



LAVA RANCH NEWSLETTER

June 2015

2015 Annual Meeting

This year's meeting will be held at the Frank May Pavilion on **Saturday July 11th, 2015 at 11:00am.** Once again, we look forward to a productive and enjoyable meeting.

AGENDA

Welcome
Approval of Previous Meeting Minutes
Board Member Reports
Budget Review
Finalize New Business
Election of New Board members
Lunch
Election Results Announced
Adjourn

PRESIDENT'S MESSAGE-2015

-Harry Scott

I welcome you and your families back to Lava Ranch for the summer. Many of us have hectic winter months and look forward to the restorative powers of the mountains.

The Board has been very busy over the year working on projects that were identified at the Property Owner's meeting.

Beginning this year the newsletter will be sent by email to all members who have an email address on file. This will save the Association paper, postage, and labor.

Deb Hahn (Vice President) and Adrienne Buckley (Treasurer), have collected many delinquent dues which helps our financial situation.

We have been implementing the steps to bring the second water source online. Currently we are negotiating with BLM for a right of way to place the water tank on BLM Property on top of the mountain. Power has been run to the wellhead for the pump.

Inside This Issue:

- 1 **Meeting Announcement & Agenda**
- 2 **Presidents Message – 2015**
- 3 **Important Notices**
- 4 **Treasurer's Report**
- 5 **Capital Reserve Fund - (CRF) Policy**
- 6 **Road Report 2014-2015**
- 7 **Slash Piles**
- 8 **Compliance**
- 9 **Mosquito Abatement**
- 10 **Weeds**
- 11 **Lava Ranch Website**
- 12 **Fencing**
- 13 **Wolverine Well**
- 14 **Evacuation Plan**
- 15 **Upgraded Water Supply**
- 16 **Dumpsters**
- 17 **Map**
- 18 **Thank you...**
- 19 **Looking for Candidates for Lava Ranch Board of Directors**
- 20 **Minutes for approval for the 2014 Association Meeting**
- 21 **Proxy Form**

The roads are continuing to be improved as required by Bannock County. Specific road requirements are necessary to allow for building permits and for safe emergency evacuation. Details are described later in this newsletter.

I want to thank all of the Board members for their support this past year. It has been an exceptionally productive year.

We ask for patience on the part of all Association members as we proceed with the steps to make Lava Ranch a better and safer community.

****PLEASE NOTE*****

POND: Due to the low water level this year, the Association will NOT be adding fish to the pond. We will use this opportunity to treat the pond for algae and leeches.

FIRE: Because of our mild winter, our mountain is in drought-like condition, which is not conducive for camp fires. Fire restrictions WILL be enforced earlier than usual.

Phones: After careful deliberation, the board has decided to disconnect the phone located on High Country. We found that most people will drive to the closest location to utilize their cell phone in an emergency situation.

Treasurer's Report

-Adrienne Buckley

We are doing something different this year with how you get your dues assessments.

The invoices for the annual dues will be sent as an Email attachment to those members that have Email addresses on record. Members that own multiple lots and/or do not have recorded Email addresses will get their invoices by regular mail.

The assessments/dues will be sent out during the last week of June.

Also this year, the recap of the income and expenses for the fiscal year 2014-2015 and the proposed budget for the new fiscal year 2015-2016 will be sent out along with the dues/assessments invoices. The budget will include a statement of whether the association anticipates any special assessments.

Capital Reserve Fund Policy

-Adrienne Buckley

For many years the Association has set aside funds in a reserve savings account. The account has always been held as a "rainy day" fund. However, over the years the specific use of the fund was never clearly defined.

Since the money set aside as reserve fund needs to be unrestricted surplus and available for use, we have never been able to collect enough interest on them to benefit the association. By establishing a specific policy the money held in reserve can be used as it was originally intended - to increase our ability to absorb or respond to temporary changes in our physical environment or financial situations as they may arise.

