

# Annual Meeting

June 8, 2019



**Welcome**

# Agenda

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- **Welcome (2018 Highlights & Board Introduction)** – Randy Fry (5 min)
- **Annual Dues and Collections** – Randy Fry (5 min)
- **Dues Structure Proposal** - Jarid Love, Randy Parry (30 min)
- **Rekeying** – Scott McDonald, Randy Parry (30 min)
- **Election of Board Members** – Randy Fry (15 min)
- **Road Updates and 2019 Plans** – Mark Petersen, Jason Love (10 min)
- **Website and Electronic Communication** – Jarid Love (5 min)
- **Dumpster** – Randy Parry (5 min)
- **Safety & Security** – Gary Barfuss (5 min)
- **Financials** – Randy Fry, Jason Love (10 min)
- **Clean-up Day** – Gary Barfuss (2 min)
- **Open Mic Time** – Randy Fry (20 min)

# 2018 Highlights

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- The Board has been working hard to improve communication, accountability and due collections. The books are in good order and Quickbooks has been fully audited and reconciled.
- The Board is working to improve documentation of processes and procedures to help maintain consistency as board members change. All association documents are now digitized and stored in a shared Google Drive.
- We hope you have found the new website helpful: [www.pinemountainloa.com](http://www.pinemountainloa.com)
- An official email newsletter has been set up to improve communication.
- Many members have joined the new Facebook Group and we appreciate the beautiful pictures that have been shared.
- New electronic gates were added to Gate 1 and Gate 5

# Introduction of 2018-2019 Board

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President	Randy Fry	(801) 318-5861
Vice President / Roads (WP2 & Sky-Hi)	Jason Love	(801) 380-2476
Roads (Spring City Rancheros)	Mark Petersen	(801) 599-7358
Safety and Security	Scott McDonald	(801) 633-6789
Safety and Security	Randy Parry	(801) 836-7318
Safety and Security	Garry Barfuss	(801) 884-9210
Electronic Media & Website	Jarid Love	(801) 361-2290
Secretary	Brittney Pyne	(801) 472-5507

# Annual Dues & Collections

Randy Fry, Jason Love, Jarid Love

# Annual Dues & Collections

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- Annual dues will remain \$150.00 during the 2019 year.
- To be fair to all Association members we have been aggressively pursuing collection for dues that are in arrears.
- We had a good year last year bringing in \$7,687.67 in overdue collections from prior years.
- We put the collections money to good use and installed two new updated electric openers at gate 1 and gate 5. The same remotes work on both gates. We are finished with all electric gate installations. Now anyone can access all areas of the association with only a remote control.

# Collection Process

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- Any Member who is not current in paying their dues will be notified via letter after 30 days from the due date, and interest will begin accruing on the account. If there is no response to the first the letter, after 90 days a second letter will be sent notifying the Member of the delinquent account. If there is no response to after 120 days, there will be a lien placed on the property (\$110.00 fee to Member) and the Member will be sent to collections. The collections company will charge a 40% fee on top of the dues, late fees, and interest that are owed. If the Association Member does not pay the judgment, the Association will proceed with the foreclosure process to collect unpaid dues, interest and fees.
- Reminder the due date is May 1st, which was adopted in the 2018 annual meeting
- **Any Member who can't pay their dues on time should contact the Board to work out a payment plan.**



# New Dues Structure Proposal

Randy Parry and Jarid Love

# Objective of the Dues

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The primary objectives of the member dues are:

1. Provide critical services (Road maintenance, bookkeeping, taxes, etc...)
2. Minimize expense to landowners.
3. Provide a fair system that equally distributes costs among members.
4. Equitable representation for voting in the annual meeting.

Does the current dues structure meet these objectives?

