

**FAIRVIEW LAKES ASSOCIATION
MINUTES OF ANNUAL MEMBERSHIP MEETING
NOVEMBER 5, 2009**

The Annual Meeting of Fairview Lakes Association was held on November 5, 2009 at the Provo City Offices. The meeting convened at 7:00 PM.

Board members present were: Joseph Massey, President, Neil Armistead, Ron Linton, Steve Schoonover, Troy Worthington Reed Christensen, and Craig Blackley. DeeDee Johnson attended as Secretary/Treasurer. Janet Jibson attended as Ombudsman.

Joseph Massey called the meeting to order. Mr. Massey introduced the Board Members, Secretary/Treasurer and Ombudsman.

The 2009 “Year in Review” slideshow was presented for viewing for those members present.

Joseph introduced Ken Bench, Sanpete County Assessor, as a guest speaker. Mr. Bench explained the property assessment procedures as they relate to cabins within the Association. He defended the current property valuations and stated that the County is working toward the goal whereby each property is fairly valued and in line with those in other areas. A session of questions and answered ensued. Mr. Bench left the meeting at 7:55 pm.

Members expressed their appreciation of the Fairview Lakes website. It has proven to be a superb tool for members to keep in touch with the most current happenings. The website was created and is maintained completely free of charge. From this point on, virtually all membership correspondence will be conducted via the website (<http://fairviewlakesassociation.synthasite.com>) and via electronic mail, with the exception of those few members who do not have access to the Internet. This technology-based communications solution is expected to bring the Association substantial savings of accounting fees, paper and U.S. Mail costs. Members who do not have Internet access will continue to receive correspondence via the United States Postal Service. Members were asked to keep their email addresses current and were encouraged to add their children and grandchildren’s email addresses to the database so that everyone can be informed of the current happenings.

Two changes to the Association By-Laws were explained. An addition of email delivery was added to the approved methods of notification for membership meetings, Section 4 (C). Also added was a further clarification regarding water connections. A stop and waste valve is required to be installed by each member at least two (2) feet from the main water line and at no time shall a member turn a valve in the main water line in order to regulate water to a property, Section 8 (D).

Installation of a security gate was discussed. By a show of hands, members voiced their opinion for or against. The result was almost evenly split. The gate would not replace our host, who has proven to be a positive force with communication and safety within the Association property. The Board will continue to evaluate this proposed project.

Lake beautification ideas were discussed, potentially involving new trees planted at the lake camping area. By a show of hands, members voiced their opinion for or against. The result was against a lake beautification project.

Joseph stated that the telephone service at the host cabin is still being investigated. There is a possibility that a bag phone will work, but an Alltel system that would offer two telephone (2) extension lines (one of which could be installed outside) may be a better solution. More testing will be conducted at the host cabin the following weekend.

During the year, the Association repossessed a lot previously sold on a time payment contract. The contract stated specific payments of principal and interest, due annually. Payments were not made and the Association proceeded accordingly. All other lots sold on a contract basis are in good standing.

Joseph showed a photograph of a mobile pizza oven and introduced an idea of having pizza offered at the Annual Picnic instead of the traditional potluck. He also suggested we have a few cabin open houses offered by those members who would like to feature their cabins. Those who would like to volunteer their cabins were asked to check with DeeDee. An open house list will be posted on the website under "Events".

The cistern has been installed in the stream in section C. This was approved by the Sanpete County fire Marshall and will save future cabin builders a great sum of money.

During the year, the Association purchased a water truck and enclosed trailer. The trailer is used for storage of the Association's tables, chairs and canopies. The water truck will be utilized throughout the summer to dampen the roads for dust control, as needed, and will be used, annually, for the road maintenance, saving the Association the cost usually charged by the road crew company.

Joseph explained the parking dilemma at Bench's Pond. UDOT has agreed to keep the road-side parking strip cleaned and open for Association members and have added more road base to both ends of the area. Members were asked to park sensibly and to treat the plow drivers with respect. Whenever possible, members were asked to park in the upper parking lot near Skyline Drive. UDOT has asked that members, when cleaning snow off of their vehicles, do not throw snow into the road, as it becomes a hazard.

Joseph discussed the dying Aspen trees within the Association. The Forest Service has agreed to move quickly in treating these trees. An emergency grant has been obtained and will cover the cost of removal and chipping, as necessary. The process has been started and will proceed, this year, as long as the weather permits.

Troy Worthington, of the Architectural Committee, expressed the need to contact him before any building or remodeling occurs. This includes all members who may want to move forth with any new construction on their lots, including septic tanks, sheds, decks, garages, storage buildings, playhouses, etc. He encouraged members to feel free to contact him with any and all questions and to frequently refer to the website at www.fairviewlakesassociation.synthasite.com. Troy showed pictures of cabins under construction and explained the need to communicate any construction under way so that he can, in turn, allow the Association host to allow approved construction vehicles into the property. Only approved construction vehicles will be allowed entry.

