

## **A NON-PROFIT CORPORATION BOARD OF DIRECTOR'S MEETING**

October 13, 2007

Present:      Joe Angelovic, Chairman  
                  Larry Watt, Vice-Chairman  
                  Carl Brown, Secretary-Treasurer  
                  Kathy Dietz, Director  
                  Jan Jonson, Director  
                  Jack Petty, Director (Present by Phone)  
                  David Ward, Director  
                  Sharon Backus, General Manager

The regular meeting of the Star Valley Ranch Association's Board of Directors was held October 13, 2007 in the Association's Library. Several Association members were in attendance. A list of the members in attendance is attached to the file copy of these minutes. Chairman Angelovic called the meeting to order at 9:00 AM.

**Adoption of the Agenda:** Director Watt moved to adopt the agenda. Director Brown seconded the motion. The motion was unanimously adopted.

**Approve Minutes:** Director Ward moved to approve the minutes of the September 15, 2007 meeting as written. Director Watt seconded the motion. The motion was unanimously adopted.

**Standing and Special Committee Reports:**

**Chairman, Finance and Legal:** Chairman Angelovic gave the following report:

I do not have a report as such but there are a few things I would like to say. First, I would like to remind everybody that we are trying to hold open meetings. I wish more people would attend although I am always happy to see familiar faces. Repeated attendance tells the Board that you have not yet given up on us. Committee meetings are also open. The committee that has been most successful with open meetings is the Finance Committee. Their meetings were always announced ahead of time as open to the public. The meetings had a lot of participation and they got the minutes out for the members. I would like this to happen with all committee meetings.

The second thing is something that hit me this morning. People often ask me what the Board's position is on a given subject. Unfortunately, unless the Board has addressed the issue I can only give them my personal view. If there is an issue that someone would like on the Board's agenda there is a procedure to get the item considered. The procedure is outlined in the Operations Manual. First, put it in writing and submit it at least three days before the agenda closes for consideration.

Another thing has been brought to our attention recently is our underground storage tanks. Director Dietz's son and Director Ward informally tried to find out where we were with this. Everything pointed to the fact that we are in violation. I contacted John Corra the head of DEQ who has general knowledge of these problems and came away thinking the issue could be resolved easily. I reported my optimistic outlook to the Board. A few days later, I received a call from John who wanted me to contact the man who is an expert in these matters. That person gave a completely different story. We do have a problem on our hands. Director Ward is going to look into it because it is a problem that requires immediate attention.

An advertisement for Sharon's replacement will be going out next week. We would like everyone to assist us. Most of you know what the job is. The job will be posted on the Web and in the paper. If you know of anybody who would be a good candidate, ask them to apply. That position is critical to the Association. We are losing a vital cog in our mechanism.

The last comment is about the Cook Shack. I am hearing people say things like put a match to it. I would like to go over a little bit of history on this subject. A couple years ago a few of us; Al Redlin, Don McCormick, Jim Chumley, Tom Newman and I did a Facilities Study. It was a survey of the facilities. At that time, one of the things we did was check the amount of activity held in each of the facilities. This little Cook Shack of ours was heavily used. The quilting ladies use it. The line dancers use it. The card players use it. They have potlucks in it. It is really a utilized facility and yet we knew it needed repair and that it would take a significant amount of money. The decision was made by the Board to repair it because it seems to play an important part in the social activities on the Ranch. The decision was made to repair the roof and get rid of the mold because it was a health hazard. As the project progressed we found unfortunately, that due to the way the building was constructed there were other things that had to be done. I would just like to say when it is done it will be usable for at least three fourths of the year. I would like to thank Don McCormick for taking the lead. He has done an excellent job. I would also like to thank Ernie also. Ernie is working with Don and he will finish most of the work this winter. By next May, we will have a very nice usable building. The next time someone tells you it is a pile a trash, go look through the window and see for yourself. It is going to be nice.

There are five activities to report under legal items. The first was the delinquent account at the Snack Shack. It went to court. Director Dietz represented us in exemplary fashion. It came back with a settlement in our favor. It was not a large amount but he will be paying us. The next two are DCCR violations. One of those is going to court on November 19 in Jackson. The other one has just been refilled. A few years ago there was tree that the association believed might fall on there storage tank in Prater Canyon. The tree was located in the easement and was cut down by the Association. A lawsuit was brought against us by the alleged owner of the tree. The owner said all he wanted was the wood. Bill Daily was kind enough to cut up the wood and the owner was notified that the wood was there for the taking. The wood is still available as I understand it. We thought the matter was settled but now he wants to be paid.