# Should We Change the Dues?

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Many association members have contacted the board about adjusting the way that dues are distributed. In order to give this feedback serious consideration, we have collected feedback from many Association Members on the current dues structure and possible alternatives. Common complaints include:

- Some members with multiple lots pay multiple dues while others do not.
- Some have complained that a grandfathered system is unfair.
- Having per member variations in how dues are calculated creates a lot of extra administration work for the secretary.
- 2017 changes gave additional votes to member who pay multiple dues.

# Summarizing the Current Dues Structure

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- All Association members are assessed \$150 in annual dues.
- Multiple lot owners who purchased before March 2017 pay 1 due regardless of how many lots they own (Grandfathered)
- Multiple lot owners who purchased after March 2017 pay 1 due per lot.
  - These owners are currently also given an additional vote per due.

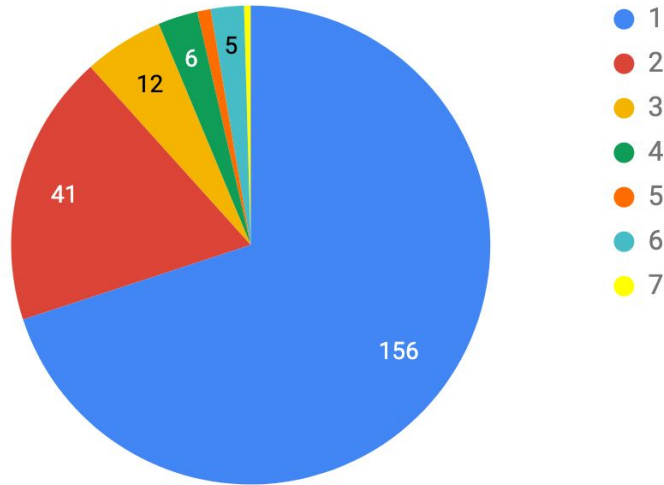
# Current Association Membership & Expenses

Current Number of Members	223
Total Number of Lots	345

Budget Expense Summary	Amount	% of Budget	Due Contribution
Roads/Maintenance	\$25,970.00	68%	\$102.04
Administration (includes dumpster)	\$12,205.00	32%	\$47.96
Total	\$38,175.00	100%	\$150.00

# Current Lots/Dues Structure

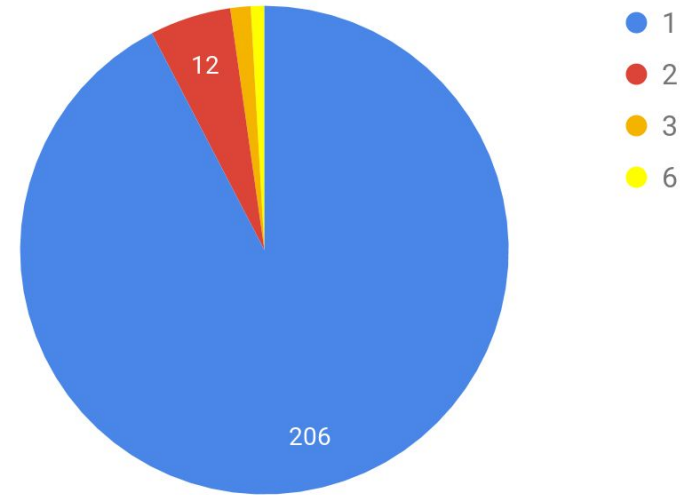
Number of Owners vs. Number of Lots Owned



156 (70%) of members own 1 lot

67 (30%) of members own more than 1 lot

Number of Owners vs. Number of Dues Paid



206 (92%) of members pay 1 due

17 (8%) of members pay more than one due

50 (22%) members own multiple lots but only pay 1 due

# Current Breakdown of Dues

Number of Dues Paid	Number of Owners	Dues	Collection Total
1	206	\$150.00	\$30,900.00
2	12	\$300.00	\$3,600.00
3	3	\$450.00	\$1,350.00
4	0	\$600.00	\$0.00
5	0	\$750.00	\$0.00
6	2	\$900.00	\$1,800.00
7	0	\$1,050.00	\$0.00
	<b>223</b>		<b>\$37,650.00</b>

# Proposed Changes to the Dues Structure

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- Member dues will be decreased from \$150 annually to \$130 annually.
- Owners with more than 1 lot will be assessed a smaller annual due of \$75 per additional lot to help cover the cost of road maintenance to those lots. (e.g. if you own 2 lots you pay \$130 for the base due and \$75 due for the second lot)
  - \$26,000 in road maintenance expense divided by 345 lots ~ \$75
- All members will receive 1 vote.



