

Board Members	Officers	Areas of Responsibility	Representing your Neighborhood	ATTENDANCE
Barry Clarkson	President	Communications, Legal, Water	Upper Slide	PRESENT
Kurt Jacobsen	Vice -President	Headquarters, Cabin Renovations	Crawford East	PRESENT
Joe Bosze	Treasurer	Cabins (upper), Equipment Maintenance	Crawford West	PRESENT
Kathy Pierce	Secretary	Cabins (lower), Reservations,	Johnnie Brown	PRESENT
John Harris		Fire Protection, Public Safety, Security, Roads	Meadow Cyn, Pipeline	PRESENT
Brad Hunt		Agriculture, FB, Web Dev, Cabin Renovations	Lower Ranch	ABSENT
Larry Clarkson		Equipment Operations, Fishing Ponds, Wildlife	Lower Slide	PRESENT

DSROA Board of Directors Meeting

Saturday, January 18, 2020 – St. George, UT (Clarkson & Associates)

An executive session was held prior to this meeting

1. Welcome/Prayer/Roll Call

- 1.1. The Board and Members were welcomed by Association President, Barry Clarkson. A prayer was offered previously in the executive session.
- 1.2. Roll call was conducted:
 - The following Board Members were present in person: Barry Clarkson, Kathy Pierce, Larry Clarkson, Kurt Jacobsen.
 - Others present in person: Dale Clarkson (Lot 166), Candy Bosze (Lot 107), Jeff & Tina Collins (Lot 121), Deborah Clarkson (Lot 76), Kurt Jacobsen (*Property Manager*) and Mariah Wheeler (*Office Administrator*).
 - Others present by phone conference: John Harris (Board Member), Mike McNichols (Lot 270)
 - Board Member(s) not present: Brad Hunt

2. Presentation and Approval of Minutes –

- 2.1. The Board Meeting Minutes from the November 2019 meeting were prepared and presented to the Board by email prior to the meeting. Kathy Pierce motioned to accept the meeting minutes. Kurt Jacobsen seconded. The motion passed unanimously.
- 2.2. Barry Clarkson noted that in a December meeting, the reformatting of the Caretaker/Manager position at the ranch had taken shape. A statement was prepared regarding a special meeting held by the DSROA Board of Directors in December, regarding the reformatting of the Ranch Caretaker/Manager position, to be read into the January 2020 meeting minutes:
- 2.3. *In December, a meeting was held by the DSROA Board of Directors, in which all members of the Board attended by teleconference. The purpose of the meeting was to discuss and finalize the developmental direction of the Ranch Caretaker/Manager position. The Board discussed this item thoroughly, resulting in an approving vote to move forward with the hiring of a Property Manager for the position. Prior to this meeting, several interested individuals had applied for the potential new position. Because of this, the Board had the opportunity to review the applicants and approved the hiring of Jacobsen Management, LLC. A contract was provided and Jacobsen Management, LLC., accepted the contract to begin duties as of January 1, 2020. Due to the approved reformatting of the Ranch Management position, the Board of Directors also reviewed and thoroughly discussed the interim position being held by Phil Hunt, as an hourly employee, at that time. The Board assessed the contract held with Phil, including the agreed upon job projects to be completed by him, and determined that the jobs were completed to the satisfaction of the Board. The Board approved to terminate Phil Hunt's position as of December 14 and a severance package was offered. Currently, Jacobsen Management, LLC., has taken occupancy of the Ranch House at Headquarters and has been engaged in winter ranch caretaking. Many of you have already met the owner of Jacobsen Management, LLC., Kurt Jacobsen. Kurt Jacobsen is a lot owner at DSR and serves on the Board of Directors. Kurt Jacobsen offers DSR many years of top level management experience from ranch management to restaurant/food services, which experience the Board feels will be a great facilitator to the evolution of the current Ranch Management position into an improved experience for our members and for a continually evolving ranch. Kurt Jacobsen is focused on being actively engaged in analyzing the operations of the ranch and will offer a unique perspective to effective development of those operations, as well as potential new opportunities for member enjoyment while visiting the ranch. The Board is anticipatory that DSR members will find this transition to be comfortable and engaging, and as always, welcome feedback.*
- 2.4. Following the reading, Barry Clarkson noted that during the review of the applicants and a final decision regarding the hiring, Kurt Jacobsen, while serving as a Board Member, was not present during that portion of the meeting. A discussion was held regarding a potential conflict of interest. Kurt Jacobsen shared that a conflict of interest is always a topic of