Again, I want to thank the Finance Committee for all their efforts. They had at least one meeting a week, they dug into a lot of things and their meetings were open to everybody. They have presented the board with an operating budget. We will bring that up today. I would like to thank them one more time for all their efforts.

**Golf:** Director Dietz gave the following report:

For those who hang around for fall weather, it has been beautiful golfing with the fall colors and golden light. And so another season comes to the end, a banner season at that.

Using figures through September, the register verification shows revenues of \$232,657. Last year, same time period, they were \$184,365. This revenue reflects the dollars that come through the pro shop and does not include punch cards or season pass revenues. Between Aspen Hills and Cedar Creek, over 20,000 rounds of golf were played this year.

And as this year comes to an end, we are thinking forward to next year and are already making plans to capitalize on opportunities for next year. First, we will have a more aggressive marketing plan focused on expanding on play from the Jackson/Alpine area. We also are looking at the potential in Pinedale area. With the Afton course most likely not open, we hope to draw also from the south end of the Valley. More outside play does limit tee time choices, but the outside revenues also help keep member fees stable.

The Ladies Association approved the new red tee boxes and the old reds will now be gold. New tee boxes will be built as time and funds become available. To this end and in support of our golfing program, the Ladies Association donated \$1000 toward the tee box fund.

After six months of study and assessment of our golf operations, we finalized a multi-year, incentive based contract with Eric Buehler who will provide and oversee those operations. I'd like to thank the many people including the Golf, Finance and Ad Hoc committees who contributed their time providing both assessment and recommendations. We also have developed a Policy and Procedures Manual that details the policies regarding golf operation.

Thanks also to Liz Beck for all her work on the calendar.

A couple of weeks ago we hosted the Wyoming State Golf Tournament for a two day tournament. The Men and Ladies Golf Association donated both time and funds to provide food for participants. Bob Lujan and Barry Kendall coordinated these efforts.

I spoke with many of the observers and Coaches who attended. They all, with no exception, were taken with the beauty of this community and our course. SVRA for the last few years has been the home course for the SVHS golf team. I would like at this time to introduce their golf coach, Mr. Bill Hoopes. (*Mr. Hoopes addressed the membership.*)

That concludes my report, Mr. Chairman.

**Green Committee:** Director Watt gave the following report:

We have completed another great year on our beautiful golf courses. It is apparent that the money that has been spent over the last several years is paying great dividends. Our greens personnel, Mark and his crew, continue to do a great job. They really appreciate the new equipment. It is really a factor in keeping up the golf course, making it as playable as they made this one. Work is continuing on the courses. As you know, there have been sprinkler heads added to the Cedar Creek Golf Course. The new sprinkler system is almost completed on the Aspen Hills Golf Course. The new heads on Cedar Creek have been added on number two on the right side of the fairway, on number six on the right side, on number twelve on the right side, on fourteen. Also the practice green and logo area. The projects will be finished up with the installation of the filter. Sharon will go over more on the Aspen Hills Project.

The Ladies tee box construction will begin next spring. We do not know how far we will get with it; hopefully it will be finished next summer. A lot will depend of the availability of personnel. We will need some volunteers to help with this project. There will be some work done on the cart paths starting in the spring completing as much of them as money will allow us to do. Mark will be applying fungicide to the greens according to the weather. Mark has to kind of guess when the snow that is going to stay for the winter has coated the greens and apply the fungicide just prior to that. There will be new inserts for the tee box signs designating the yardage change for adding the gold, and designating the yardage change for the red for the women. The greens committee has approved the changes made regarding the sponsorships on the tee box signs. We each paid \$100.00 to have our names put on the signs. One thing we wish we had done that we are doing now is put a time limit on the sponsorship. If you paid \$100 to have your name put on the sign, you will need to pay an additional \$50 to continue the sponsorship for the next five years. If you are a new sponsor, you can pay \$100 for the first five years then pay \$50 thereafter. The "In Memory of Signs" will stay with no extra charge for as long as the people would like to have those spots taken by those particular individuals. We hope to have this completed by July 1. For anyone who has their names on there now we would like to have you keep your names on the sign but we would also like \$50. All these monies go to improving golf. We planned on sending a notice out to the current sponsors for consideration of renewing. We will review this later if we have not had a lot of interest we will send out a notice. I would again like to thank Mark and his crew, and the Beautification Committee for the great job they do on the Ranch. Hopefully with the new sprinklers added there job will become easier. We are moving in a direction with something permanent being added all these areas they ill not have to keep doing the same jobs repeatedly. There seems to be a real problem around Silo area.

