



SKY MEADOWS RANCH COUNTRY CLUB
P.O. BOX 117
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TRUSTEES' POLICY DOCUMENT

SUBJECT: Assessments, Service Charges and Utility Charges

POLICY #: FIN – 03 Date Adopted: 08/20/2005, Updated
01/20/2007, 08/18/2007, 04/19/2008, 06/21/2008

Confirmed by Trustees': Motion #09/05:02, Update confirmed
02/17/2007, 09/15/2007, 05/17/2008, 07/26/2008

Policy Statement:

This document establishes the policy of the Trustees regarding Article VIII of the Bylaws which refers to assessments; and Article VII of the Covenants which refers to Assessments, Service charges and Utility charges.

Assessments:

An assessment designated as “dues” will be established prior to September 1st of each year by a formal recorded vote of trustees. The amount of the assessment is \$125 per member lot per year and is based on the annual budget adopted by the Trustees for the fiscal year beginning October 1st. Funds from the dues assessment may be used for any legitimate purpose approved by the trustees. The dues assessment will not exceed \$125 per lot per year as provided in Article VII, section 4, of the Covenants.

An additional assessment designated as “Water System Capital Projects” will be considered each year by the Trustees during the adoption of the annual budget. Said assessment will be \$88 per member lot per year. Water Capital projects are defined by this policy as being the “cost of providing a water system” as stated in Article VII, section 4, of the covenants and are identified below.

- Acquisition of property for well or storage sites
- Replacing or adding new storage tanks.
- Developing new water sources
- Connection of new water sources to the system.
- Engineering costs
- Administrative costs including filing fees etc
- Accrual of funds for specific water projects approved by the Trustees

Each dues and water capital projects assessment will be billed in two installments: on September 1st (due October 1st) and March 1st (due April 1st).

Service Charges

Covenants, Article VII, Section 4: “The Community Club may make reasonable charges for services and utilities furnished by it to its membership in addition to assessments.”

Each member lot will be charged \$25 per member lot per year for Waste Management (garbage collection and debris removal). Additionally \$25 will be charged for all lots having a part time water use status. Lots having a full time water status will be charged an additional \$75. When Waste Management fees increase, the Trustees may increase the Service Charge accordingly.

The Trustees of Sky Meadows may allow neighboring lots, not part of Sky Meadows, to use the garbage facility for the same Service fee schedule. An example of “neighboring lots” would be Thornton Creek, etc.

The Waste Management service fee will be billed in two installments: on September 1st (due October 1st) and March 1st (due April 1st). The bi-annual Waste Management billing practice will begin September 1, 2008.

Utility Charges

Each member lot owner will be charged a utility fee for water usage. Said fee will be \$.0075 per gallon of water used for the first 20,000 gal, use of 20,001 to 40,000 gal will be charged at \$.01, use of 40,001 to 60,000 will be charged at \$.02 and use of over 60,000 gal will be charged at \$.03. The graduated water use fee takes the place of fines for water leaks. The Trustees may increase or decrease the per gallon fee as needed. Water meter readings are recorded in April and August of each year. Proceeds from the water usage fee will be deposited into the general fund along with the Dues receipts.

A utility charge shall be made to fund the Maintenance and Operation of the water system. This charge shall apply to each member lot. The basis for this charge is that maintenance and operation of the water system makes water available to each lot, whether the owner chooses to use the service or not. The amount of the Utility Charge will be \$176 per member lot per year.

Funds collected for maintaining and operating the water system shall only be used for the purposes listed below. Any amounts collected for these purposes which remain unspent at the end of the fiscal year shall be applied to the next fiscal year and specifically considered in establishing the amount of the water service charge required for the following fiscal year.

Maintaining or Repairing Equipment:

- Excavation/repair of leaks
- Replacement of pumps or valves
- Reconditioning of storage tanks
- Replacement of water lines
- Repair of controls/electrical equipment
- Materials purchased for inventory for repairs.

Operating the Water System:

- 100% of Caretakers salary, payroll taxes, health insurance

100% of general property and liability insurance,
Vehicle/equipment purchase/repair costs.
All telephone costs
Electrical cost of pumping water.
Associated DOH reporting cost of operating water system
Water quality tests

A Community Utility charge shall be made to fund the electricity for the pool, lodge, bunkhouse and wells and propane to heat the pool, bunkhouse and lodge. The amount of the Community Utility charge will be \$55 per member per lot. Adjustments in the fee will be made according to the amount the utilities cost Sky Meadows.

A Community Service Utility fee of \$81 per year per lot for road improvement, snow plowing and maintenance fund will be adjusted according to the actual costs. The fee will be billed bi-annually starting spring 2007.

These Utility charges will be billed in two installments: on September 1st (due October 1st) and March 1st (due April 1st).

Collection and Other Charges

An interest fee of 1.5% per month, 18% per annum, of the unpaid balance will be charged when a member fails to pay their bill within the initial 30 days from billing date. An additional \$150 fee will be charged when it is necessary to place a lien on the property. This lien fee covers the cost involved with research, recording and removing the lien. Action to be taken to Foreclose on properties with Liens three years after filing of the Lien.

A \$300 transfer fee will be charged when a lot is sold to cover the costs of bookkeeping time spent researching payment for dues, water, etc. and address changes.