

RUBY STAR AIRPARK PROPERTY OWNERS ASSOCIATION

Minutes of a meeting of the Board of Directors January 14th, 2015

A meeting of the Board of RSAPOA was held on January 14th at the home of Mike and Wendy Magras.

The meeting was called to order at 5:43 pm Mountain Standard Time.

1) Roll call

Directors Present: Wendy Magras (president), James Lyne (vice president) by phone, Randy Wells (treasurer), Ben Duncan (secretary).

Members Present: Barry Disimone by phone, Jerry Hain, and Holly Smith by phone.

2) Welcome and call to audience for comments and presentations

- none

3) 2015 Board Positions

- Wendy notified the Board that Melody Ballard has resigned for health reasons. Wendy will ask her to put something in writing.
- The Board nominated Jerry Hain to fill her position.

Motion by Ben Duncan to appoint Jerry Hain to the board to fill the position left vacant by Melody Ballard.

- 2nd by Wendy Magras
- Discussion:
 - o none
- All present voted "aye"
- Motion carried

- The Board discussed 2015 roles. No board member was eager to switch roles.

Motion by Wendy Magras to maintain Wendy Magras as president, James Lyne as vice president, Randy Wells as treasurer, Ben Duncan as secretary and Jerry Hain as director at large.

- 2nd by Randy Wells
- Discussion:
 - o none
- All present voted "aye"
- Motion carried

- Ben Duncan agreed to file the new positions with the Arizona Corporation Commission.
- Randy agreed to bring some historical files to next month's Board meeting.

4) Approval of Meeting Minutes

- The Board discussed minor changes to the minutes and Ben Duncan noted that a motion to pay legal fees was omitted in the first draft. Wendy noted that she has some minor changes to show to Ben.

Motion by Randy Wells to approve the minutes from the December 3rd 2014 meeting of the Board as written except that Ben will include the missing motion to pay legal fees and some minor edits by Wendy Magras.

- 2nd by Wendy Magras
- Discussion:
 - o none
- All present voted “aye”
- Motion carried

5) To Do List

- The Board went over the to-do list and updated item by item.
- Ben will submit the updated list to the Board members within the next week.

6) Treasurer’s Report

- Randy Wells reported account balances, deposits and bills for the period 11-28-2014 through 12-31-14
- Report is attached
- Ben Duncan asked the Board whether the new \$10 fee for quarterly payment of dues was a motion recorded in a meeting in 2014. The minutes were reviewed and a motion to add a \$10 fee for quarterly dues payments was found duly executed in the August 2014 minutes, Item # 13.

Motion by Ben Duncan to accept the treasurer’s report

- 2nd by Wendy Magras
- Discussion:
 - o none
- All present voted “aye”
- Motion carried

7) Loan Pay-Off with the Purchase of Jerry Hain Lot

- Wendy agreed to procure a Deed of Conveyance for Jerry Hain

8) Closing the 2014 Budget

- The Board discussed whether the 2014 budget can be closed and archived with 2014 expenses still outstanding. Randy Wells explained that he is running the Treasurer’s reports in a manner that accounts for expenses when paid, or when the check was written, rather than necessarily when the expense was incurred. Therefore, it was determined that the 2014 budget could be closed.
- The 2014 final budget is attached.
- Wendy Magras noted that the trust lots need to be billed for dues and Randy Wells agreed to start billing them and notifying them of their liability.

9) 2015 Budget

- The Board went over the 2015 budget together and agreed on amounts for each of the line items.
- Randy Wells recorded the budgeted amounts and will prepare them for distribution at the next Board meeting.
- When the Board finished, there was roughly \$40,000 that had not been spent and there was discussion around the best use of those funds. The wash crossing construction is yet to be paid (\$33K). Board members noted that pavement for tie downs, a POA shed for equipment, a reserve fund, and paying down debt are some good possible uses for the funds. No decisions were made nor were motions put forward at this time.

