr. Foster noted that part of the improvement is to make the SPA application better, but it also gives Pine Meadow a window to tweak some of the language of the earlier agreement and more clearly define it.

Mr. Foster stated that Mr. Tyler and Mr. McAllister had done a good job trying to define the details of the previous agreement. He asked Mr. McAllister to outline the agreement and the proposed changes.

Mr. McAllister referred to a map showing the 117 acres and the existing blue roof cabin on a 17 acre parcel. He noted that 100 acres that surround that parcel does not have any lots of record. Uncle Tom's is located on that property but it is a non-conforming use. Mr. McAllister presented a page showing the six new building sites being proposed, as well as the existing cabin and Uncle Tom's.

Mr. McAllister remarked that with the proposal there would be no increase in density within Tollgate Canyon. A previous SPA proposal proposed a total of 21 lots on the 117 acres. Based on input from the PMROA Board, others in the Canyon, and Summit County, he went back to the original proposal of 2007. It is a transfer of density proposal that would provide six new lots and make Uncle Tom's a lot of record. The end result would be 8 lots on 117 acres. Mr. McAllister stated that the current proposal closely follows the 2007 proposal and he was willing to fine tune and tweak it to make it work better for the Ranch. Some changes had already been made and he was open to further comments and suggestions this evening.

Mr. McAllister stated that one change is that the new lots and Uncle Tom's would only be platted once a building right has been extinguished from a lot of record within Pine Meadow Ranch. The previous language was broader in scope, but specifically defining it as within Pine Meadow Ranch seemed to work better, since the Ranch benefited from the removal of density.

Mr. McAllister stated that Deer Meadows is part of the Pine Meadow Ranch HOA and will abide by the Pine Meadow Ranch CC&Rs. He was willing to accept whichever set of CC&Rs the Board deemed appropriate for Deer Meadows to follow. Mr. McAllister noted that Deer Meadows would have its own HOA, as a subset of the Pine Meadow HOA, with stricter CC&Rs. The Deer Meadows HOA would also assess dues in addition to the dues assessed by Pine Meadow Ranch. Assessments paid to Pine Meadow Ranch would include all regular and special assessments, including impact fees, according to the then current schedule of the HOA.

Mr. McAllister stated that Deer Meadows lots would be obligated to participate in the winter plowing fund that services the Deer Meadows area. Deer Meadows would establish a perpetual one percent real estate transfer fee on the transfer of the new Deer Meadows lots. This was a private arrangement between Deer Meadows and Pine Meadow. Mr. McAllister explained that the original idea was to earmark the fee for roads; however, that appeared to create a bookkeeping hassle for Pine Meadow. Therefore, the proposal was changed and the fee would go directly to Pine Meadows. Mr. Foster remarked that the attorney, Ted Barnes, preferred to have that money earmarked for roads. Mr. Tyler stated that during discussions he had pointed out that it was unnecessary to create a separate accounting issue for a transfer fee that would only come in a few times over the course of several years. It was better to place the money in a general fund and allow the Board to determine where it should be spent. Mr. Burdette pointed out that Pine Meadow spends more than the transfer fee on maintaining the roads.

Mr. McAllister reported on discussions with Summit County about making sure the lots

that are transferred meet certain criteria. The original lots being extinguished were not desirable to build on for various reasons. Mr. Gonzales stated that if the intent is to maintain density, they need to choose an absolute buildable lot. Mr. Foster remarked that all lots are buildable; however, buildable depends on how much money someone has and how many lots are left. Therefore, the word "buildable" cannot be the criteria.

Mr. Gonzales had concerns with distribution of the lots. There are seven areas in Pine Meadow and seven building rights to acquire. He asked if they should consider a lottery of one lot per area. Mr. McAllister replied that a lottery was not feasible because the transfer was limited to people who are willing to sell their building rights at an affordable price. Mr. Tyler stated that regardless of where they are pulled from, the lots are being distributed off of Tollgate Canyon Road, Arapahoe and Pine Meadow. Pulling a lot from an area that does not currently use those roads would actually create density to that particular routing. Mr. Gonzales clarified that he was talking about density of the Ranch, not density of the road. He believed all seven areas should have the opportunity to have a plot of land on the block. If an owner could not agree on a price, they would not need to sell and Mr. McAllister would move to the next lot. If no one else in the neighborhood is a suitable candidate, he could move to another area. Mr. McAllister remarked that there would not be a waiting list of people willing to sell for his price.