# Benefits of Proposed Changes

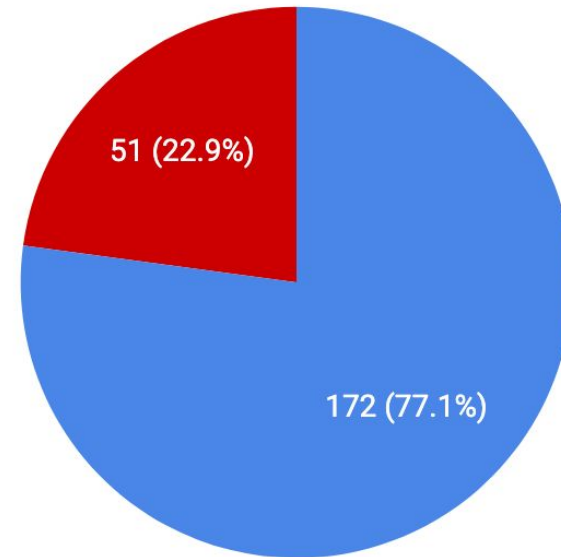
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- 77% of members will see a decrease in dues for 2020 dues under the proposed structure. (from \$150 to \$130 if you own 1 lot)
- This proposal more equitably distributes the maintenance costs.
- This proposal more equitably distributes the member votes.
- This simplifies the secretary's job and reduces the amount of work that needs to be done to calculate and collect dues.

# Effect of Dues Change on Members

- 77% (172 total) members will see a dues decrease
- 23% (51 total) members will see a dues increase
- The dollar amount of the dues structure allows us to meet the current and projected budget needs

How Change Effects Members



● Members with Decrease ● Members with Increase

# Effect of Dues Change on Members

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Number of Lots Owned	Number of Owners	Proposed Dues	Collection Total
1	156	\$130.00	\$20,280.00
2	41	\$205.00	\$8,405.00
3	12	\$280.00	\$3,360.00
4	6	\$355.00	\$2,130.00
5	2	\$430.00	\$860.00
6	5	\$505.00	\$2,525.00
7	1	\$580.00	\$580.00
	223		\$38,140.00

**Open Mic (10 minutes)**

# Ballot One

Dues Structure

Results:

63-Yes

37-No

## Ballot One

Should the Dues Structure be modified to an annual due of \$130 per single lot and \$75 per additional lot for all members, with a single vote per member starting in 2020?

YES

NO

# Rekeying

Scott McDonald, Randy Parry

# Why Rekey?

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Access is an important aspect of security for the association. One of the least controllable security aspects are keys.

- Many members have expressed security concerns because there are many people who are not association members who have keys
- We do not know how many keys have been made or who has them
- Keys have not been changed in a very long time (patent has expired)
- The dumpster uses the same keys and is an expensive service to provide. There are suspicions that people who do not own property have keys and are using the dumpster.

# Cost of Rekeying

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Re-keying will come at a cost. How should the cost be covered?