10) Environmental Concerns

- Wendy Magras explained that the Airpark has not received a response to the letter sent to Freeport McMoRan after the last Board meeting. She noted that other parties have sent letters as well.
- Wendy agreed to send Sharon Bronson (Pima County Supervisor) an email asking what the Airpark might do next.

11) Front Wash Crossing Construction Status

- Magnum paving has given the Airpark a tentative start date for the project of January 19th. However, that date doesn't appear to be confirmed. Wendy Magras explained that Magnum paving expects the project to take about 10 days.

12) Common Area Committee

- Randy Wells explained that some tie down anchors have been marked out near the runway. He expects this week to pick up some tie rods he had fabricated and possibly begin work this coming weekend. He needs help. His plan is to rent a jack hammer to make holes and get as many as 15 tie down rods installed.
- Randy explained that he has an exciting meeting Saturday at 9:00am with Dan White, Barry Disimone and a gentleman named Gary Schneider, who has much experience developing airpark facilities, to discuss best practices, coordination, and business plan for common area development at Ruby Star Airpark. Gary Schneider managed hangar work at Ryan Airfield and offered to come and talk with our Common Area Committee.

13) Jet Traffic

- Randy Wells proposed the question: Should Ruby Star Airpark consider allowing jet traffic? Is it worth some jet noise to try and attract that market segment?
- Barry Disimone suggested that the committee get through a Saturday meeting with Gary Schneider before spending too much time on those questions.

14) POA Lot Sales

- Wendy Magras explained that the Association had an offer in December for Lot 165. The offer got all the way to escrow before the buyer backed out citing the cost of construction as the deciding factor... it was going to be more than he originally anticipated.
- The Board discussed the apparent desire of many of the prospective buyers to purchase a property that already has a home and hanger built on it.
- Wendy noted that another prospect from Wisconsin is coming in tomorrow.

15) Gomez Lot Exchange

- Wendy Magras has entered the Association into escrow for the lot swap. The planned reconfiguring of the lot areas has proven to be complex. Title insurance is required for Randy Well's lot also. The cost for the exchange has increased by about \$750.

Motion by Ben Duncan to increase the maximum expenditure allowed for the Gomez lot swap by \$750 to \$1750 in order to get it done.

- 2nd by Wendy Magras
- Discussion:
 - o None
- All present voted "aye"
- Motion carried

16) Association Owned Equipment

- Wendy Magras explained that she has approached Tom Skovan for a quote to fix the Association's dump truck. She doesn't have a response yet.

Motion by Ben Duncan to authorize Wendy Magras to spend not more than \$1000 to get the dump truck operational.

- 2nd by Randy Wells
- Discussion:
 - o None
- All present voted "aye"
- Motion carried

17) Landscaping

- Ken Spaulding has started organizing for the landscaping project. A huge thanks to Ken for taking this on.
 - a) The first step will be to clear brush. Ken Spaulding and Carl Taylor will rent equipment for about \$1000 and get it done in a week.
 - b) The second step will be to spray herbicide in key areas. Ken is working out a plan to use Association equipment with a rented hydraulic power source to accomplish this.
- Wendy Magras explained that Earhardt owes the Association about \$500 and she'll work on getting that back.
- A gentleman named Gilberto Olivera is working on a quote to clear the fence line and that task will be evaluated.
- Ken Spaulding and Carl Taylor are also planning to torch the burn pile in the coming months. They will need volunteers.

18) CCR Update

- Wendy has completed a draft but after review is dissatisfied with her ability to track the changes. Jerry Hain agreed to work on getting a clean Word copy of the existing CCRs so it can be compared to the last change copy.

19) 2015 Fly In

- The Board was discussing not having a Fly In this year due to the impression that it wasn't an effective use of resources. But then Jerry Hain explained that he showed up to a Ruby Star Airpark Fly In and then came back and bought a lot.

- Although it is a lot of work, the Board is open to having a more simplified Fly In for 2015. James Lyne agreed to check into the best date to have a fly in this year with minimal overlap of events among the aviation crowd.