Mr. Foster stated that with the goal being the overall neutrality of density, he believed Deer Meadows should buy lots as they see fit. He thought it was more important to define them as lots that were likely to be built in the next few years rather than 50 years out. Mr. Foster thought they were too far into the process to try to create specific lot guidelines. It would also not be consistent with the existing 2007 agreement.

Mr. McAllister stated that his proposal to define an acceptable lot to be eliminated for the terms of this agreement, is any lot recognized by the County as a lot of record and it has a building right. There would be no development on the eliminated lots and no structure, pad, deck or improvement would be made. Mr. Foster recalled that Mr. Barnes had suggested placing a deed restriction on the eliminated lots. Mr. Deaver asked if that would preclude tents and outhouses. Mr. McAllister remarked that the original language in the original proposal stated that, "No development, no structure, pad, deck or improvement. Eliminated lots will not be used to park vehicles or trailers". He stated that tents could be added to the language.

Mr. Deaver was concerned about the small factions who always push the definition of limit to the edge. Mr. Powell pointed out that if the land is cleared for a tent, it would be considered a pad, and pads are prohibited. Mr. Deaver asked if it would be possible to dedicate the land as open space *once* the building right is transferred over. Mr. Foster

stated that a deed restriction is a legal way of creating dedicated open space. Another version of open space is a conservation easement, which requires third party verification annually. It is very expensive to maintain a conservation easement. Mr. Foster believed that Deed Restricted open space was the simplest tool. Mr. Barnes had suggested the wording, "A recorded deed restriction using language approved by the HOA". He suggested that Mr. Barnes, Mr. Tyler, and Mr. McAllister work together to draft appropriate language for the Board to review.

Mr. McAllister continued with the details of the proposal. The construction on Deer Meadows lots would be contained within defined building pads. More than 90% of the 117 acres would be open space in the same sense as the eliminated lots in terms of deed restrictions. No fencing or livestock would be allowed on Deer Meadows property, as well as any other restrictions per the CC&Rs.

Mr. McAllister outlined the community benefits for this proposal. It establishes a good precedent for future possible development of large non-subdivided parcels near Pine Meadows Ranch. He noted that the biggest concern expressed regarding his proposal is the precedent it would set for future development. In his opinion, the proposal sets the precedent of minimal disruption by development by using existing road, existing wet water, existing water rights and existing utilities. Developing the property near Pine Meadows would be done with the acceptance and cooperation of the Pine Meadow HOA. It sets a precedent for lot size being as large or larger than the surrounding lot sizes. It sets a precedent for not increasing overall density in Tollgate Canyon. He believed his proposal sets high standards and a favorable precedent for the future.

Responding to a question regarding existing water rights, Mr. McAllister explained that he has two producing wells and the State would allow him to share water from one well to seven cabins. He also has a water right for each cabin from Weber Basin Water. He pointed out that it has nothing to do with the water right of the eliminated lot. Another question was what to do with the water right on the extinguished lot. Mr. Foster replied that water rights would be addressed with the Pine Meadow Mutual Water Company. He recalled from a previous discussion that the Water Company would condemn the water right and take it back from an unbuildable lot. The water right would then go back into the inventory.

Mr. McAllister remarked that the 90% non-buildable open space of Deer Meadows would be a benefit of the proposal. Another benefit is the 1% real estate transfer fee, which could result in a significant amount of money for the Tollgate Canyon roads. The proposal also preserves the recreation and cabin nature of the area while eliminating possible livestock in the area. He noted that the land is zoned agriculture, but livestock would be prohibited. Because there is no livestock, he pays recreational taxes on the

property. Mr. McAllister stated that the proposal also eliminates the possibility of further development of the Deer Meadows property if Summit County revises its Land Use Code in the future. It would create improved winter access because Deer Meadows would have mandatory participation in the winter snow plow funds. Mr. Foster pointed out that winter access was unrelated to the HOA. It is done by a private plow group. Mr. McAllister was welcome to add language stating that Deer Meadows would contribute to that private plow group, but he needed to understand that it was not affiliated with the HOA.

