

**FINANCE & LEGAL COMMITTEE
MINUTES**

Monday, Aug. 24, 2009

“Responsible for the annual operating and capital budgets, determination of fees and assessments, definition of member and guest privileges, and all related legal, taxes, insurance, zoning, and organizational matters affecting the Association.”

PRESENT: Eugene Root-Vice Chairman F & L Committee (Meeting Chair)
Ron Stucki
Ray Hanck
Jim Vandel-Secretary

ABSENT: Jere Kovach-Chairman & Member Board of Directors

ALSO IN ATTENDANCE: None

The meeting was called to order @ 3:00 P. M.

The minutes of the Aug. 17, 2009 meeting were approved.

It was announced that the BOD during their meeting on Sat. Aug. 15, 2009 had confirmed Mr. Hanck as a member of this committee.

It was announced that Ms. Straight is no longer the General Manager and that Mr. Randy King is serving as the Acting GM in addition to his duties as the Golf Pro.

Mr. Stucki reviewed his latest attempt to produce a Facilities budget. The departure of Ms. Straight has complicated that activity and Mr. Stuckie has not been able to obtain a “draft” Facilities budget. He was confident he would have a “draft” budget for the next meeting.

Mr. Vandel presented the “draft” budget for Greens. He stated that he had a meeting with Director Archibald who Chairs the Greens Committee and is confident that Mr. Archibald supports the contents of the “draft” budget. He pointed out that the “Common Area” employee will be transferred from Facilities to Greens. Therefore, salaries for Greens increased and there will be a decrease in salaries for Facilities. He also moved moneys from Facilities to Greens for supplies needed for the common areas. He further stated that the Greens Superintendent has agreed to assume the responsibility for supervising this position and assuring the completion of the position’s assigned tasks. This committee understands that, as of Jan. 1, 2010, the Beautification Committee as such will cease to exist. Most of the existing members however, are agreeable to continue serving as volunteer workers. The Greens equipment lease was discussed. This lease is with John Deere for about \$75,000 per year and is set to expire in January 2011. The Greens Committee and Greens Supt. are in agreement that it would make good economic sense for the SVRA to begin the process of owning our own equipment. They plan to start the negotiating

process in the near future. Mr. Archibald has recommended three items for inclusion in the "Capital Budget" 1) a rough mower at \$56,000 2) a used tractor at \$26,000 and 3) fans for each end of the Greens Shop Building at \$5,000. These three items will be discussed later during the preparation of the "Capital Budget". After considerable discussion it was agreed that the Greens portion of the budget was essentially complete and no further discussion was necessary until we reach the final budget refinement stage.

The sale of the Green Canyon Tank, to the Town of SVR, for \$420,000 was discussed. It is assumed that the sale will be consummated. The Committee agreed that, as the tank is a Capital Asset of the SVRA, the funds received from the sale should be retained for future Capital Assets. We are aware of the pressing need to repair or replace the water line, in Green Canyon utilized for irrigation, and recommend that funds be "earmarked" for that project.

Mr. Root reviewed several management issues concerning the Lounge. The "draft" budget was not in a condition for presentation.

Mr. Hanck, Mr. Root and Mr. Vandel will meet with the acting GM, Randy King, on tues. to review the Administration "draft" budget.

Meeting adjourned at 5:00 P. M.

Jim Vandel
Secretary