**House and Entertainment Committee:** Sharon Backus made the following announcement: Oktoberfest will be held at 4:00 in the Barn. There will be live music and Dinner will be \$3.00 a person.

**Long Range Planning Committee:** John Daulton gave the following report beginning with the presentation of the following action plan proposal:

*Proposed Action Plan*

*SVRA will adhere to a policy of using Action Plans for submitting proposals to the Board of Directors for acceptance.*

*Purpose: To provide SVRA with a process for moving the organization forward systematically to activate items in the long-range framework as well as those brought forward by standing committees. Action planning is a way for members and board committees to decide organizational priorities and get projects accomplished in an efficient manner.*

*Action plans will consist of:*

1. *The goal to be accomplished*
2. *The rationale for the goal*
3. *The strategy for achieving the goals including individuals responsible, timeline and costs.*
4. *Evidence of success.*

**Procedures:**

1. Written action plans from any SVRA committee or individual will be submitted to the General Manager and forwarded to the LRPC.
2. The LRPC will review and clarify the action plan with the group or individuals submitting the plan.
3. The LRPC will conduct a ranking of all the submitted action plans using the Criteria Evaluation Form.
4. The LRPC will share the action plans with appropriate other groups.
  - a. The Finance Committee
  - b. Other SVRA standing committees, as appropriate.
5. The action plans with priority scores will be submitted to the BOD.
6. Final review and authorization of all submitted action plans will be by the BOD.
7. The LRPC priority ranking list of projects will be updated.

**Director Johnson moved to adopt this modification of the Action Plan Policy. Director Ward seconded the motion. Directors Jonson and Ward voted in favor of the motion. Directors Petty, Dietz and Watt opposed the motion, Director Brown abstained. The motion failed.**

Finally, I would like to comment on the on-going Cook Shack Action plan because there seems to be a bit of confusion as to the process and goals of what is trying to be accomplished.

This is the second project that deals with the facilities the developer left us with. The first project was different from the Cook Shack in that the Ranch House was NOT used for meetings and social activities. So, burning down the Ranch house building was the simple option. The Cook Shack in the other hand is one of only four facilities available to the membership for meetings and functions.

Our need for "year-round" facilities are obvious as is the fact that our facilities are in bad shape. So, the question becomes what will be in the best interest of the membership and the most cost effective plan?

A structural engineering company was brought in twice last year to give the Facilities Study Group and Board of Directors a general over view of our facilities. At the second visit the "boss" of the firm was able to attend and he gave us some experienced, down to earth suggestions which we placed in our Facilities plan update.

The recommendation for the cook shack portion of facilities plan became either;

1. Tear down and rebuild the Cook Shack- The positives of this were obvious, an up to current codes structure that would serve the membership for the next 20 years as a year-round facility. The negatives are of course, cost (projected minimum of \$170,000) still leaving winter access and parking as problems. Even if we did choose this option, the remained the question of whether or not the Board of Directors would approve the project.
2. Repair the facility to provide a three season use for up to the next ten years. The positives of this plan was cost (projected -\$50-60,000) with the ability to phase the repairs over a 2-3 year period and get the facility back in use for meetings and social activities by next Spring negatives would be spending funds for only an expected ten year use.

Note; The cost estimates are from the facilities report using a 1,700sqft X \$45sqft (repair) and \$100sqft (rebuilding).

Thus far, the finance committee and BOD has approved phase 1- \$26,000 and phase 2- \$22,000

Not only will this project benefit all the groups waiting to use it, but this project will prove invaluable as an example in the future facilities projects.

The Long Range Planning Committee uses the following SVRA purpose and vision to guide our decisions:

### **PURPOSE**

*That the general purposes and objectives of this corporation are as follows: To improve, construct, maintain, operate and care for such parkways, parks, playgrounds, golf course, recreational areas, community club houses and other community buildings "Article III.a - General Purposes, Articles of Incorporation of Star Valley Ranch Association, (11/9/70)*

### **VISION**

*The vision of the SVRA is to provide and promote well maintained facilities and promote affordable recreational and social opportunities for its community under the provisions of the DCCRs.*

**Utilities Committee:** Director Ward said, "I intend to file papers for the underground fuel tanks with the DEQ this month. I will speak to the representatives of the state to find out what the requirements will be to bring us into compliance. I will then create an action plan in the near future."

Director Ward briefly spoke of covenant enforcement.

