

Hart Ranch Board Meeting

Saturday, August 27, 2016

Meeting was called to order by President Wayne Pauli at 10:15 AM. All the board members were present.

The meeting started with the Pledge of Allegiance and approval of the agenda.

Secretary Dotty Johnson read the 2016 Annual Meeting Minutes. Minutes were corrected to read Hart Ranch Membership Resort. Motion by Elmer Pritchard, second by Kathy Payne – motion carried.

Secretary Dotty Johnson read the August 26, 2016 Workshop Minutes. Motion by Elmer Pritchard, second by Bob McCormick to approve with noted corrections. Motion carried.

Board Treasurer's Report by Bob McCormick as of July 31, 2016:

	Pioneer Bank checking account	\$93,953
	Pioneer Bank Money Market	\$138,994
	BH Federal Credit Union	\$77
	Med5 Federal Credit Union	\$25
	Pioneer Bank Expansion Money Market	\$1,503
	Trust Account at Pioneer Bank	\$24,952
	ATM machine, petty cash, and change funds	\$11,425
Also:	Certificates of Deposit	\$359,679
	RBC Wealth Management Investments	\$140,928
	Community Bank	\$262,632
	BH Federal Credit Union	\$116,505
	State Farm Bank	\$26,605
	Synchrony Bank	\$249,554
	Total Assets were	\$5,670,657
	Liabilities were	\$758,891
	Member's Equity was	\$4,911,766

Membership Report by Elmer Pritchard: Report as of July 31, 2016

Total=4040 (P=1486, A=644, B=1767, W=88, C=50, Other=5)

RESORT MANAGER'S REPORT by Tim Schnabel:

Following is a report of the financials based on month ending July 31st, 2016:

	July 31, 2015	July 31, 2016	July 31, 2016
	Actual	YTD Actuals	Budget
Total Revenue	\$ 1,820,228.85	\$ 1,918,670.10	\$ 1,892,902.00
Cost of Goods Sold	\$ 169,814.89	\$ 179,196.11	\$ 173,606.00
Gross Profit	\$ 1,650,413.96	\$ 1,739,473.99	\$ 1,719,296.00
Operating Expenses	\$ 1,502,726.36	\$ 1,550,930.77	\$ 1,487,852.50
Operating Income	\$ 147,687.60	\$ 188,543.22	\$ 231,443.50
Total Other Income	\$ 10,425.90	\$ 11,134.41	\$ 7,000.00
Total Other Expenses (depreciation)	\$ 222,788.51	\$ 210,146.30	\$ 207,165.00
Net Income	\$ (64,675.01)	\$ (10,468.67)	\$ 31,278.50

While gross revenues were up significantly over 2015, we were short on projections primarily due to electricity and water/sewer expenses being much higher than projected. Year to date electricity was at \$171,349, compared to last year's actuals of \$147,994, and a budgeted amount of \$134,000. Year to date water came in at \$42,494, compared to last year's actuals of \$24,950, and a budgeted amount of \$29,900.

Even though YTD New Sales receipts are down over \$16,000, the overall membership count has increased due primarily to membership transfers. Hart Mart sales have increased by over \$25,000 with sizeable increases in beer/wine sales, gas/diesel sales and aggressive buying and pricing strategies with grocery sales.

Occupancy numbers continue to remain steady over 2015 with 43,692 occupied nights (includes both sites and cabins) versus 43,081 through the end of July. Current August projections remain steady over last year as well. We will continue to look at increasing occupancy levels during shoulder seasons from September through May by trying to market to off-season Rallies, corporate retreats and winter get-a-ways. We will also be offering a limited number of cabins on a monthly rental basis during the winter months.

There are numerous projects that we will be undertaking during the off-season including the following:

- 1) Repairing stained/rotten siding on several Colt II cabins
- 2) Stain/paint numerous cabin decks and steps
- 3) Complete asphalt seal coating on north half of resort including repairing cracks on North Hart to eliminate the "speed dips"
- 4) Remodeling remaining 6 Colt cabins
- 5) Refurbish one Dakota cabin
- 6) Complete flooring replacement in last Cheyenne cabin
- 7) Install street lights in Meadows
- 8) Install fire pit in Meadows
- 9) Install "garage doors" on Picnic Shelter A allowing for 3-season use of this facility (2017)
- 10) Refurbish 20 picnic tables, purchase & assemble 20 new picnic tables
- 11) Repair/lengthen cement pads up to \$50,000 budgeted allowance (2017)
- 12) Repairing garbage can surrounds

In addition, we will begin the shutdown process for much of the resort throughout September and into October. We will also be addressing winterizing for sites and cabins that will be open throughout the winter.

We will be reviewing what activities were successful, and which ones weren't—including entertainment. We will continue to focus on providing a wide variety of additional activities for everyone—from kids to grandparents and everyone in between. We will continue to make improvements to the community garden, paintball, bicycle rentals, pasture golf, playgrounds and picnic shelters.

Old Business:

None

New Business:

None

Meeting adjourned at 11:50 AM.