

Skyline Mountain Special Service District

2201 Skyline Mountain Resort

Fairview, Utah 84629

Minutes of public board meeting held May 6th 2017 Skyline Mountain Resort Clubhouse, 11860 East Clubhouse Drive, Fairview, Utah 84629

Meeting called to order @ 4:05 PM by Chairman Layne Lundstrom:

Board Members Present: Chairman Layne Lundstrom; Vice Chairman Herb Gilbert; Secretary/Clerk Roy Fox; Treasurer; Dawayne Coombs; Board Member Craig Godwin.

Public Members Present: Jeremy Fox

Confirm phone vote for Bank/Finance resolution & vote on new chairman: With Layne stepping down as chairman and Dawayne's term on the board and as treasurer concluded on June 30, 2107, it was necessary to change the signature cards at the bank and nominate and vote for a new chairman. That was accomplished through a phone vote in April. Those two resolutions were unanimously approved. Those two resolutions were necessary to provide documentation at the bank for the necessary changes. Motion made by Roy and seconded by Herb to confirm resolution **2-2017** (Bank Resolution). Motion carried 5-0. Motion made by Roy and seconded by Herb to confirm resolution **3-2107** (Election of Craig Godwin as chairman). Motion carried 5-0. Layne made formal nomination of Craig Godwin as Chairman, Herb seconded. Nomination motion carried 5-0. Craig confirmed officially as chairman.

Meeting turned over to Craig Godwin as chairman.

Public Board Meeting Notice: Craig Godwin stated this meeting meets the public meeting requirements; was posted on Utah Public Notice website and was posted at 11860 East Clubhouse Dr, Fairview, Utah.

Craig made an invitation to for all board members to contribute to make the work load as light as possible for all. We will await the assignment of an SMR board member following the June election for a liaison to the SMSSD board.

The SMSSD is tentatively looking to hire a part time water master later in the year which will then have a bearing on board member assignments. This is a necessity given that Roy is spending **40-60** hours a week in an effort to meet government requirements and financial management including billing and customer interactions.

Approval of minutes from previous meeting of December 15th. Craig reviewed the fact that depreciation expense is not something we pay, but accrue. Therefore we must marry the interest and principle expense from the bond payment along with the depreciation expense from the P&L, to the balance sheet in order to see the cash flow loss equalized by the balance sheet gain. With that done, all is balanced.

Previous meeting minutes were sent out by e-mail to all board members for review. Roy Fox motion to approve, seconded by Herb Gilbert. Motion carried 5-0, minutes approved.

Financial approvals: Financials were presented by Roy Fox for accounts through May 6, 2017.

- Express Bill Pay deposit account \$28,914.63

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|------------------------|-------------|
| • Reserve Money Market | \$35,801.76 |
| • Money Market #108 | \$69,009.71 |
| • Banner Checking | \$11,817.35 |
| • Petty cash | \$ 200.00 |

It is necessary for us to keep a \$25,000.00 balance with Express Bill Pay in order not to incur finance charges.

A motion to approve the financials to date for 2017 YTD was made by Herb Gilbert, seconded by Layne Lundstrom. Motion carried 5-0. 2017 financials to date approved. Much thanks to Roy for his hard work and sacrifice for SMR.

Parsons well update: SMR has approved the drilling of the well. The attorney for SMSSD is putting together a final contract with verbiage for depreciation over time should SMSSD ever exercise its option to purchase the well at a future date. The agreement will require that Parsons provide detailed invoices detailing the costs in drilling the well and bringing it online.

Past due accounts: Short discussion on past due accounts. Roy has started sending letters of collection on accounts that are 60 days or greater past due with threat of **Lien's and/or Legal action**. There has been a significant decrease in the total past due amount since these letters started being sent. Thanks Roy!!

Resolution and establishment of policy on secondary water hook ups: There are now proposed policies and costs associated with secondary water hook ups including the ownership of water share(s). All secondary water will be metered. Proposed resolution **1-2017** approval by Layne, seconded by Herb. Resolution approved 5-0.

New Business:

- We received a letter from the state requiring us to change our chlorination system that we just installed this past year. Further follow up with the state by Roy and Jeremy indicated that we could stay with our current chlorinator as long as we don't have problems with our testing.
- Fill station valve ruptured and Doug Shelley was called and made repairs.
- Doug had to dig up and repair the overflow line from Chicken Track Springs. It **is** running down and into the Fish Pond. The new water master will need to work with Birch Creek Irrigation to determine the right long term fix there.
- Because of the heavy winter, there were at least 2 flowing springs this spring that were running out onto the road. We need to monitor in the future to insure that road damage doesn't occur.
- Thad's Peak well not up and running yet because there is still snow on the road near the top.

Motion to Close the Meeting: Motion to close the meeting by Craig Godwin, seconded by Roy Fox. Motion passed unanimously. Meeting adjourned 5:40PM

Adjourn to executive meeting 5:40PM