**Architectural Control Committee:** Elmer Beck gave the following report:  
We have had a little activity since the last report. We have had three approvals which brings our total of new starts to twenty for the year. We now have a total of 927 homes either built or under construction. Other than the new homes there are other permits being issued for garages and patio repairs.

**FISC III:** Director Jonson gave the following report:  
As of yesterday, we have received 382 signed consent forms. We need a total of 1356, So we only have 974 to go.

**Director Jonson moved to authorize and direct the Corporate Secretary to sign the consent to sell forms for the fifteen lots owned by the Association. Director Ward seconded the motion. The motion passed unanimously.**

**General Manager's Report:** Sharon Backus, General Manager gave the following report:

**Ladies Golf Donation:** The Ladies Golf Association has once again generously donated to one of SVRA projects. We received a donation from the LGA for \$1,060.85 to go toward the

construction of the ladies tee boxes. This donation has been placed in the reserve account in a liability account earmarked for this specific tee box project. I want to thank the ladies for their continued support of the Association.

**DCCR Enforcement:** The office staff has received a number of positive comments on the letter mailed out to the membership stating that the Board is enforcing the covenants. I personally want to thank the Board for taking this stance. Now, to put our money where our mouth is, so to speak, our first covenant related trial is slated for November 19 in a suit over an unapproved fence.

**2008 Assessment:** I want to remind the members that the 2008 assessment was increased by the July CPI over the previous July of 2.4% to \$421.02. This means that next year's assessment will be calculated on the \$421.02 figure even if you take the discount allowed. I will be designing the statement to reflect this notice but I felt that the members should be reminded of this fact more than once.

**Annual Newsletter:** Articles for the Annual Newsletter are due on or before October 24, 2007. Any Director serving as Chairman of a standing or special committee should have emailed this to Mary by the due date. Mary's last day is November 1, 2007. Any committees or groups wishing to place articles or information for an upcoming event should observe this deadline as well.

**2008 Events Calendar:** The draft 2008 events calendar has been distributed to the Board. Please look this over and let me know as soon as possible if you notice any conflicts or problems. The Ladies Golf and the House and Entertainment Committee have placed their events on the calendar to reserve those dates. Thank you Liz, for all of your work. You handle this every year for us and we appreciate your time and service.

**Cook Shack Project:** The Cook Shack project is still underway. Of the initial Phase 1, all that remains is the ceiling, which cannot be completed until the South wall is replaced. A contract was signed for the replacement of the South wall and the installation and wiring of the heaters. This phase also included the insulation in the ceiling and the sheetrock on the East kitchen wall for which \$1,248.60 was budgeted. These two items were approved in a special meeting in August. The contract awarded to Mr. Wicks for his portion of the Phase 2 renovation totaled \$18,383.00. The remainder of the work approved in Phase 2 but not included on a contract with Mr. Wicks, will be completed by volunteers and by Ernie after all the facilities have been shut down and winterized. The 2008 operating budget includes \$5,000.00 for a new floor. As a reminder to the Board, the funds budgeted this year for this project do not carry over into 2008 unless you either restrict the funds or you add them back into next year's capital budget.

**Aspen Hills Irrigation Design:** The Aspen Hills water conservation project is very nearly complete. The main lines, lateral lines, sprinkler heads and wiring have all been installed at Aspen Hills. In addition to this, the additional laterals and heads have been installed at Cedar Creek except for the entryway on # 14 where we are still awaiting locates. This should be completed by the first part of next week. The filter and pressure-reducing valve have arrived and the crew from O & J Construction is finishing the installation of these items next week. On October 22, Mark and I will be doing an inspection of the whole project and making our punch list. The project is ahead of schedule. Aspen Hills was closed on September 17 to facilitate the installation of the lateral lines. The course will not reopen this year. The new system was pressure tested on October 4-5 and what a beautiful sight that was to see all those sprinklers working.

**Delinquent Accounts:** By way of update, there were 141 delinquent accounts turned over to the Corporate Counsel for collection and to date we have received payment from 114, leaving 27 unpaid. The next step is to file a complaint for each delinquent account. Once the summary judgment is granted, we will file a lien on each lot and then we can publish the foreclosure sale. We continue to pursue the collection of these delinquent accounts.

**Legal Fees:** September's bill for legal fees totaled \$753.20, which was expended on DCCR enforcement, collection of delinquent accounts including Mr. Burch; the boundary letter sent to the members whose property adjoins Aspen Hills Golf Course and a lien release form for O & J Construction.

**Legal & Finance Committee Approval:** Gene Root, a member of the Legal & Finance Committee has approved the financial report given in the September 15, 2007 meeting. Thank you Gene, for verifying the report and figures contained therein.