A Capital Reserve Fund policy (hereby known as the CRF) was approved by the LRPOA Board in May 2014 prior to presenting it to the full membership in the 2014 Newsletter. Last year at the 2014-2015 annual meeting a motion was made and unanimously approved to adopt the policy as written. It defines the fund as a reserve cushion for those temporary emergent situations and as an opportunity to meet new needs or capitalize on new opportunities that many arise. The policy uses consistent definitions and calculations to set realistic account balances for the fund. It defines the authority, operational guidelines for reporting and monitoring. It also helps to make sure there are good long-term decisions made and not just expensive short-term crisis-based decisions.

We deferred setting a specific baseline amount for the CRF in order to do a study for a funding plan and best use of the funds moving forward. That study has been completed. There are various recommendations for what those reserves should be. Some suggest that most small and mid-sized nonprofits should maintain a minimum representing 25% of its annual operating expenses or 3 months of the annual expense budget. Others have suggested that the reserve amount be up to 6 months of its operating expenses. We have chosen to use an amount closer to 6 months as an initial base amount.

Our Association has a seasonal cash flow. We can be flush with cash from deposits at the beginning of the fiscal year, but can potentially run short of cash by the last quarter. For that reason, the Board has set the baseline amount for the Capital Reserve Fund at \$50,000. The current amount in the Account is \$64,000 plus change. The \$14,000 excess will be used this year to help fund projects that have already been started.

A copy of the Capital Reserve Fund Policy (CRF) and detailed information about the financials are available to members/owners upon request. Please contact the Association Treasurer, Adrienne Buckley, at a2.lavaranch@gmail.com

Road Report for 2014-2015

-Harry Scott/Adrienne Buckley

The main focus this past year was to improve drainage of water off the roads and control erosion. This was accomplished by removing rocks crowning the road and adding culverts in low spots and across driveways where needed. Road work was hugely set back by very heavy rains late in the summer. This necessitated more resources spent on road maintenance rather than improvement.

The proposed 2015 Road plan will be much the same as last year, with routine maintenance on all high traffic routes. Work to widen roads will include Big Buck Pass from Lot 405 to Elk Pass, east end of Elk Pass to High Country Road, Weasel from Elk Pass to Maple Pass, Bobcat Circle, Wolf Run, and Maple Pass from Lot 330 to lot 131.

Removal of trees, stumps, and brush from road easement is necessary prerequisite to widening the roads. As far back as 2008, there had been discussions at the annual meetings about **creating defensible space, reducing the timber fuel on the mountain**, and eliminating the trees and brush that are in the easements along the roads to be able to widen and maintain them. At the last annual meeting Harry Scott again talked about the need to get the work done along the roads.

The purpose of doing the work has multiple benefits. The first is so we can widen the roads and bring them to meet Bannock County requirements. That will help members wanting to build cabins to be able to get their permits.

Years ago, it didn't seem to matter as much, but now there are over 100 cabins and growing. The County has tightened their permit process and has actually denied building permits to members until access roads are in compliance. The logging also allows more of the roads to be brought into compliance for emergency responders and/or an evacuation of the Mountain in case of a fire or other critical emergency. Another reason is that **it reduces timber fuel on the mountain and creates more defensible space in case of fire.**

Past Boards have tried to hire independent contractors to do the work needed. It has been an ongoing search to find a way to do this economically.

The problem has been that the logging companies only want to be able to come into a specific area and cut. The companies contacted were not interested in traveling along 33 miles of road to pick and choose only selected trees, no matter what we would pay them.

Last summer the Board of Directors approved a contract with Jensen Lumber, Inc., from Ovid, ID, to do the necessary work. In September an email was sent out to the members, advising them of what was about to happen. Because the lumber/trees removed is merchandisable, this project was subcontracted and paid for by Jensen Lumber, Inc in trade for the lumber.

Just as with the brush removal a couple of years ago, we knew it was not going to be pretty for a while. In November, logging was done on lower Wolverine and along Martin up to and including Cougar Run. It was stopped as bad weather moved in. The loggers came back in early spring, to try to finish more of the work. It was hoped that the slash piles would be able to be burned this year, but the wood is still too green, so it is likely they will remain for the season until they can be burned next winter.

The road maintenance was the responsibility of the lumber operators to keep roadways cleaned and maintained in a useable condition. It was the reason they stopped in November and then delayed more of the work until this spring, so that the damage to the roads would be less. While they are not pretty or perfect to what our standards would like...they are still "useable". Clearing the gutters, grading, and graveling will be done by Big J Construction this year.