- Estimated cost to change the locks: **\$125/gate** (8 gates + dumpster x \$125 = \$1125)
- Estimated price per key: **\$6.50**
- Overall cost estimates to the association: (\*this is not a proposed key limit)
  - If members buy their own new keys: **\$0**
  - If Association covers \*1 key per lot: **\$2,243** (345 lots x 1 key @ \$6.50)
  - If Association covers \*2 keys per lot: **\$4,485** (345 lots x 2 key @ \$6.50)



# Plan to Implement

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If Association votes to re-key, here is the proposed plan to make the lock updates and to distribute keys:

- 1 week following the Association Meeting signs will be posted on all gates notifying members of the upcoming change. Board member contact and location information will be posted on the signs.
- A key pick-up will be conducted **June 22** at gate 1 from 10am-2pm in conjunction with the Association Clean-up Day.
- All current remotes will continue to work on electric gates
- On **August 8 2019** gates **1, 5, and 7** will be rekeyed.
- On **August 8 2020** all remaining gates will be rekeyed.

# Should the Number of Keys be Limited?

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Why would the Association Members want this?

- There have been reports of keys being distributed to individuals with no Association Member ties.
- There have been requests by some land owners for unusually large quantities of keys

Possible options:

- Limit the number of keys for each lot to a number such as 2, 4, 8 or unlimited
  - There are no limits on remotes and all current remotes will still function

**Open Mic (10 minutes)**

# Ballot Two

Rekeying

Results:

80-Yes

18-No

## Ballot Two

Should the Association Rekey?

YES

NO

# Ballot Three

Key Limit

Results:

8-2

22-4

30-8

37-Unlimited

## Ballot Three

If the Association Rekeys, should there be a limit to the number of keys each lot can have?

- Yes-2 keys
- Yes-4 keys
- Yes-8 keys
- No Limit

# Ballot Four

## Key Funding

Results:

34-Member Buy

14-Association Buys 1

48-Association Buys 2

### Ballot Four

If the Association Rekeys, how should we fund the key purchase?

- Members should buy their own keys
- Association should buy 1 key per lot (\$2,243 cost to Association budget)
- Association should buy 2 keys per lot (\$4,485 cost to Association budget)

# Election of Board Members

Randy Fry

# Election of Board Members (3 positions to fill)

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Member	Term	Action
2016 Randy Fry	Term Complete	Position to fill (3 yrs)
2017 Mark Petersen	1 year remaining	
2017 Jason Love	1 year remaining	
2018 Randy Parry	Term Complete	Position to fill (3 yrs)
2018 Scott McDonald	2 years remaining	
2018 Garry Barfuss	Term Complete	Position to fill (3 yrs)
2018 Jarid Love	2 years remaining	



# Ballot Five

Board Members

## Ballot Five

Vote for (3) Board Members for a 3 Year Term  
Please write in full name of candidates.

1) \_\_\_\_\_

2) \_\_\_\_\_

3) \_\_\_\_\_

# Board Member Nominees (3 positions to fill)

Nominees	Nominees
Randy Parry *	
Mike Edwards	
Jeremy Leavitt *	
Jake Huggard *	
* indicates winners	