Mr. McAllister noted that in some cases, the elimination of lots would reduce negative impacts created by building on existing, sensitive areas.

Regarding a question about the average lot size, Mr. McAllister replied that the lots range in size from 4 acres to 27 acres. The smaller lots are next to the Ranch and then get larger as it moves further into the development.

Mr. Deaver asked a question that was raised by a neighbor in his area. Mr. McAllister talked about, "A precedent for minimum disruption by Deer Meadows utilizing existing roads, wet water, water rights..." The neighbor wanted clarification on wet water. Mr. McAllister stated that wet water is a producing source. Before Summit County issues a building permit they have to show proof of water access.

Mr. Deaver clarified that water rights do not transfer. Mr. McAllister replied that Deer Meadows has its own water rights. He assumed the owners anticipate that the water right would disappear if they sell their building right. Mr. Deaver referred to the language that precedent is that development of property near Pine Meadow Ranch will be done with the "acceptance and cooperation of the Pine Meadow HOA". He noted that the neighbor did not like that at all and thought it sounded demeaning. They also thought it sounded like others were lining up to ask for the same consideration. Mr. Deaver had informed the neighbor that it was not demeaning and that it was a qualification. He clarified that others are lining up, and used Cooks as an example. Mr. McAllister did not understand why that language would be demeaning. He was merely trying to communicate that the HOA has accepted Deer Meadows as part of the HOA and has been involved in the process, while not being in favor or opposed. He believed acceptance and cooperation described the process. He assumed that without mutual acceptance and cooperation the proposal could potentially be stopped.

Mr. Deaver referred to number 6 of the proposal, "Creates improved winter access...". He understood that the winter access plowing had *been* explained to Mr. McAllister; however, he wanted to know if Deer Meadows owners would be obligated to mandatory participation in that area only. Mr. McAllister replied that it was just for that area. Mr.



Deaver believed that was fair.

Mr. Deaver noted that the person he was asking the questions for has been very vocal again the Deer Meadows proposal and has attended many Board meetings. He read from the direct communication, "These are my current concerns. Please read the proposal and if you feel passionately about opposition attend the meeting on Tuesday. Thanks everyone for hanging in there. Can't wait to hear about Tuesday." Mr. Deaver had read the proposal and #10 of the SPA Application Concept Plan, and noted that it allowed three buildings per footprint. The exact language was, "Each lot may contain up to three structures consisting of a main residence, guest cottage and storage barn. All structures are to be limited within the building envelope. Lot number two to be limited to main residence and storage barn. Mr. Deaver asked if these lots were being developed for short-term rental houses or private residences. He asked if the CC&Rs within the Deer Meadows HOA would restrict short-term rentals. Mr. McAllister stated that short-term rentals was not his intention and that issue would be addressed through deed restriction. Mr. Foster pointed out that the Pine Meadow CC&Rs also allow for a secondary structure and a barn. He believed the rental issue was an excellent point and he would like to see restrictions if Mr. McAllister was willing to address it in the CC&Rs.

Mr. Deaver asked if the Deer Meadow local HOA would have the authority to vote themselves out of the Pine Meadow Ranch HOA. Mr. McAllister answered no. Mr. Deaver asked if the Deer Meadow HOA would have representation as an area in the Pine Meadow HOA. Mr. Burdette remarked that Deer Meadows would be their own separate area. It would not become Area 8 of Pine Meadow Ranch.

Mr. Tyler stated that he would meet with Mr. McAllister after this meeting to consider and incorporate the comments from this meeting. Mr. Foster noted that many of the owners were waiting to receive the final version of the proposal. It is still not finalized but the Board should send it once it is finalized because it was promised.

Mr. McAllister stated that he would be willing to meet with a group of owners outside of this Board to give them the opportunity to ask questions and make comments.

Mr. Deaver stated that another question from the neighbor was whether the negotiations Mr. McAllister did in 2007 with some of the Pine Meadow landowners to purchase property rights were still valid and whether those rights could be activated and sold if they were replatted and the rights were given away. Mr. Deaver had told the neighbor the answer was no. Mr. McAllister replied that his answer was correct because the rights no longer exist. Mr. McAllister explained that he spent a lot of money trying to purchase the rights, but nothing was ever purchased. Mr. Burdette

clarified that there were no rights previously purchased that would qualify for the 2013 SPA development. Mr. McAllister replied that this was correct.