Our hope is that once the initial shock of what has been and is currently being done dies down, members will come to appreciate that this has been in the best interest of everyone on the mountain. When this project is completed, the work to widen the roads and bring them to grade will actually end up costing the Association less.

SLASH PILES

-Deb Hahn

We requested the loggers set aside wood that might be used as firewood. Lot owners are welcome to salvage any wood they want from the area near the slash piles. Lot owners need to realize they are responsible for the safe removal, as the association cannot be held responsible for your safety during your removal of firewood.

Compliance

-Matt Groll

As you start making your spring and summer plans for Lava Ranch, please keep in mind that any structure you build needs to be in compliance with the covenants of the association and MUST be approved by a board member. To discuss your building plan and receive approval, please contact Matt Groll at:

mattgroll@gmail.com or [435-232-1951](tel:435-232-1951)

Mosquito Abatement

-Deb Hahn

Bannock County is offering free mosquito abatement. If you wish to have your lot sprayed, please contact Dave Herter at [208-236-7409](tel:208-236-7409) or email dherter@bannockcounty.us to fill out the form. Please include your lot number and street name when completing the form.

Hours are Mon -Thurs 6:00 am to 4:30 pm.

This is a free service, provided through your property taxes. However, they will not spray unless you give them permission to enter your lot.

It would be beneficial to call early, providing them the ability to efficiently schedule several lots per trip.

Weeds

-Matt Groll

In 2015 we will make an extensive effort to spray for both weeds and tree saplings at Lava Ranch. In 2013 we did some mulching along some of the main roads which require several years of spraying. In addition, this winter some logging work on Martin turned up new soil.

To keep ahead of the weeds, we will be spraying the following roads; High Country, High Pine, Lynx, Martin, Wolverine, Little Buffalo, Big Buck Pass, Grouse Run and Big Bear.

Please remember you are responsible for the noxious weeds on your lot. If there is a weed problem on your property and you do not address it, we may be forced to spray for you, and charge you accordingly.

We appreciate your patience in this process, understanding that this is an activity that we all clearly benefit from.

Lava Ranch Website

-Jean Robinson

The new website is up and running. The website address is: www.lavaranch.com. Much of this website is public information. The “**Members Only**” portion of our site provides additional information, not considered necessary for the general public.

The Association has gone to great expense and manpower in an effort to improve our communications, both through the website and google groups. However, we found that we have only 55 lots signed onto the “Member’s Only” portion of our website. We would like to encourage you to join. Members in good standing can ask to register their lot numbers to gain access to the full site. A confirmation email will be sent, verifying the access to all contents our website.

In order to receive broadcast information through google-groups, we ask that you provide to us a valid email as well. Help us keep you informed about the business of the Association.

In the long run, this saves our Association costs, as we do not need to pay for printing and mailing expenses for Dues/Assessments or Newsletters for those who have provided us their email address.

If anyone has any questions or problems getting onto the member website please email me at eusixth@gmail.com.

FENCING

-Scott Campbell

For several years the association has invested in additional sections of fence.

Last year there were very few cattle that made it onto association property. There are still a few areas of concern and the board will address as needed. Most likely we will budget for repairs to existing fence lines rather than any new sections.

We can only hope with the limited snowfall this year that less damage has occurred than has in past years. Please let us know of any areas that you feel need repairs or additional fencing.

Wolverine Well

-Deb Hahn

The well on Wolverine has been tested this year and has been passed for culinary use.

Evacuation Plan

-Dan Heiner

We as a board have taken a long hard look at the roads within Lava Ranch, and have discussed the need for an evacuation plan. Because at any time, there could be dozens or even hundreds of families on the mountain, trying to set up evacuation drills would be impossible. The next best thing, we felt, was to provide a map so that each lot owner can discuss an evacuation plan for their family and visitors. We have contacted the county and found that they have a very nice map of Lava Ranch. A copy of this map is attached, will be posted on the web, and distributed at the annual meeting.