concern and agreed with Larry Clarkson that it is difficult for a conflict of interest not to exist. Barry Clarkson noted that Kurt Jacobsen has been very agreeable, thus far, regarding situations of conflict of interest. Barry Clarkson noted that personal financial stake in a decision being made for the benefit or the detriment of the ranch members. He noted the Board is aware of that definition. Barry Clarkson further noted that in a small community like the ranch, there will be potential issues that need to be addressed as they come up and that vested interest in the ranch has and is a benefit to the ranch per invested interest.

- 2.5. Barry Clarkson affirmed that the statement will serve as the notes from the December Meeting and are included in the January meeting minutes so as to be approved with the January meeting minutes.

3. **Treasurer Report** – Joe Bosze, Board Treasurer

- 3.1. Gratitude was expressed to the Collins for the assistance in returning the Headquarters Solar Battery cores to Factory Motor Parts in Las Vegas. It was reported that the reimbursement for the cores check, had not been received and was routed to the Golf Course to which the batteries were delivered for pick-up by the ranch. Joe Bosze has had it re-routed and is expecting to receive the check in the amount of \$831.00, mid-next week.
- 3.2. Joe Bosze congratulated the Board on ending the 2019 budget year, in the green.

4. **Office Report** – Mariah Wheeler

- 4.1. **2019 DSROA Year-End Budget Report, 2019 Year-End Project Completion Report, 2019 Budget Revenue Balance Transfer** – Mariah Wheeler led the Board through a series of reports that will be made available on the website for member review. Those reports included the YE Budget Report noting that the 2019 Budget ended with a revenue of \$29,985.60. With the additional funds in the checking account, it was determined that \$42,826.50 could be moved to the Savings Account for Special Project allocation. Several determining factors allowed this possibility, including: Increase in Income due to Past Due Accounts being paid in full, increase in cabin fees, donations by members, with special recognition to Dale Clarkson and his large financial contributions in 2019. Further the expenses for 2019 were lower due to special project money not being spent and many budgets remaining under budget. The YE project completion report was reviewed by the board with the following projects completed: Cabin 7 renovation, Cabin 3 renovation/landscaping, new refrigerator for Ranch House, Propane Fire Pits in Cabin 1, Cabin 2 and Cabin 4, New batteries for Ranch House solar, and a new self-propelled lawn mower for Ranch Headquarters. Statistics were also shared regarding 2019 EOY statistics and charts will be provided on the ranch website for further review.

5. **2020 Budget Discussion and Approval** – Mariah Wheeler

- 5.1. Item was postponed to the end of the meeting.
- 5.2. The proposed 2020 budget was presented by Mariah Wheeler with a balanced budget status. All Board Member budget requests had been included according to the amounts requested. The Board reviewed the budget, discussing several items:
 - 5.2.1. Removal of categories. Barry Clarkson approved allowing Mariah Wheeler to remove categories that are inactive.
 - 5.2.2. Adding of new Budget line-items.
 - 5.2.2.1. Cargo Trailer – a new purchase in 2019, a budget line item was requested to be added.
 - 5.2.2.2. Lawnmower – a new purchase in 2019, a budget line item was requested to be added.
 - 5.2.2.3. Livestock/Wildlife/Agriculture – a new budget line item labeled, “Wildlife/Livestock Wtr lines/Troughs” was requested to be added by Brad Hunt, Board Member representative for Agriculture.
 - 5.2.3. Special Project Requests – Several Board Members requested approval for Special Projects in 2020, including:
 - 5.2.3.1. Cabin 3 – Joe Bosze – Final completion of project started in 2019 , \$5,000.00
 - 5.2.3.2. Cabin 8 – Kurt Jacobsen – Interior Renovation, add solar, \$11,000.00
 - 5.2.3.3. Common lots picnic/camping site – Larry Clarkson, TBD
 - 5.2.3.4. Fishing Ponds Upgrades – Larry Clarkson, \$4,500.00
 - 5.2.3.5. Livestock – Brad Hunt, \$1,700.00 (carry over from 2019 budget)
 - 5.2.3.6. Headquarters Improvements – Kurt Jacobsen - \$2,000.00
 - 5.2.3.7. Cabin Refrigerator repair/replacement – TBD
 - 5.2.3.8. Water Hauling Station/Half-Moon Well – Barry Clarkson, \$15,000.00
 - 5.2.3.9. Blacksmith Shop, \$3,500.00 – Kurt Jacobsen
- 5.3. After much discussion, a motion was made by Larry Clarkson to accept the 2020 proposed operating budget (not special projects). Kurt Jacobsen seconded. The motion passed unanimously. Barry Clarkson asked for Board approval to approve the 3 carryover budget requests, which included: Water Systems (see above 5.2.3.8), Headquarters (see above 5.2.3.6) and Livestock (see above 5.2.3.5) with only pending approval per a future discussion with Brad Hunt re: Livestock, but full approval on the other two items, and that money be retained in the checking account for use in 2020. The board members present did not object. Barry Clarkson asked for board approval to move the remaining 2019 revenue from the checking account to the savings account for allocation to future approved special projects, to be identified throughout the year. The board members present did not object.