# Road Updates and 2019 Plans





Mark Petersen, Jason Love

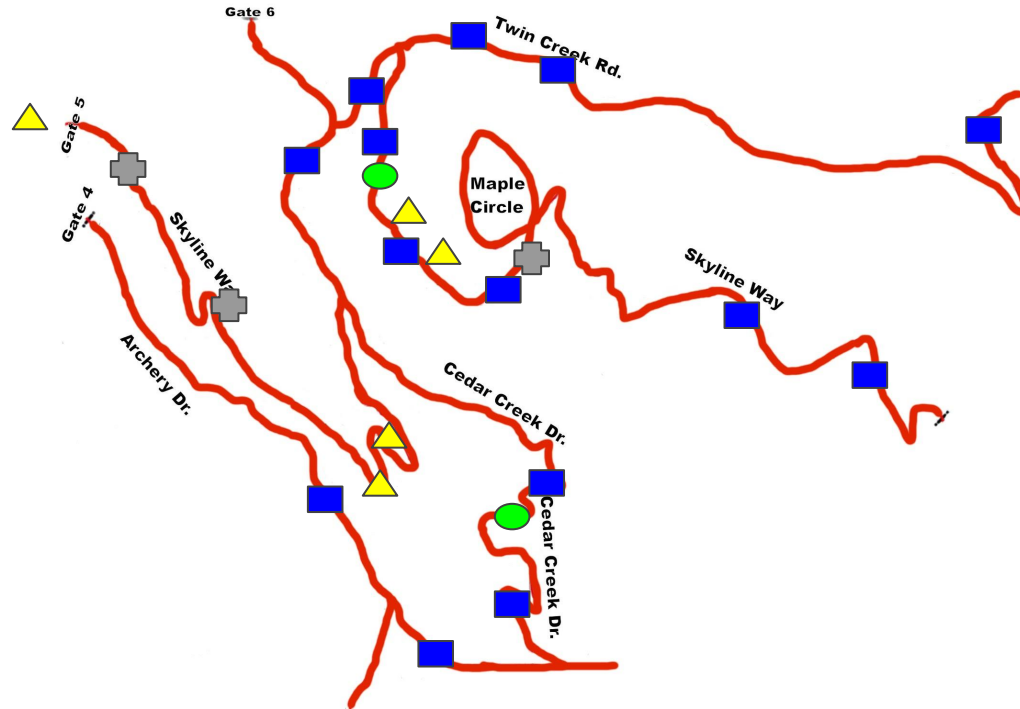
# Roads Update & Culverts

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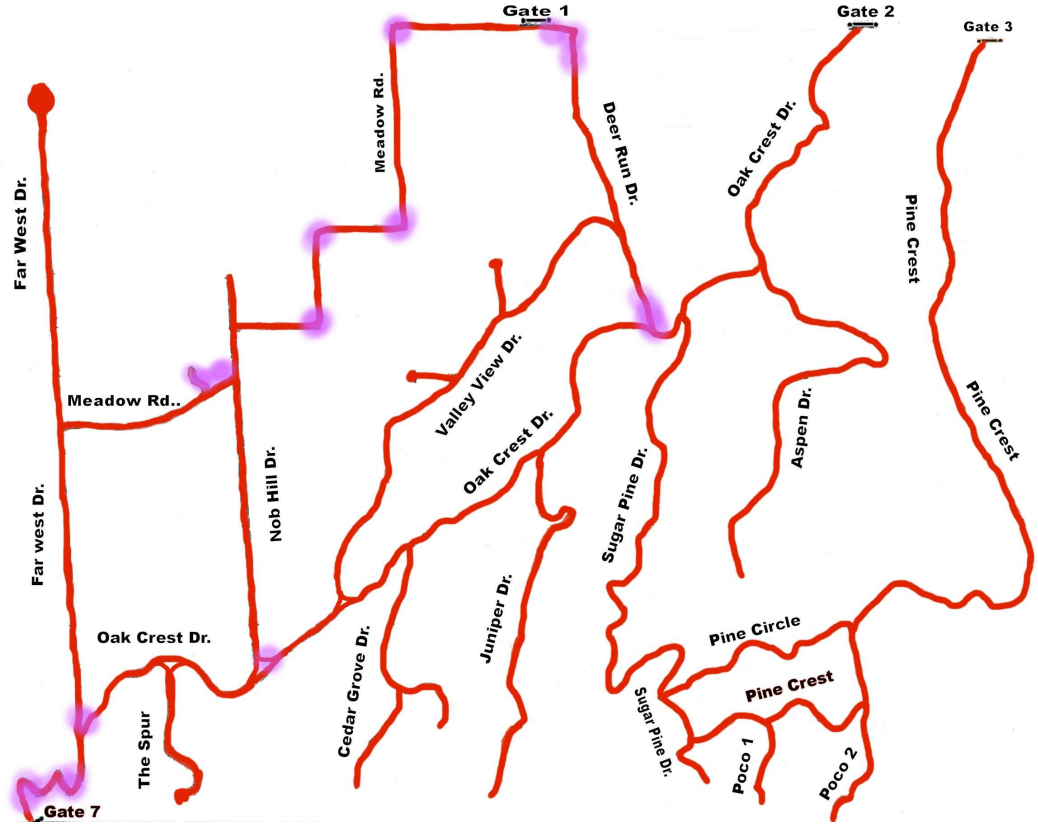
- What was done in 2018?
- The maps on the following page show the preliminary plan for 2019. We will continue to prioritize needs for the roads according to budget. If you have any questions please call the designated Board Member.
- Culverts are an important part of our erosion prevention program. Driveways that are cut in from the Association roads must maintain the ditches that are in place by placing a culvert under the driveway that is large enough to accommodate water runoff. The minimum is 8" diameter. Many properties will need to install larger diameter pipe to allow for rapid draining.