Mr. Tyler thought they should clarify whether or not the one Mountain Lakes lot that was previously identified is still valid as a sending lot under this proposal. Mr. Deaver questioned whether that would set a dangerous precedent. If they allow something outside of Pine Meadow/Forest Meadow as in the current proposal, could someone else do the same thing. Mr. McAllister was willing to leave it out of the proposal because he had no intentions of using it.

Mr. Deaver noted that Pine Meadow is mentioned through the proposal for transfers. He asked if they should clarify that it is Pine Meadow/Forest Meadow. Mr. Foster replied that if it is addressed as the PMROA, that would be the Pine Meadow Ranch Owners Association, which includes both areas. Mr. McAllister understood the intention.

Mr. Foster stated that over the next two to three weeks they needed to create a document that the Board could actually review and make a decision. That document would then go out to the owners in a mailing. He pointed out that the mailing to the community is information to allow them to voice their opinions and concerns at Summit County Commission and Planning meetings. Mr. Foster clarified that the public process was separate from what the Board was doing regarding a five year old agreement plus improvements that could be made now upon that agreement.

Mr. Foster appreciated Mr. McAllister's willingness to work with the Board and to make improvements on that agreement. He recognized that Mr. McAllister could have had more options by holding the Board to the vague language of the old agreement. He was happy to have the opportunity to work with Mr. McAllister rather than to butt heads over it. Mr. McAllister stated that he appreciated the Board's cooperation, as well.

Regarding the mailing, rather than sending the entire 78 pages, Mr. McAllister planned to send a postcard to all the owners with the pertinent information and the website where they could read the proposal in its entirety. Mr. Foster would post it on the website. He emphasized the importance of honoring the promise they had made to put something in the mail.

A Board member reported on correspondence he had received expressing opposition to the project. He in turn sent her the latest proposal. Mr. Burdette pointed out that the Board has been more involved that the Ranch owners and some of the opinions were based on old information. He asked if it would be appropriate for the Board to change their position and actually show favor for the proposal. Mr. Foster replied that the Board

was welcome to consider that after they read the final document. He believed it would be difficult knowing the number of people who have strong feelings against the project. It would be a hard commitment for the Board to split the Ranch. In his personal opinion, if the Board was not being asked to give approval, a better approach would be to just allow the application to proceed. Mr. McAllister believed that neutral position by the Board was satisfactory. However, if they were to vote in favor, that would set a stronger precedent, but it was not necessary from his standpoint with regard to Summit County. The suggestion was made to wait until the Board hears feedback from the membership. Mr. Burdette believed that if the Board made an actual decision, it would set the bar on what they would or would not approve with future developments. He personally liked the idea of spreading out the density. Mr. Foster thought the Board should give it more thought while they were waiting for the final proposal.

## **New Business**

### Salary and bonus reviews

Mr. Foster stated that for the past few years the Board has approved theater tickets as a bonus to Carol. If that was still acceptable, he would ask Sue Larsen to purchase the tickets.

Mr. Foster did not have the chance to look at adjustments for Jody and he could not recall what they had done. Mr. Powell recalled that last year Jody's insurance had increased significantly and the Owners Association covered that cost as his salary increase. Mr. Burdette noted that Jody's health insurance premium had increased 10% this year. He explained that the Owners Association has been splitting the health insurance with Jody. They pay 80% and Jody pays 20% of the premium. Mr. Burdette remarked that currently the 80% is slightly over \$1,000 per month. If they were to continue the 80/20 split with the 10% increase, the Owners Association portion would increase to \$1,100 per month. He pointed out that if the Board pays for the new health insurance on the same split and does not change Jody's salary, his actual pay would be reduced due to the 10% increase on the 20% he pays on the premium. Jody's current salary is \$55,000.

Mr. Burdette stated that the former Ranch Manager was making \$35,000 per year and was the most expensive Ranch Manager per hour of work accomplished. Mr. Foster remarked that Jody is worth the difference of \$20,000 per year for what he saves on equipment repairs and other projects. When Jody was hired his initial salary request was \$50,000, but they started him on a trial period at \$45,000. Some years his salary was increased and other years it stayed the same. Mr. Burdette believed the Board members had nothing but admiration for the work Jody has accomplished on behalf of

all the owners.