20) Association Attorney changed Firms

- Carolyn Goldschmidt is now part of Goldschmidt Shupe PLLC Attorneys at Law, 6700 N. Oracle Rd, Suite 240, Tucson AZ 85704.
- The new firm has a different approach to legal assistance for the Airpark. They presented an agreement that includes unlimited email and telephone consultations for \$50 per month.

Motion by Ben Duncan to allow Wendy Magras to engage the legal services of Goldschmidt Shupe PLLC for the amount of \$50 per month according to the contract they provided.

- 2nd by James Lyne
- Discussion:
 - o None
- All present voted "aye"
- Motion carried

21) Pegasus as Sister Airpark

- An influential member at Pegasus Airpark, Fred Osborn, in Chandler has approached Barry Disimone about becoming sister airparks
- Barry Disimone and James Lyne agreed to have a phone conversation with Fred to discuss the matter. They may even coordinate a face to face meeting at Pegasus.

Adjournment

Motion by Wendy Magras to conduct the next meeting of the Board February 18th at her house at 5:45pm

- 2nd by James Lyne
- Discussion:
 - o None
- All present voted "aye"
- Motion carried

Next meeting of the Board will be:

Date: FEBRUARY 18TH, 2015

Time: 5:45 PM

Location: HOME OF MIKE AND WENDY MAGRAS

Motion by Wendy Magras to adjourn.

- 2nd by Ben Duncan
- Discussion:
 - o None
- All present voted "aye"
- Motion carried

Meeting adjourned at 8:00 pm.

Treasurer's Report

11-28-2014 thru 12-31-2014

Previous Balance: \$24,471.74

Deposits:

Dues \$ 500.00

Land Loan Payoff \$ 43,655.07

Savings Interest \$ 1.32

Total Deposits: \$ 44,156.39

Bills Paid:

