

**SUMMIT COUNTY SERVICE AREA 5
BOARD MEETING
Sheldon D. Richins Building
Kimball Junction
November 20, 2019**

Board Members:

Nachi Fairbanks, Lot 308, Lake Rockport Estates
Alan Lindsley, Lot 136, Lake Rockport Estates
Jessica Taylor, Lot 284, Lake Rockport Estates
Ed Wyckoff, Lot 54, Rockport Ranches
Lesli Gomez, Lot 53, Rockport Ranches

Attending
Secretary: Carol Steedman, KGC Associates

Nachi Fairbanks called the meeting to order at 6:44 p.m. and welcomed the new Board members.

A summary of topics discussed is detailed below.

1. Certification

- a) Nachi noted that the Board members should have a copy of the Little Manual that they need to read for their certification.
- b) The exam required by the State can be downloaded online.
- c) Jessica and Lesli need to complete the certification before the end of the year. The certification is good for four years.
- b) Nachi noted that SA5 is a simple Service Area and much of the information does not pertain to SA5.
- c) The Board members updated their addresses so Carol would have current information to send to Summit County.

2. Approval of Minutes – December 6, 2018

- a) Alan noted that the Board previously approved the Minutes with corrections through email.
- b) The Board needed a formal motion to Ratify the Approval of the December 6, 2018 Minutes as corrected. Ed Wyckoff seconded the motion.

VOTE: The motion passed unanimously.

3. Current Financial Report

- a) Carol reported that the available income for Lake Rockport Estates is \$60,818. The available income for Rockport Ranches is \$31,069.
- b) Carol stated that the budget distribution for the 2019 budget that was submitted to the State was \$45,000 for Lake Rockport Estates and \$17,000 for Rockport Ranches.
- c) Carol had provided financials from past years to show the comparisons over the years. Lake Rockport Estates has taken a flat \$50,000 the past couple years to help with their expenses.
- d) Carol noted that Lake Rockport Estates could take a higher amount this year if they wanted. She had submitted a \$45,000 budget but Lake Rockport Estates had enough funds to request a higher amount.
- e) Carol advised that they should never go below 10% in either account unless there is a catastrophic reason to liquidate.
- f) Carol stated that the profit and loss shows exactly what was received for the year. Fund balances have carryovers.
- g) The calendar year total has typically been in the \$60,000 range until this year. This year it was \$70,000.
- h) Ed Wyckoff stated that the property valuations increased. The tax levy remained the same. The increased property value generated more revenue.
- i) Carol believed real estate turnover could be another reason for the increased revenue. When a property is sold, the title company collects the money and pays the taxes at time of sale.
- j) Carol reported that only one bill was unpaid and that was to KGC Associates for her services. The remaining balance in the SA5 Fund was \$69,000.
- k) Carol noted that \$91,000 was showing on the balance sheet. A \$1,000 of that was in the checking account and the rest was in savings.
- l) Carol stated that the role of the Budget Officer and the Compliance Practice was transparency. This year, included with the financials was the bank statement detail. Everything marked with an x indicates that it cleared through Zions Bank. It validated what is shown on the sheet with the Fund Balance information and also that \$91,000 is available.
- m) Alan noted that Zions Bank requires that a minimum of \$1,000 per day must remain in the checking account to avoid paying a \$5.00 per month service charge.

n) The 2020 Budget was set at \$65,000.

MOTION: Nachi Fairbanks moved to Approve the 2020 Budget at \$65,000; with a breakdown of \$47,000 for Lake Rockport Estates and \$18,000 for Rockport Ranches. Lesli Gomez seconded the motion.
VOTE: The motion passed unanimously.

4. Distributions

- a) Carol noted that Lake Rockport Estates has taken a \$50,000 distribution the last two years. LRE could increase the distribution this year. Carol again recommended leaving 10%.
- b) Alan thought LRE should take as much as they could in order to show the need and usage.
- c) The distribution for Lake Rockport Estates was increased to \$55,000.
- d) The distribution for Rockport Ranches was \$12,162.33. Rockport Ranches had provided documentation and invoices on what was approved by their Board and what was spent.

MOTION: Nachi Fairbanks moved to disburse the funds at \$55,000 to Lake Rockport Estates and \$12,162.33 to Rockport Ranches. Lesli Gomez seconded the motion.
VOTE: The motion passed unanimously.

Alan clarified that he would transfer the funds. Once the transfer is complete, he will send checks to Carol for disbursement to Rockport Ranches and to pay the KGC Associates bill. Alan will retain the \$55,000 distribution for Lake Rockport Estates, to save mailing it to Lake Rockport Estates.

The meeting adjourned at 7:32 p.m.