6. Update on Ranch Management – Barry Clarkson

- 6.1. Barry Clarkson announced the hiring of a Property Manager and requested that the Property Manager position be referred to as such. Barry Clarkson referred back to the written statement regarding the current ranch management and invited Kurt Jacobsen of Jacobsen Management, LLC, new property manager, to share his report. Barry Clarkson noted that there was some concern regarding a conflict of interest and he clarified that the definition of a conflict of interest is possible where a Board member may have personal benefit, financial or otherwise, or gain from a decision. He clarified that Kurt Jacobsen has been respectful and has not been present during any discussions held wherein a conflict of interest could have occurred. A short discussion was held regarding the nature of the ranch, its members and multiple opportunities for conflicts of interest to possible, but notes that a conflict of interest is possible and should be respected as a factor in all decisions of the Board.

7. Property Manager Report – Kurt Jacobsen, Jacobsen Management, LLC

7.1. Kurt Jacobsen commented on the following items:

- 7.1.1. Accounts Payable (AP) Vouchers – A new introduction to spending of DSR budget money by utilizing a simple form to provide more disclosure regarding purchases (i.e. Cabin 3, Kitchen Faucet, etc). The purpose is to ensure transparency of purchases. AP vouchers will be available at Ranch Headquarters, with the possibility of being available through the website to print for submission. AP vouchers will be turned in to Kurt Jacobsen at ranch headquarters for input tracking in developed spreadsheet real-time budget tracking. Kurt will be able to provide immediate feedback to Board members on their account balances. AP vouchers, with the accompanying receipt or invoice, will be turned into Mariah Wheeler for processing through the office. It was determined that budget tracking will be sufficient to be reported in board meetings such as the Annual Meeting. Kurt will submit all AP vouchers to Mariah Wheeler on the 1st and 15th of each month.
- 7.1.2. Tool Shed – Kurt Jacobsen has been cleaning out the Tool Shed and inventorying items. It was decided that Kurt would put together sets of tools that are useable, remove items that are not needed or are unfinished projects (overabundance of bathtubs, broken wheelbarrows, etc.) and additional items will be made available for sale at the annual meeting auction.
- 7.1.3. Cabin Improvements:
- 7.1.3.1. Cabin 6 – Currently in need of renovation as it is in disrepair and unclean.
- 7.1.3.2. Cabin 8 – The renovation list for Cabin 8 has been prepared, with a budget total comparable to Cabin 7. Discussion was had that to save money on cabinets for the kitchen, Kitchen Island and bathroom, could be redeemed by purchasing ready-made cabinets from Lowes. Discussion was held regarding savings on countertops, with resolution to find the best option for the best price as the renovation proceeds.
- 7.1.3.3. Cabin Mouse proofing – Kurt Jacobsen suggested mouse proofing on every cabin and have every cabin mouse-proofed, with floor insulation and then to take the next step to renovating cabins. Discussion was brought to the forefront regarding the Cabin Inspection report and coordinating cabin improvements with the inspection report. Barry Clarkson to provide the report to Kurt Jacobsen. A committee will be created to continue to assess priority of cabin repairs and improvements.
- 7.1.3.4. Cabin 7 – Kurt Jacobsen will be continuing to finish the deck on Cabin 7.
- 7.1.4. Scheduling – Kurt Jacobsen announced that Sunday's he will use as his personal day off.
- 7.1.5. Weekend Report – Kurt Jacobsen will be providing a weekend review regarding the week's accomplishments and other information. Barry Clarkson reminded that the daily reports were actual requested by WCF for prior employee, Phil Hunt. Kurt Jacobsen insisted he would like to provide the weekly feedback as part of the position. On a side note, Barry Clarkson requested a write up introductory paragraph for the membership, from Kurt Jacobsen.
- 7.1.6. Radio Communication – Joe Bosze expressed a concern regarding the radio discussion amongst ranch members on the radio system and the concern that with all the chatter, there isn't room for emergency messages, suggesting a code could be given that the membership is trained to cease chatter. Barry Clarkson intends to include a comment on "radio etiquette" on the newsletter and asked that Joe Bosze present this topic at the Annual Meeting.