Credit Card Charges

Waste Management \$ 289.89

Credit Card Total \$ 289.89

Trico \$ 18.40

Weed Abatement backhoe by Carl \$ 508.00

Backhoe Fuel \$ 122.37

Goldschmidt (legal) \$ 125.00

Total Bills Paid: \$ 1,063.66

Current Checking Balance: \$ 52,875.54

Current Savings Balance: \$14,688.93

Total Cash Assets: \$67,564.47

	2014 Budget	Jan 2014 Actual	Feb 2014 Actual	Mar 2014 Actual	April 2014 actual	May 2014 Actual	Jun 2014 Actual	Jul 2014 Actual	Aug 2014 Actual	Sep 2014 Actual	Oct 2014 Actual	Nov 2014 Actual	Dec 2014 Actual	YTD Actual	Difference	2015 Anticipated
REVENUE																
Annual Association Dues																
2014 - 63 Lots @ \$1000	\$ 63,000.00	\$ 29,225.00	\$ 5,500.00	\$ 250.00	\$ 3,750.00	\$ 3,775.00	\$ -	\$ 7,125.00	\$ 3,300.00	\$ 600.00	\$ 3,375.00	\$ 2,925.00	\$ 500.00	\$ 60,325.00	\$ (2,675.00)	\$ 65,000.00
Late Fees	\$ -							\$ 75.00	\$ 131.03					\$ 206.03	\$ 206.03	\$ 2,000.00
2013 dues	\$ 2,250.00							\$ 250.00						\$ 250.00	\$ (2,000.00)	\$ 1,250.00
2012 dues	\$ 850.00													\$ -	\$ (650.00)	
Other Revenue																
Backhoe rental	\$ -	\$ 50.00		\$ -	\$ 68.00									\$ 118.00	\$ 118.00	\$ 100.00
Guest Fees	\$ -													\$ -	\$ -	
Runway Use Fees	\$ -													\$ -	\$ -	
Interest Payments	\$ -										\$ 1.24	\$ 1.12	\$ 1.32	\$ 3.68	\$ 3.68	
Donations	\$ -			\$ 270.80										\$ 270.80	\$ 270.80	\$ 250.00
Runway Use Fees	\$ -	\$ 80.00	\$ 80.00			\$ 240.00		\$ 240.00						\$ 640.00	\$ 640.00	\$ 480.00
Credit Card Rewards	\$ -		\$ 345.75											\$ 345.75	\$ 345.75	\$ 350.00
Lot Sale	\$ -									\$ 9.00	\$ 989.98	\$ 43,655.07		\$ 44,534.05	\$ 44,534.05	\$ 350.00
TOTAL REVENUE	\$ 65,900.00	\$ 29,355.00	\$ 5,925.75	\$ 520.80	\$ 3,818.00	\$ 4,015.00	\$ -	\$ 7,890.00	\$ 3,431.03	\$ 600.00	\$ 3,385.24	\$ 3,796.10	\$ 44,156.39	\$ 106,693.31	\$ 40,793.31	\$ 69,780.00
EXPENSE																
Roadways																
Pavement Maint & Repairs	\$ -					\$ 1,655.00								\$ -	\$ -	
Crossing Design	\$ -	\$ 3,745.00												\$ 5,400.00	\$ 5,400.00	\$ 15,000.00
Crossing Construction/Engl	\$ 20,000.00													\$ -	\$ (20,000.00)	
Weed abatement	\$ 4,574.00		\$ 70.56	\$ 278.17										\$ 348.73	\$ (4,225.27)	\$ 4,500.00
Erosion Control	\$ -					\$ 30.43		\$ 395.08						\$ 508.00	\$ 508.00	\$ 500.00
Gate Maintenance	\$ 500.00							\$ 18.40	\$ 16.05	\$ 16.05	\$ 16.05	\$ 16.57	\$ 18.40	\$ 425.51	\$ (74.49)	\$ 500.00
Gate Electricity	\$ 230.00	\$ 19.10	\$ 19.10	\$ 19.10	\$ 18.40	\$ 18.79	\$ 18.79	\$ 18.14	\$ 16.05	\$ 16.05	\$ 16.57	\$ 18.40	\$ 216.89	\$ (13.11)	\$ 230.00	
Water System																
Wells Pumps Electricity	\$ 349.45	\$ 22.74	\$ 36.18	\$ 37.36		\$ (38.20)								\$ 58.08	\$ (291.37)	\$ -
Runway																
Pavement Maint & Repair	\$ -							\$ 536.34						\$ 536.34	\$ 536.34	\$ 500.00
Taxiway Repair	\$ -													\$ -	\$ -	
Erosion Control	\$ 1,500.00							\$ 360.00						\$ 360.00	\$ (1,140.00)	\$ 1,000.00
Equipment Maint																
Fuel, labor	\$ 500.00							\$ 173.07				\$ 183.87	\$ 122.37	\$ 479.31	\$ (20.69)	\$ 500.00
Parts, Tires, Misc	\$ 500.00						\$ 66.95		\$ 16.00	\$ 1,836.11	\$ 593.89			\$ 2,512.95	\$ 2,012.95	\$ 500.00
Professional Fees																
Attorney Fees	\$ 2,000.00	\$ 625.00		\$ 1,250.00		\$ 75.00		\$ 440.92					\$ 125.00	\$ 2,515.92	\$ 515.92	\$ 2,000.00
