

MINUTES OF THE PILGRIM DOWNS HOMEOWNERS' ASSOCIATION ANNUAL MEETING

The Pilgrim Downs Homeowners' Association Annual Meeting was held on August 7, 2015, at 5:00PM at the residence of Don and Georgia Gogel.

In attendance were Jim Errant, Bill Bishop, representative for John Dorn, Don and Georgia Gogel, Lesley Ann Murray, Michael Berman, Joseph and Nikki Kearn, Joan Francis, Cathy Kelley, Patti and Gary Carlson, Carol and Fred Emich, Jim Childers, Ranch Manager, and David Zippie, CPA.

Proxies obtained from Don Baumgartner, David Bullock, Alicia Dorn, Travis Traylor, Elizabeth Quenneville, 477 Pilgrim LLC, Lindsay Lidge, Jeff Nuttall, Dennis and Gail Mathisen and Doug Zinser were tallied. A total of 10 owners were present and 10 proxies were received for a total of 20 owners represented (83.33%). It was determined that a quorum was present (50% required or 12 owners) and the Meeting could proceed. Georgia Gogel called the Meeting to order.

The Agenda, the proposed Budget and a copy of the Annual Meeting Minutes for 2014 were sent to all owners prior to the Meeting and were available for owners at the Meeting.

The Annual Meeting Minutes for 2014 were reviewed. A motion was made and seconded to approve the Minutes as presented. The Motion was approved.

Board of Managers:

Jim Errant was nominated for re-election to the Board for a three year term. The motion was seconded. The nomination was approved unanimously.

The Board of Managers is now comprised of the following Homeowners:

Jim Errant – (term expires 2018)
Joan Francis – (term expires 2017)
Georgia Gogel – (term expires 2017)
Michael Berman – (term expires 2016)

Georgia Gogel noted that longstanding Board member Travis Traylor would be stepping down from the Board. Everyone agreed that the Homeowners owe Travis an enormous debt of gratitude for his service to the community over an extended number of years. Travis provided invaluable support, wisdom and good counsel to the Board and he will be sorely missed. There was unanimous support for the suggestion to provide Travis with a Certificate of Appreciation, acknowledging that Pilgrim Downs would not be the very special community that it is today without the tremendous contributions that Travis has made. Georgia will take care of preparing the Certificate of Appreciation.

The proposed Budget for 2015-2016 was reviewed and discussed.

Expenses remained relatively fixed in the proposed Budget at the levels that were approved in 2014. The only significant change in the 2015 Budget was that Environmental Preservation Fund dues increased from \$200 per quarter to \$458 per quarter in order to maintain the Environmental Preservation Fund at the desired \$250,000 level. Increasing these dues was primarily a result of the legal fees that the Association incurred over the course of the past year in defending its valuable water rights in Water Court cases brought by neighboring communities challenging those water rights.

It was noted that the operations of Pilgrim Downs are running smoothly and that the desired combined Environmental Preservation Fund of \$250,000 and Emergency Reserve Fund of \$150,000 are in place.

There being no other business, motion was made to adjourn the Meeting. The Meeting was adjourned at approximately 5:45PM.

Georgia Gogel, President
August 13, 2015

Attachments: Agenda
Budget (2015-2016)
Environmental Preservation Fund Expenditures
Proxies (10) Greg Perkins and Dave Zippie Only

PILGRIM DOWNS HOMEOWNERS' ASSOCIATION ANNUAL MEETING AGENDA

Friday, August 7, 2015

5:00PM

677 Pilgrim Drive

- Call to Order
- Determination of Quorum
- Approval of 2014 Annual Meeting Minutes
- Proposed Slate for Re-election to the Board of Managers for a Three-Year Term
 - Jim Errant
- Review and Approval of 2015-2016 Proposed Budget
- New and Old Business
- Adjournment