Mr. Burdette stated that over the years they have tried to avoid Jody having 11 bosses and it has worked well. Jody needs one boss to report to and that has been Hutch Foster. The Board has had input and made suggestions to Jody, but they have been channeled through one person. Mr. Burdette made that same recommendation for Mr. Tyler as the new President. Mr. Tyler agreed that it was his job to coordinate between Jody and the Board. Mr. Foster pointed out that all the Board members have Jody's phone number, but had recommended that Jody not give out his phone number to Ranch owners. Jody occasionally gives it to people that he trusts, but that is at his discretion. Mr. Tyler intends to publish his cell phone on the website and he expects to receive phone calls as part of his role as President.

Mr. Burdette proposed to increase Jody's salary 5% this year; \$55,000 per year to \$57,750. He noted that last year the Association covered his insurance premium, but Jody did not receive a salary increase that changed his take-home pay. Mr. Burdette also proposed that the Association continue to pay 80% of the health insurance premium.

The Board members discussed the merit of keeping Jody as their Ranch manager. Mr. Tyler thought Jody's salary and the willingness to pay a portion of his insurance was very generous of the Ranch and not typical in today's marketplace. However, he thought it was important and in the best interest of the Ranch to continue doing what they have done.

Mr. Deaver asked if the Board should consider a retirement program for Jody if they want to keep him long-term. Mr. Foster recalled having that discussion several years ago, and because of the type of employer they are, it was difficult to match or contribute to an IRA. Mr. Burdette stated that if the Ranch sets up an employer retirement plan they would pay \$500 to \$1,000 per year to administer that plan and filing the tax returns. That is very cumbersome for one employee. He noted that Jody could put up to \$5,000 in an IRA and have complete control of his own investment at no cost.

**MOTION:** Mr. Burdette made a motion to increase Jody's salary by 5% and continue to cover 80% of his health insurance premium. Mr. Deaver seconded the motion.

**VOTE:** The motion passed unanimously.

Mr. Foster stated that Jody has three weeks of vacation each year. He typically takes a family vacation each spring and fall. Mr. Foster informed Mr. Tyler that Jody tends to work the rest of his vacation time and he will have to encourage him to take the time off

to make sure he does not get burned out.

Mr. Tyler expressed his own concern that Jody spends too much time on the Ranch, particularly in the winter. He noted that Jody had spent the last three nights at the Ranch sleeping in the office. Mr. Foster stated that he tries to support Jody rather than micro-manage him. He informs Jody of what needs to be done, but never tell him how to do it.

The Board discussed a holiday bonus for Jody. His bonus last year was \$500.

MOTION: Mr. Burdette made a motion to give Jody a gross, before tax bonus of \$500 prior to taxes, and to purchase season tickets to the Hale Center Theatre for Carol. Tom Deaver seconded the motion.

VOTE: The motion passed unanimously.

Mr. Burdette remarked that many years ago they used to incur legal bills at the Ranch in the amount of \$50,000 to \$60,000 per year because individual Board members continually called the attorney on every question or issue. Five years ago, when Mr. Burdette joined the Board, he revised the system whereby one person would have contact with the attorney and all legal issues were channeled through that person. Again, that person was Hutch Foster. Mr. Burdette noted that the legal bills have diminished over the years and this year it was under \$2,000. Mr. Burdette encouraged the Board to appoint Tony Tyler to be the legal representative and for all Board members to contact him regarding legal issues.

### **Monthly Budget**

Mr. Burdette reviewed the unpaid bills detail report in the amount of \$13,607. He also proposed to pay an additional bill in the amount of, \$1,113.84, which was a down payment on the Workman's Compensation.

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

VOTE: The motion passed unanimously.

### **Future Meetings**

The November and December 2012 meetings and January, February, March and April 2013 meetings will be held in the Valley. Meetings in May through October will be held

on the Ranch.

The next meeting is January 15, 2013.

### **Assignments**

Tony Tyler would work with Mr. Barnes and Mr. McAllister to finalize the agreement. Mr. Foster would gather pertinent information for Mr. Tyler and Honey Parker prior to his departure.

The Board members thanked Mr. Foster for his seven years of volunteer service as President of the Board.

The meeting of the Pine Meadow Owners Association Board adjourned at 8:25 p.m.

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