Annual Tax-Audit Fee	\$ 400.00							\$ 383.00						\$ 383.00	\$ (17.00)	\$ 400.00
Website - Tech expense	\$ -													\$ -	\$ -	\$ -
Insurance - Runway	\$ 1,044.00	\$ 1,044.00												\$ 1,044.00	\$ -	\$ 1,100.00
Insurance - Association	\$ 4,350.55		\$ 4,350.55											\$ 4,350.55	\$ -	\$ 5,000.00
AZ Corp Commission	\$ 10.00	\$ 10.00												\$ 10.00	\$ -	\$ 10.00
AZ State Income Tax	\$ 50.00				\$ 50.00									\$ 50.00	\$ -	\$ 50.00
Lot Sales Expense	\$ -								\$ 5,550.92					\$ 5,550.92	\$ 5,550.92	\$ -
Easements/Engineering	\$ -	\$ 285.00		\$ 515.00										\$ 800.00	\$ 800.00	\$ -
Meetings																
Board Meetings	\$ -													\$ -	\$ -	
Annual Meeting	\$ -													\$ -	\$ -	
Special Meetings	\$ -													\$ -	\$ -	
Taxes																
POA Property Taxes	\$ 4,500.00								\$ 4,377.36					\$ 4,377.36	\$ (122.64)	\$ 5,000.00
Reserve Fund																
Annual Contribution	\$ -													\$ -	\$ -	
Misc Contributions	\$ -													\$ -	\$ -	
Bank Fees																
Check Reorder	\$ -	\$ -	\$ -	\$ -										\$ -	\$ -	
Misc Fees	\$ -								\$ 127.37					\$ 127.37	\$ 127.37	
Trash Removal																
Regular Contractor	\$ 3,000.00	\$ 243.24	\$ 243.24	\$ 243.24	\$ 245.32	\$ 244.92	\$ 244.65	\$ 247.51	\$ 246.81	\$ 246.09	\$ 246.09	\$ 245.54	\$ 243.83	\$ 2,940.48	\$ (59.52)	\$ 3,000.00
Airpark Promotion																
Special Events Fly-In	\$ 1,000.00			\$ 687.74		\$ 349.58								\$ 1,037.32	\$ 37.32	\$ 1,000.00
Advertising	\$ 500.00			\$ 369.79										\$ 369.79	\$ (130.21)	\$ 500.00
Debt Service																
Fence Loan Interest Expent	\$ 1,500.00		\$ 1,005.21											\$ 1,005.21	\$ (494.79)	
Fence Loan Debt Reduction	\$ -													\$ -	\$ -	
Huey Loan Interest Expense	\$ 9,000.00								\$ 9,000.00					\$ 9,000.00	\$ -	\$ 9,000.00
Huey Loan Debt Reduction	\$ 6,192.00								\$ 6,192.00					\$ 6,192.00	\$ -	\$ 6,192.00
Fences																
Design/Engineering	\$ -													\$ -	\$ -	
Repairs/Construction	\$ 1,000.00										\$ 164.50			\$ 164.50	\$ (835.50)	\$ 1,000.00
Hangars																
Design/Engineering	\$ -													\$ -	\$ -	
Demo/Construction	\$ -													\$ -	\$ -	
Office Expenses																
Postage	\$ 144.62					\$ 1.89							\$ 46.06	\$ 47.95	\$ (96.67)	\$ 150.00
Software	\$ 155.38		\$ 155.38											\$ 155.38	\$ -	\$ -
Misc	\$ -													\$ -	\$ -	\$ 150.00
TOTAL EXPENSE	\$ 63,000.00	\$ 5,994.08	\$ 5,880.22	\$ 3,400.40	\$ 313.72	\$ 2,335.52	\$ 265.33	\$ 1,911.86	\$ 974.36	\$ 25,525.79	\$ 2,098.25	\$ 1,204.37	\$ 1,063.66	\$ 50,967.56	\$ (12,032.44)	\$ 57,282.00
NET CASH FLOW	\$ 2,900.00	\$ 23,360.92	\$ 45.53	\$ (2,879.60)	\$ 3,504.28	\$ 1,679.48	\$ (265.33)	\$ 5,778.14	\$ 2,456.67	\$ (24,925.79)	\$ 1,286.99	\$ 2,591.73	\$ 43,092.73	\$ 55,725.75	\$ 52,825.75	\$ 12,498.00
(Bal Fwd fm prev yr.)	\$ 11,838.72															
Forecast End-of-Month Balance		\$ 35,199.64	\$ 35,245.17	\$ 32,365.57	\$ 35,889.85	\$ 37,549.33	\$ 37,284.00	\$ 43,062.14	\$ 45,518.81	\$ 20,593.02	\$ 21,880.01	\$ 24,471.74	\$ 67,564.47			
Potential liabilities in next 5 years:																
Major road repairs	\$ -	Cost 300,000.00													Potential Assessment per lot: 5,000.00	
Bankruptcy: fees to Greenberg if not covered by lot sales	\$ -	\$ 52,800.00				\$ 812.31										