PILGRIM DOWNS HOMEOWNER ASSOCIATION
NET SURPLUS (DEFICIT) FOR THE ELEVEN MONTHS ENDING JUNE 30, 2015

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	June 30	Ytd Budget	Variance (Unfavorable)	2015 Approved Budget	2016 Proposed Budget
Revenues					
Operating Assessments	\$ 150,216	\$ 150,216	\$ -	\$ 163,872	\$ 163,872
Snow Removal Dues	62,588	62,583	28	62,563	62,563
Caretaker Home Dues	43,032	43,032	-	46,944	46,944
Road Paving & Barn Dues	30,668	30,668	-	33,456	33,456
Reserve Dues	17,800	17,800	-	19,200	44,000
Hay Sales	8,303	3,667	4,636	4,000	1,000
Interest Income	617	897	(80)	760	760
Reserve Interest	885	550	345	600	600
Total Revenues	313,920	308,992	4,928	331,385	353,195
General & Administrative Expenses					
Ranch Manager	114,583	114,583	0	125,000	130,000
Payroll Taxes	9,187	9,167	(20)	10,000	10,500
Retirement Plan		1,925	1,925	2,100	2,100
Ranch Manager Home Gas & Maint	14,903	4,033	(10,870)	4,400	6,500
Ranch Manager Home - Mortgage Payment	47,091	47,091	-	51,372	80,400
Road Paving & Barn Mortgage Payment	30,652	30,652	-	33,436	
Accounting	10,487	8,067	(2,420)	8,800	8,800
Insurance	9,458	10,460	992	11,400	13,335
Office Expense	1,187	825	(362)	900	800
Electricity		2,590	2,590	2,825	
Snow Removal Equip & Diesel	3,156	10,600	7,344	10,500	10,000
Legal	11,380	9,167	(2,213)	10,000	10,000
Truck Fuel, Oil, License Fees and Maint	10,702	6,518	(4,185)	7,110	10,000
Landscape, Shrubs & Flowers	1,730	3,685	1,955	4,020	4,000
Gate	9,510	1,375	(8,135)	1,500	3,000
Hay Field	1,124	917	(207)	1,000	1,000
Preventative Maint & Road Repairs	11,947	18,959	5,012	18,501	7,000
Miscellaneous Maintenance	151	2,750	2,599	3,000	3,500
Trash	4,617	3,685	(932)	4,020	4,500
Total Expenses	291,845	284,937	(6,907)	309,886	305,535
Transfer To Environmental Reserve	18,495	18,150	26	96,019	44,600
Net Surplus (Deficit) Cash	3,581	5,905	(2,325)	(74,510)	3,060
Beginning Surplus (Deficit)	(258,438)	(256,438)	-	(256,438)	(256,438)
Add Loan Principle Payment	43,560	43,560	-	43,560	54,883
Ending Surplus (Deficit)	\$ (252,858)	\$ (250,533)	\$ (2,325)	\$ (330,948)	\$ (253,378)

**PILGRIM DOWNS HOMEOWNER ASSOCIATION
RESERVE FUND
JUNE 30, 2015**

	Actual	2015 Ytd	Variance	2015 Budget	2016 Budget
Beginning Reserve Fund	\$ 433,160	\$ 433,160		400,000	402,223
Current Year Funding	17,600	17,600	-	19,200	44,000
Interest Income	852	550	(302)	600	600
Expenses					
Dead Tree & Pine Beetle Removal	2,565	1,833	(732)	2,000	4,000
Environmental Legal Fees	40,798	24,750	(16,048)	27,000	25,000
Ditch Repair		3,667	3,667	4,000	8,000
Water Lease	7,161	6,325	(836)	6,900	7,161
Pond Maintenance		2,750	2,750	3,000	2,500
Environment Preservation - Other	1,748	-	(1,748)		
	<u>52,272</u>	<u>39,325</u>	<u>(12,947)</u>	<u>42,900</u>	<u>46,661</u>
Ending Reserve Fund	\$ 388,340	\$ 411,985	\$ (12,645)	\$ 376,900	\$ 400,162

Dues Per Quarter	2015	2016
Operating Dues	1,707.00	1,707.00
Care Taker Home Dues	558.86	558.86
Road Paving & Barn Dues	348.50	348.50
Reserve Dues	<u>200.00</u>	<u>458.00</u>
Total	2,814.36	3,072.36

Snow removal dues vary for each owner for the winter quarters

Pilgrim Downs
Environmental Fund Summary

	Total	2014	2013	2012	2011	2010	2009	2008	2007	2006
Dues Collected	873,033	107,582	104,500	104,500	105,600	107,751	104,500	72,100	69,500	97,000
Expenditures										
Pine Beetle Tree Removal	206,240	840	3,750	973	(2,760)	13,210	80,537	57,544	31,379	20,767
New Mower & Trailer	8,922									8,922
Water Legal fees	122,574	27,156	29,360	20,318	1,469	5,929	14,057	24,285		
Pond Maintenance	449	449								
Hay Field Drainage	14,613					14,613				
Irrigation Ditch Improvements	198,817	761		99,889	98,167					
Water Lease	13,658	6,959	6,699							
Equestrian Center Relocation	12,485		12,485							
	577,758	36,165	52,294	121,180	96,876	33,752	94,594	81,829	31,379	29,689
Balance in fund	287,804									