Steve Schoonover explained the road maintenance and the savings the Association enjoyed due to the lower cost of gravel. Next year, the Association water truck will be utilized in applying water as part of the annual road maintenance. Steve explained that new products are being introduced for dust control. The Board will investigate these products in hopes of purchasing a product that could be applied with the Association water truck, which would provide a great cost savings. Steve asked that members contact him with ideas for a new sign that will be placed on the main road coming into the property. Volunteers to construct the sign would be appreciated.

Neil Armitstead explained that the water system is in good shape, although some silt has been found in the lines. He stressed the fact that no member should ever cut into the main water line since this could allow contamination into the entire system. Neil tests the water quality as required by the State of Utah. During the summer, the water testing indicated the presence of bacteria called Coliform. Coliform is not harmful to health and does not cause illness. Neil explained that, due to this failure, the spring was chlorinated in the fall and will be chlorinated again in the spring and twice each year from this time forward. This treatment will prevent any further bacterial contamination. The system was fully flushed after the chlorination by using the two new hydrants installed on the property. Neil asked that any member who observes any troubling water issues to please contact a Board member immediately. Every main water valve within the Association has been located. Older valves have been and will continue to be replaced, as necessary.

Joseph showed a photograph of the fire sign on the top of Skyline Drive and asked for volunteers to construct a similar one for the Association.

Ron Linton mentioned the need for floating devices to be worn at all times when on the lake. During the summer, two elderly gentlemen could have died when their boat capsized had it not been for the speedy rescue by Mr. Linton. He also stated the need to drive slowly and cautiously in vehicles and ATVs in order to avoid accidents. Mr. Linton encouraged all members to personally speak with anyone they see speeding or driving erratically within Association property. Fines will be levied against offending riders when necessary. The Association host is encouraged to keep our members safe by enforcing the ATV rules established by the State of Utah, which the Association has fully adopted. Ron asked that all members please show respect to our host. Ron showed

pictures and explained fire pit regulations as put in place by the Cedar Mountain Fire Protection District. Members are not allowed to park on Association roads as they block traffic and create a safety hazard. Larry Orton has agreed to return next year as Association host.

The chipper will be available June 15th through July 31st of 2010. Members who desire wood to be chipped should sign up on the website. Training is required each year and only certified members are allowed to operate the machine. A Board Member is required to be present whenever the chipper is in use.

Reed Christensen remarked that the Association investments have rebounded well since the low point in the market in March. Terry Johnson, Financial Committee member, explained the rebound of Association managed funds with a slide presentation. The presentation indicated the diversification of assets has remained as originally designated by the Board and Financial Committee. The Association's portfolio has performed well during the recent rebound in the general market and with associated risk mitigated and in line with the portfolio designed by the Board and Financial Committee. Terry asked Steve Miner, Financial Committee member, for his comments. Steve voiced optimism for future gains.

Terry Johnson explained the financial statements of the Association for the year ended September 30, 2009. Compared to fiscal year 2008, Association costs were reduced while income, including fees and auction proceeds, increased. The result was a small amount of expenses over income amounting to \$21 per lot for the current year. Terry noted that the goal is to generate income from dues and other sources only in amounts necessary to cover operating expenses. Annual dues should be increased to cover any shortfalls. However, Joseph stated that there would be no increase in dues for the upcoming year, but there very likely will be an increase next year. The Association is a viable corporation and is being run as a business.

Joseph thanked Janet Jibson, Ombudsman, for her dedicated serviced to the Association. Joyce LeWallen has agreed to assume the duties of Ombudsman. Members should feel free to contact Joyce with any questions or concerns.

The Board asked that the membership of the Association approve a measure to indemnify the Board for their actions while serving the Association for the fiscal year ended September 30, 2009. A motion was offered by Garold Jensen, lot 106, and seconded by Ray Andrus, lot 45. The membership voted to approve the indemnification of the Board.

Joseph discussed the proposed lease extension between Fairview Lakes Association and the Gooseberry Water Users Association. The lease renewal has not yet been resolved. However, after several meetings with the President of Gooseberry, Joseph feels very optimistic that a positive conclusion will be forthcoming.

Dean Garrett, lot 24, asked about a second outlet in case of emergency. The Fire Marshall is not concerned for an additional outlet because the property offers unique geography, a lot of water and many meadows to escape a fire, should one occur.

DeeDee Johnson, Secretary, introduced Richard Brenchley, lot 171, as a candidate for a Board position. Current Board Members, Neil Armitstead, Reed Christensen and Joseph Massey stood for re-election to the Board. Ballots were cast. Mick Clyde, lot 16, and Garold Jensen, lot 106, were asked to verify the count along with DeeDee Johnson, Janet Jibson and Terry Johnson. The membership elected Neil Armitstead, Richard Brenchley and Joseph Massey for a three-year term.

Door prizes were awarded those members lucky enough to have their name drawn from the hat.

Having no further business to come before the Association membership, the meeting adjourned at 9:30 pm.

Joseph Massey, President

DeeDee Johnson, Secretary/Treasurer