Each lot owner is responsible for the safety of their guests. Each owner needs to discuss with their family the best route they will take if they are on the mountain and need to evacuate. Most of us come and leave by the same route each time we visit our lots. This may be the best route for you and your family as it is familiar. Please investigate other routes and practice using them if you feel you need to.

One of the most important things to remember if the evacuation siren sounds, is to get into your car and leave immediately. **DO NOT TRY TO TAKE YOUR TRAILERS OUT** as this would cause a more congested exit, and could result in no one getting off the mountain safely. Material things can be replaced, but not lives.

Basically at the present time, there are two exits off the mountain. For the people on the east of the ridge, you may want to travel along Marten Drive, down Wolverine, and onto Smith Canyon Road, down Big Bear, and then to Smith Canyon Road.

We will be placing signs at some of the intersections with an arrow pointing the way to the nearest exit.

We believe we are all good friends and neighbors here at Lava Ranch, or as many call it, "Here on the Mountain". It is very important that we all work together, drive safely, and think of others around us.

A map has been attached on the following page. Please make sure you and your guests are familiar with the proper evacuation routes.

UPGRADED WATER SUPPLY

-Scott Campbell

In the past two years we have been working to provide a water source on top of the mountain at the North end of High County Road.

The well on Wolverine has been tested for its output potential and the power line has been buried to the well head. We are currently working with the BLM and lot owners on the best routing and tank burial sites.

Our hopes are to alleviate some of the congestion at the current site, reduce damage to roads from the traffic hauling heavy loads of water up the steeper hills, and make it far more convenient for lot owners to obtain water.

As individuals serving on the board we may not always agree on the priority or the approach to associations business; but I can assure you that as a board we review and investigate every possible avenue to do our very best to improve the association properties overall.

I look forward to seeing everyone at the annual meeting.

Dumpsters

Dumpsters for **HOUSEHOLD GARBAGE** are provided for the convenience of the association.

We have installed cameras to monitor the improper dumping of garbage. (It is amazing to find how many people assume we are all here to pick up after them...Or how many people think a washing machine is considered household garbage....**NOT!**) We will take steps to cite individuals who are responsible for improper dumping.

If there is **NO DUMPSTER**....OR if it is full...Please be considerate....**HAUL** your garbage **HOME!** After all....if you brought it in, you can surely take it home!