# Whispering Pines II & Sky Hi

1. Grade all roads (incl. from pavement to gate 4 & 5)
2. Clear drain channels 
3. Clear clogged culvert 
4. Road base 
5. Clear and widen road 



# Spring City Rancheros



# Website and Electronic Communication

Jarid Love

# Website & Electronic Communication

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Since last years association meeting, the following improvements have been made:

1. A new website was rolled out that made it easier to find information and member documents.
2. An email newsletter was created to send out information to members more frequently. We currently have the ability to reach 199 members through email.
3. A new Facebook group was created and currently there are 89 members. It has been a great tool for sharing pictures and asking questions.
4. Many members now pay their dues electronically.



# Electronic Newsletter

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Next year we would like to deliver the annual newsletter through email as a cost savings effort. Here are details of that change:

- The change would take place with the 2020 newsletter
- The newsletter will be emailed to all members for which we have an email address on file
- A paper version will only be sent to members without an email address, or those who have specifically requested a paper copy (an official request form was included with this years newsletter)

# Dumpster

Randy Parry

# Dumpster

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The dumpster continues to be an issue.

- The dumpster is provided for household garbage only. Waste from renovations or other work should not be placed in the dumpster and the association member should arrange for proper disposal.
- Everyone needs to make sure they are putting the lid down and securely locking it.
- If the dumpster is full, do not leave or stack garbage at this location as it will not be picked up. If the dumpster is full you are responsible to take your garbage with you.
- Do not stack garbage on the ground or on the top of the container.
- We need the assistance of all of our members to ensure that we will be able to continue providing this benefit to our members.
- The board has done what we can to accommodate additional pickups during busy weekends but these time cannot always be predicted or accommodated by the disposal service.
  - You can help! Email the board if you notice the dumpster is full and an extra pick-up is needed

# Safety & Security

Garry Barfuss

# Safety & Security

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- Access Control
  - Accountability for Keys
  - New Gates and openers on gate #1 and gate #5
  - Unauthorized / Authorized Visitors – Question them or report them
  - Keep the gates closed and locked at all times
  - Please do not attempt any gate repairs – Notify a security Board Member
- Fire Danger is always a concern!!
  - Fire danger signs have been posted on all gates as a reminder.
  - No unattended campfires, keep an eye on them.
  - Campfire safety tips are posted on the website.

# Safety & Security

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- Speed limit – 15 m.p.h.
  - Safety
  - Dust
  - Courtesy
- Lot numbers
  - Are your lot numbers posted?
- Trespassing
  - No reason to be entering or crossing property you don't own. Explain to visitors if they drive off the road they are on someone's property so stay on the road.
- Please be respectful of neighbors, have fun but keep the sound levels down to a reasonable level after 10:00 p.m.
- Firearms are not allowed to be used within association boundaries