8. DSR Member Volunteer Program – Kathy Pierce

- 8.1. 2019 Volunteer Program approval – Kathy Pierce introduced her plan for the redemption of Cabin time, by those who volunteered in 2019, on the Cabin 7 project. The program included an expiration date for redemption to be October 16, 2020. Members will pay a \$50.00 deposit that will serve as the reservation deposit. Volunteers will use the cabin time for free. All other individuals occupying the cabin with or without them, will pay a \$2.00/person/night fee, which will be deducted from the \$50.00 deposit. All reservations are subject to regular cabin rules and regulations. The tracking chart of volunteer members was provided visually, indicating how many hours of service each individual had given to the Cabin 7 project. Much discussion regarding this item and item 8.2 ensued, with the result of Barry Clarkson calling for a vote on approving the 2019 Volunteer Program
- 8.2. 2020 Volunteer Program Proposal – Kathy Pierce asked Mariah Wheeler to introduce the proposed 2020 Volunteer program proposal. As explained by Kathy Pierce and Mariah Wheeler, this program was proposed as an incentive

opportunity to engage more members to volunteer. Concern for cabin revenue was considered in the development of this program. The program offers a tier system with benefits for volunteers starting at 16 hours of service or financial donation of \$250.00, minimum to receive the tier one benefits. The tier system is 3 part and offers increasing benefits for increasing volunteer hours or financial donations. Kurt Jacobsen shared an additional proposal for providing an improved experience for volunteers with prepared fine meals. Candy Bosze shared that volunteer work is volunteer work and benefits shouldn't be expected. Mike McNichols shared his many hours of volunteer time in Cabin 7 and thanked the Board for considering incentives for him, but noted he serves because he likes to serve and doesn't need an incentive. Mike McNichols shared a suggestion that volunteers receive a custom volunteer thank you gift, such as a mug or tshirt. Much discussion ensued.

- 8.3. Regarding item 8.1. The final result, Barry Clarkson motioned to approve the 2019 Volunteer program benefits as previously committed and currently reviewed, but with an adjustment to the expiration date to state October 16, 2021. Larry Clarkson seconded. The motion passed unanimously. Regarding 8.2. Barry Clarkson shared appreciation for all of the ideas and suggested that an evolution of all of the ideas into one volunteer program/thank you gift, would be appropriate. The board agreed to continue the discussion.

9. **DSR Capital Expense Discussion – Kurt Jacobsen**

- 9.1. **Kurt Jacobsen presented a need for a Cap of Expenditures for Board Members**, requesting that a dollar amount be set as the Cap Ex. Barry Clarkson shared the current policy is that Board members are allowed to spend up to half of their budget without approval of another Board Member, however any amount over that requires authorization of 3 other Board Members. Mariah Wheeler clarified it was the budget as a whole and not determined by sub-categories. Candy Bosze noted that communication of intended purchases with fellow Board members, is a safe way to keep budget spending transparent and has worked for Joe Bosze and others. It was decided that the current policy would remain in force, however if this becomes a concern within this budget year, it needs to be identified and addressed again.