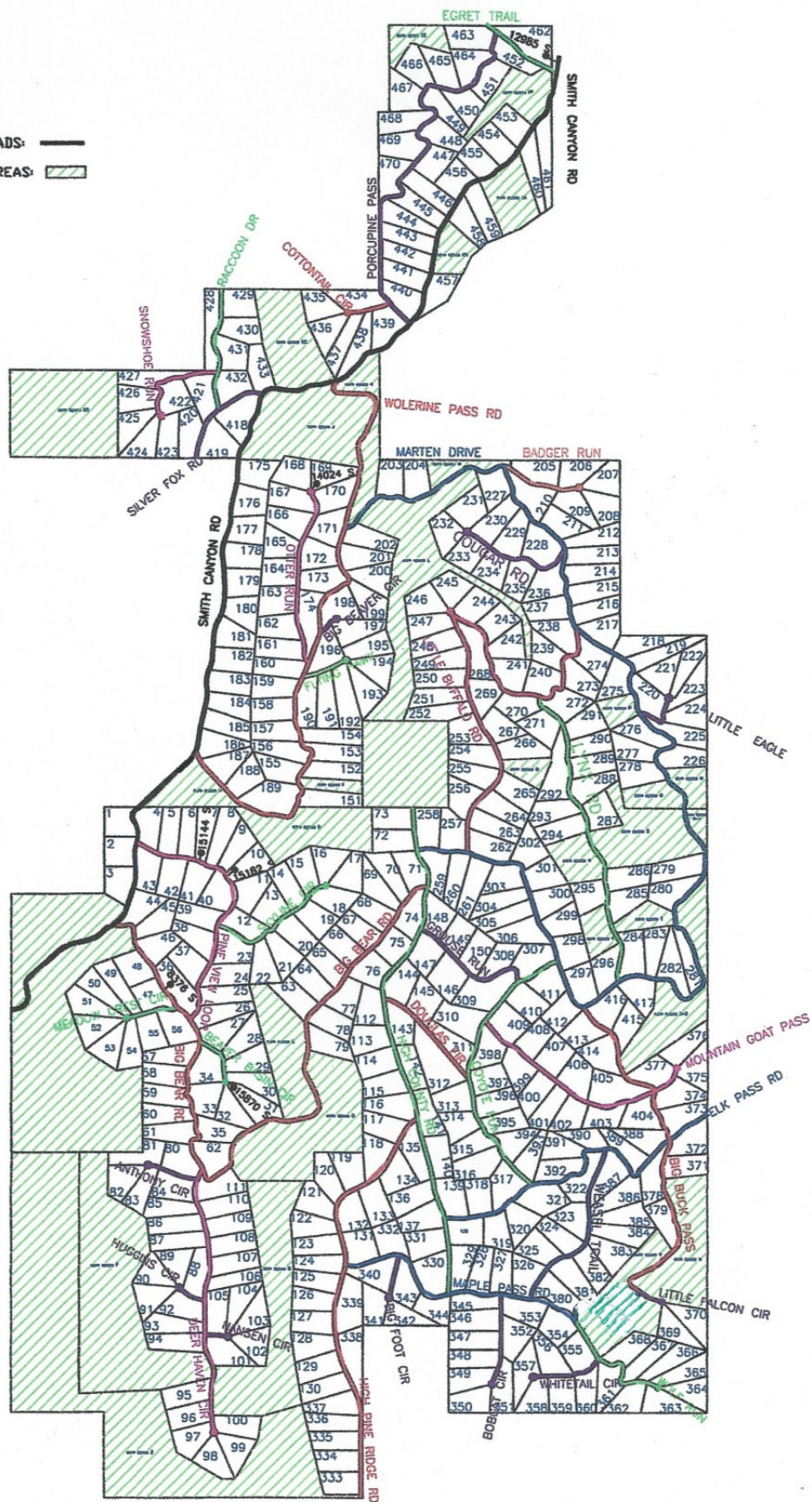
NOTE: There is a landfill available for your green waste and household goods in McCammon:

2500 E Highway 30
McCammon, ID 83250
(208) 254-3911.

LEGEND

ENTRY ROADS: —

COMMON AREAS: ▨



Thank you....

A lot of time worked and effort is put forth for the benefit of the association. I would like to take this opportunity to thank a few of the people who work tirelessly on your behalf.

Security: Val Larsen has provided security and maintenance for the association over the last several years. We thank him for his dedication to this association and it's members.

This board has done an outstanding job in providing services to our association. Their efforts should be applauded. Three seats come up for election each year, and I would like to give special thanks to those whose terms are ending.

Deb Hahn, our Vice President. She has been a great asset to our membership including support in our collection efforts.

Adrienne Buckley, Treasurer/Legal: She has worked diligently on organizing our books and making sure that we are properly operating within our governing laws.

Scott Campbell: Has been following up with the fencing – in an effort to keep the cows at bay. He has also been heavily involved in the new water system project that we are hoping to get on-line soon.

The dedication and efforts of these individuals deserve acknowledgement and our greatest of thanks. It has been an honor to work with them.

Candidates for Lava Ranch Board of Directors

As the annual meeting approaches, we are again looking for good people to replace those leaving. We hope each lot owner at Lava Ranch will give consideration as to how they may assist in making our community better. One way is to run for a vacancy on the Board and work with a great group of people to help the Association move towards the achievement of their mission.

Board members must have a clear understanding of their distinctive roles. When you begin your tenure with a solid overview of what you need to know and what will be expected of you, you will be able to step into your position and serve with purpose.

Your service as a board member will be most rewarding to you and will serve the Association best if you are able to focus on your key duties:

- 1) Attend all meetings and participate in regular communications.
- 2) Be prepared and informed.
- 3) Speak your mind and ask hard questions.
- 4) Support other board members to pull their weight.
- 5) Take responsibility for your stewardship of the organization's assets.
- 6) Remember that integrity is everything.