# Financials

Randy Fry, Jason Love

# 2018 Year End Report

## Summary

Beginning Checking Balance	\$24,079.46
2018 Income Revenue	\$49,037.00
<b>Spending total</b>	<b>\$42,244.00</b>
2018 Approved Budget	\$38,175.00
Over budget	\$4,069.00
2018 Income Revenue (2018 Dues & Past Due Collections)	\$49,037.00
2018 Spending Budget	\$38,175.00
Income Revenue minus Expenses	\$10,862.00
2018 Budget Overspend	\$4,069.00
<b>2018 Surplus</b>	<b>\$6,793.00</b>
Checking Account (1-3-2019)	\$32,130.00
Savings Account / Contingency Emergency Monies (1-3-2019)	\$27,274.38
<b>Total Cash Assets as of 1-3-2019</b>	<b>\$59,404.38</b>



# 2018 Year End Report

## Expenses

<b>Expenses</b>	
Signage - Security	\$551.48
Remote Controls and Keys	\$1,484.20
Tax Preparation fees and audit	\$500.00
Corporation renewal fees	\$10.00
Go Daddy Web fees	\$30.34
Roads	\$17,963.00
Liability Insurance	\$1,083.00
Annual Party costs	\$254.79
Office Supplies	\$505.71
Postage	\$467.18
Bank Fees	\$589.00
Legal Fees for reviewing CC&R's & By-Laws	\$1,644.00
Credit Card Processing Fees	\$529.71
Property Tax / Fed Tax / State Tax	\$725.85
QuickBooks Online Accounting	\$641.13
Lien Filing - Sanpete County	\$104.41
Repair and Maint. (2 new Gates and openers)	\$9,923.00
Secretary & Professional Fees	\$3,726.77
Garbage Dumpster	\$1,462.54
Weed Control - Thistle	\$47.89
<b>Spending total</b>	<b>\$42,244.00</b>

# 2019 Budget

<b>Expenses</b>	
Signage - Security	\$200.00
Remote Controls and Keys	\$1,400.00
Tax Preparation fees	\$500.00
Corporation renewal fees	\$10.00
Go Daddy Web fees	\$35.00
Roads	\$25,000.00
Liability Insurance	\$1,100.00
Annual Party costs	\$275.00
Office Supplies	\$500.00
Postage	\$500.00
Bank Fees	\$200.00
Legal Fees	\$0
Credit Card Processing Fees	\$650.00
Property Tax / Fed Tax / State Tax	\$2,000.00
QuickBooks Online Accounting	\$650.00
Lien Filing - Sanpete County	\$150.00
Repair and Maint.	\$500.00
Secretary & Professional Fees	\$4,500.00
Garbage Dumpster	\$1,500.00
Weed Control - Thistle	\$50.00
<b>Estimated Spending total</b>	<b>\$39,720.00</b>

# Clean-up Day

Gary Barfuss

# Clean-up Day

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- Members are responsible to cut back the branches hanging over the road adjacent to their property.
  - If you need help contact your friends and neighbors. If they can't help feel free to contact the board for assistance.
  - We don't want to bring a contractor in to do this and pass the expense on to the individual member
- **June 22** is Association Clean-Up Day. Branches should be stacked on the side of the road laying the same direction with cut-side facing the road. The Forest Service will be scheduled to come through with a wood chipper at their earliest convenience following the clean-up day.

# Open Microphone for Members

Randy Fry

# Open Microphone for Members

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Up to 20 minutes.

Each Member who desires to come forward with comments and or suggestions may do so. Please respect the time given to each member for their comments, please don't interrupt or ask questions until they are done. Individual comments will be limited to 2 minutes.

For any additional suggestions, comments, or information please contact the board at: [boardmembers@pinemountainloa.com](mailto:boardmembers@pinemountainloa.com)

# Items for 2019 Board to Consider?

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- Mail ballot or electronic voting
- Member phone directory
- Better communication from board
- Trail maintenance/security from unmarked gates and ATV gates
- Free garbage dumping area
- Raising gate 4 so it doesn't drag on ground



# Thank You

Meeting minutes and this presentation will be uploaded to the website for future reference.