10. **Winter Cabin Use Discussion – Kathy Pierce** lead the discussion on the Cabin 7 winter use. A survey response was requested of the membership, by email, previous to the meeting. The survey conducted was regarding potential use of Cabin 7, 8 and Garden Cabin during the winter months. It was determined by the survey responses the following:

- 10.1. How likely are you to reserve Cabin 7 and/or 8 for Thanksgiving, Christmas, and or New Years?
Not Likely (1&2): 43.3% Possibly (3): 25% Likely (4&5): 30.8%
- 10.2. How likely are you to reserve Garden Cabin for Thanksgiving, Christmas, and/or New Years?
Not Likely (1&2): 71.2% Possibly (3): 15.4% Likely (4&5): 13.5%
- 10.3. How likely are you to reserve Cabin 7 and/or 8 in the month of January or February?
Not Likely (1&2): 65.4% Possibly (3): 13.5% Likely (4&5): 21.1%
- 10.4. How likely are you to reserve Cabin 7 and/or 8 in the month of March or early April?
Not Likely (1&2): 40.4% Possibly (3): 23.1% Likely (4&5): 36.5%

- 10.5. Please share your comments regarding Winter Cabin Reservations: 33 comments were shared with varying suggestions, concerns for weather, temperature and cost effectiveness, as well as appreciation for having the option. There was much discussion. Kathy Pierce & Larry Clarkson were concerned that Cabin 7 was offered as a winter cabin and should be available for winter cabin use. Kurt Jacobsen commented that mud is an issue and will cause even more wear and tear of the cabins. Barry Clarkson was under the understanding that the cabins were closed for winter due to mud and winter conditions. Barry Clarkson suggested that Cabin 7 be available on a case-by-case basis, not opening the cabins for reservations, but by request only. Kurt Jacobsen felt he could support that by providing the call on road and ranch conditions. Kurt also suggested that during the winter months, the activities at the ranch become ranch headquarters based. The board approved to proceed on a case-by-case basis, leaving the cabins off the books for general reservations.

11. **Tiny Cabins by Cumberland Buildings – Kathy Pierce**

- 11.1. Kathy Pierce provided pamphlets from Cumberland Buildings and proposed that Cumberland Building be allowed to have 3 tiny cabins placed at the ranch at the end of the airstrip, for members to view as models for purchase. Much discussion was held regarding the disclaimer that the cabins cannot be used as a residence due to construction and roof snow load requirements, also stating building codes and so on. Barry Clarkson supported allowing Cumberland Buildings to place the models with an agreement that would benefit the ranch such as providing the ranch a 10x10 cabin at the upper cabins where supplies and tools could be kept for use in the upper cabin area, or some other benefit to the ranch. The Board agreed.

12. **Brief report of area of responsibility, by each Board Member –**

- 12.1. Barry Clarkson – DSR is in need of a certified water operator and Barry Clarkson has applied and begun the program to become a certified water operator. DSR did receive a previous bid for a CWO at the cost of \$1000/month. Barry Clarkson proposed that he become the CWO and that the ranch pay him \$75/month for his services. He will be attending training. Kurt Jacobsen offered to also become certified, as did Jeff Collins. Barry Clarkson noted that the ranch doesn't have to have a CWO, however, it does add points of value to the system if one is contracted. After discussion, Kurt Jacobsen will focus becoming certified in herbicide application. The Board approved paying Barry Clarkson to serve as the CWO for DSR.
- 12.2. Kurt Jacobsen – Nothing further than had been discussed.
- 12.3. Brad Hunt – Not present.

- 12.4. Kathy Pierce – Nothing further than had been previously discussed.
- 12.5. John Harris – Nothing further than had been previously discussed.
- 12.6. Larry Clarkson – Nothing further than had been previously discussed.
- 12.7. Joe Bosze – Phil Hall had contacted him and let him know that a 60' trackhoe would be available for contract work on the ranch in late March or early April. The cost is \$1,600/day, plus fuel. Joe Bosze proposed the track hoe be hired to dredge the ponds, Half Moon Reservoir and possibly Red Reservoir. Reservation needed to be made by February. The board discussed the potential risk of road travel during those months and all agreed to allow the contracting of the Track hoe, with the consideration of cancelling due to road conditions. Joe will contact Phil to make arrangements.
- 12.8. A question was raised if the septic tanks at the cabins were being pumped on a regular schedule, which they are not. It was determined this needed to be set up. The potential cost is \$750.00/pump.
13. **Adjournment** – The meeting was adjourned by Barry Clarkson with the next meeting to be held by teleconference, February 8, 2020 at 11:00am. An executive session may be held prior to the regular meeting, TBD.

Kathy Pierce, DSROA Secretary

DSROA Board of Directors:mw