A board member has the fiduciary obligation to the organization, he or she must act with good faith and loyalty – and always exclusively in the best interests of the organization. The board serves as what is sometimes called “a bridge and a buffer” between conflicts of interests with the rules and regulations governing ownership, county and state agencies, and other members. You will be asked to ensure the organization has procedures in place to prevent conflicts of interest and to make decisions that have no conflicts of interest with the person whose transaction is under consideration.

There are three regular openings that have a term for 3 years that will be filled at the meeting this year. If you would like to be on the ballot for one of the open positions, please notify Jan Burnell, by mail at Lava Ranch POA, P.O. Box 131, Lava Hot Springs, ID 83246 or by email at: Burnell.Jan@gmail.com. Submittals should be received by July 3, 2015 for the printed ballots.

If interested in running for a position, please include a brief statement to the following questions:

1. What position and/or duties would you like to be considered for?
2. What qualities, experience, and qualifications do you have that you feel would enhance the effectiveness of the board?
3. Tell us a little bit about yourself. For instance, how long have you owned property on Lava Ranch.

Please find below, the minutes from the 2014 Annual Meeting held at the Frank May Pavilion on July 12, 2014 at 11:00am. These minutes will be voted on and approved at this year's annual meeting.

If you are attending the meeting, please bring copies of these minutes for approval with you.

2014 ANNUAL MEETING MINUTES

The LRPOA membership met to consider and conduct the business of the Association on July 12, 2014, as mandated by the Bylaws of the Association. The Bylaws require that thirty-five members of the Association be present to constitute a quorum to discuss the business and affairs of the Association. There were 63 members in good standing that registered at the meeting representing 88 Lots (with 6 Proxies submitted). The 2014 Annual Meeting was called to order by President Harry Scott at 11:00AM.

Harry Scott asked for a motion to approve the 2013-2014 Annual Meeting Minutes. Stan Tebbs, Lot 137 made the motion, Deb Hahn made the second. The motion passed unanimously.

Deb Hahn presented Dave Herter, Supervisor of the Bannock County Mosquito Abatement District who discussed his departments roll in Lava Ranch. They spray in Lava Ranch on Thursdays. To sign up for the service, go online to Bannock County Mosquito Abatement District or call 208 236-7409 or 208 251-3083 (Dave's cell #). This service is provided yearly by the County and requires signing up each year. Lots need to have a lot number identified at the entrance of the lot.

Deb Hahn, Vice President & Board member in charge of Pavilion Scheduling, Security, & Grounds (including the Pond) discussed Pavilion Rent and the Clean-up Campaign scheduled for Sunday, July 13th.

Adrienne Buckley, Treasurer and Legal, discussed the continued alliance between Spring Creek Estates and Lava Ranch. SPE Board Members,

Rocco Barboni – President, and Dale Espiritu – Vice President were present & introduced to the group. Participating SPE members and Smith Canyon lot owners signed up to use LRPOA facilities number 11 people for the 2014-2015 season. They will carry special cards identifying them. The names of those authorized to use LRPOA facilities are posted on the bulletin board. Expected revenues for this service are over \$1000.

There have been some budget changes to the ones sent out in the newsletter. The option of discussing them in detail was offered and there were no questions. Details and the status of year end collections was reported. Information about the general purpose and responsibilities of the Association were conveyed, as well as the reasons for having a Capital Reserve Fund.

Adrienne made a motion to adopt the Capital Reserve Fund Policy (previously approved by the LRPOA Board in May). The motion was seconded by John Gest, Lot 159. The motion carried by unanimous vote to approve.

Adrienne presented the reasons for deferring setting a baseline amount for the CRF and suggested using this year to determine the best use of the funds and to look at the tax implications associated with the fund. Troy Babinchak, representing his father on Lot 414, asked about the costs associated with a study. Any money spent on a reserve study would come out of the regular 2014-2015 budget and not out of the current reserve fund.

Adrienne made a motion to do a reserve fund study this year to determine a funding plan. The motion was seconded by Sara Thompson, Lot 150. The motion carried by a quorum of the members voting to approve with 7 votes voting no.

Jean Robinson, Board member in charge of the Website, Communication, & Community Relations, talked about the new website, www.lavaranch.com. She also talked about the donation each year to Lava Lions. We receive their newsletter with information about events in Lava Hot Springs. This

information will be shared with members on the LRPOA website.

