

Status Report for Zorro Ranch

Items Attached:

Attached are items for review that 1) have been submitted and need immediate direction, 2) that are waiting approval with questions, and 3) a proposed budget and capital improvements with amounts to be determined for 2014.

Review:

The size; numerous areas, structures, systems, animals and people of the ranch make it a proverbial a small town unto itself. And, this majestic ranch property is being brought back to a high standard in all aspects and being well maintained by the current ranch management.

The current ranch management is seasoned, very competent, loyal, and committed to fulfilling the Principal's desires and to bringing the ranch back to the high standard in all aspects and maintaining it. They have hired and trained new staff over the past year which has brought more skill sets to the ranch. The new staff are hard workers, have taken to the training, and are working very well as team. They are enthusiastic.

Service structure for bringing back high standard has been put back in place by the ranch management team in the areas of administration, housekeeping, clothing care, culinary preferences, entertainment, maintenance, grounds keeping, travel and transportation, and any safety and security measures desired by the Principal. With the new staff, proper direction has been and is being given by the ranch management team to create and maintain both required individual responsibilities and group for outside and inside service environments of the ranch. The ranch management as well is hands on and leads by example.

Service manuals will be updated to reflect new staff and duties.

Recommendations:

Because of the size and scope of this property, and because there is a seasoned team actually managing it, recommend working from an annual budget (to be reviewed quarterly) as part of standard operating procedures to create a point of reference and management structure needed for onsite Managers and Director of Residences.

Recommend for consideration continuing the ranch's onsite, ongoing maintenance such as mechanical/ landscaping, etc. to service contracts for proper upkeep for your enjoyment and to maintain the high standard you desire.

Recommend considering other new designated staff members, Carlos & Cynthia, to be able to assist in purchases, especially WHEN Principle and/or guests are on site.

Recommend considering ranch management having to authority to spend up to \$3000 for emergency and necessary items (not to exceed total amount budgeted and to be tracked) such as vehicle items and maintenance, smaller mechanical items and maintenance, etc.

Recommend for consideration that if ranch management is required to still report on every expense (if budget is approved), then payments approved are made in timely manner by NYC accounting and timely notice is provided consistently back to ranch management of said payments made.

Recommend current licensed mechanical engineer on staff, or another licensed mechanical engineer with requisite experience and expertise in this location, to create mechanical related SOP's for all systems for this property, trouble shoot as needed, and inspect bi annually (should do for each of your properties).

Recommend the hiring of one additional employee seasonally to assist with low level duties so existing staff may assist with more demanding seasonal duties.