Matt Groll, Board member in charge of Weeds, Gates, & Compliance Issues first talked about the Idaho statute concerning Noxious Weeds. He stressed that noxious weeds are each lot owner's responsibility. He also communicated that there are ongoing issues around mini-cabins & bath houses that are being handled by the Board, per the governing Covenants. A member asked if there are exceptions to having a mini-cabin versus a trailer. The answer is NO. The Covenants are the restrictions governing the use of the land. They include specific language about the size and building types allowed.

Scott Campbell, Board member in charge of Water Resources, Fences, and Compliance reported on the status of the Second Well Project. He also discussed the repair or addition of more fencing to keep out cows.

Dan Heiner, Board member in charge of the Dumpsters, and the formation of an Evacuation/Emergency Plan, talked about the rising costs of the dumpster service. There are still problems with people putting unauthorized trash in the dumpsters. Anything not considered as usual household garbage is prohibited. Garbage is defined as waste that results from food preparation or other usual household functions. It does not include bulk trash, appliances, or construction materials. Unauthorized material may be disposed of either by taking it to dumpsters in McCammon or home.

Harry Scott, President and over the Roads, communicated the current road plan and that the contract for the roads had been given to Big J Construction for an extended 3 years. The road plan that was presented last year is basically the same as the one this year. One of the restrictions to getting the roads completed is the tress, brush, and debris along the roads. It is critical that the right of ways be cleared in front of lots prior to being able to

actually work a road. Harry also discussed the ATV policy that has been implemented.

The subject of the 7 gates granting access to Lava Ranch has come before the Board again. Harry asked the members for input by indicating their preferences on the backs of their voting ballots, using the numbers 1-3 to indicate which options they preferred. In addition, a Google Group message will be sent out by Email to the membership requesting the same information. NOTE: This was not presented as a motion to the membership for a vote but a request for information to be used by the BOD so a decision can be made by the Board of Directors at the Board meeting in October.

The three options were: #1 – The gates to remain OPEN at all times. #2 – The gates to be CLOSED BUT NOT LOCKED. #3 – The gates to be LOCKED AT ALL TIMES. AND if the gates are to be locked who will enforce the rule? NOTE: Preliminary votes indicated the majority of members attending the annual meeting prefer to have the gates left open.

Layne Barber, outgoing Secretary, opened the nominations for election of four Board Members. Those nominated were Harry Scott (Lots 412 & 413), Barry Vincent (Lot 131), Jan Burnell (Lots 144 & 145), Craig Scott (Lot 18), and Jean Robinson (Lot 192). Election Results were tallied and the results announced after the meeting. New Board members are Harry Scott – reelected as President, Jan Burnell assigned Secretary, Barry Vincent – assigned Financial and Accounting Support, and Jean Robinson – assigned Website, Communications, & Community Relations (serving a 2 year term).

A motion to end the meeting was made and approved unanimously. Lunch was again served thanks to the Layne Barber family.

Proxy Form

If you are unable to attend the annual meeting, we encourage you to complete the form below to authorize a qualified lot owner to represent your vote on Association matters. This insures that you have a voice in Lava Ranch. Please fill out the form with all the information and mail it to the POB by July 5th, or submit it to your chosen representative prior to the annual meeting.

Lava Ranch Property Owners Association

FISCAL YEAR 2015-2016

Proxy Form

I, _____ do hereby swear that I am the registered owner of lot number(s) _____ in lava Ranch subdivision, Bannock County Idaho.

I authorize _____, who is the registered owner of lot number _____ in Lava Ranch subdivision, Bannock County, Idaho, to act as my proxy on all matters presented for action at the L.R.P.O.A. meeting to be held on July 11, 2015, at 11:00am at the Frank May Pavilion.

I certify that the information provided is true and correct and that all parties listed are members in good standing and authorized to participate in the above mentioned meeting.

Signature: _____

Date: _____ Total Number of Lots owned: _____

Note: All proxy forms must be signed and submitted prior to the beginning of the meeting. Unsigned or late proxy forms will not be accepted.