### September 2007 Financials

	<b>Sep 07</b>	<b>Budget</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Administration Services	2,750.76	702.00	2,048.76	391.85%
Assessment/Transfer Income	76,738.94	71,173.20	5,565.74	107.82%
Donations	0.00	0.00	0.00	0.0%
Facilities Income	1,587.38	2,733.00	-1,145.62	58.08%
Miscellaneous Income	0.00	0.00	0.00	0.0%
Recreation Fees	40,737.91	22,813.00	17,924.91	178.57%
Utilities Income	0.00	0.00	0.00	0.0%
Utility Reserve Income	0.00	0.00	0.00	0.0%
<b>Total Income</b>	<b>121,814.99</b>	<b>97,421.20</b>	<b>24,393.79</b>	<b>125.04%</b>
<b>Expense</b>				
Administration Expenses	26,783.90	29,810.75	-3,026.85	89.85%
Facilities Expenses	10,490.59	11,516.00	-1,025.41	91.1%
Golf	17,520.12	13,478.00	4,042.12	129.99%
Green Expenses	25,031.81	29,120.00	-4,088.19	85.96%
Security/ACC Expenses	0.00	1,837.00	-1,837.00	0.0%
Utilities Expenses	319.95	40,165.00	-39,845.05	0.8%
6560 - Income/Expenses Capital Budget	0.00	0.00	0.00	0.0%
6561 - FISC/Municipality Expense	0.00	0.00	0.00	0.0%
9888 - A/P Setup Account	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<b>80,146.37</b>	<b>125,926.75</b>	<b>-45,780.38</b>	<b>63.65%</b>
Net Ordinary Income	41,668.62	-28,505.55	70,174.17	-146.18%
<b>Other Income/Expense</b>				
Other Expense				
Other Income/Expense	40,391.00	20,291.00	20,100.00	199.06%
<b>Total Other Expense</b>	<b>40,391.00</b>	<b>20,291.00</b>	<b>20,100.00</b>	<b>199.06%</b>

Net Other Income	<u>-40,391.00</u>	<u>-20,291.00</u>	<u>-20,100.00</u>	<u>199.06%</u>
<b>Net Income</b>	<b><u>1,277.62</u></b>	<b><u>48,796.55</u></b>	<b><u>50,074.17</u></b>	<b><u>-2.62%</u></b>

### Third Quarter 2007 Financials

	<u>Jan - Sep 07</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Administration Services	60,459.24	45,795.00	14,664.24	132.02%
Assessment/Transfer Income	694,950.46	672,697.40	22,253.06	103.31%
Donations	20,839.57	0.00	20,839.57	100.0%
Facilities Income	14,545.40	17,717.00	-3,171.60	82.1%
Miscellaneous Income	22,421.55	0.00	22,421.55	100.0%
Recreation Fees	408,929.84	365,165.00	43,764.84	111.99%
Utilities Income	173,598.04	183,000.00	-9,401.96	94.86%
Utility Reserve Income	215,200.00	90,000.00	125,200.00	239.11%
<b>Total Income</b>	<b><u>1,610,944.10</u></b>	<b><u>1,374,374.40</u></b>	<b><u>236,569.70</u></b>	<b><u>117.21%</u></b>
<b>Expense</b>				
Administration Expenses	319,874.17	307,196.75	12,677.42	104.13%
Facilities Expenses	94,370.11	113,385.00	-19,014.89	83.23%
Golf	83,742.83	78,040.00	5,702.83	107.31%
Green Expenses	172,399.64	216,626.00	-44,226.36	79.58%
Security/ACC Expenses	1,603.88	10,371.00	-8,767.12	15.47%
Utilities Expenses	159,185.84	342,954.00	-183,768.16	46.42%
6560 · Income/Expenses Capital Budget	0.00	0.00	0.00	0.0%
6561 · FISC/Municipality Expense	0.00	0.00	0.00	0.0%
9888 · A/P Setup Account	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	<b><u>831,176.47</u></b>	<b><u>1,068,572.75</u></b>	<b><u>-237,396.28</u></b>	<b><u>77.78%</u></b>
Net Ordinary Income	779,767.63	305,801.65	473,965.98	254.99%
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
Other Income/Expense	<u>189,915.69</u>	<u>192,619.00</u>	<u>-2,703.31</u>	<u>98.6%</u>
Total Other Expense	<u>189,915.69</u>	<u>192,619.00</u>	<u>-2,703.31</u>	<u>98.6%</u>
Net Other Income	<u>-189,915.69</u>	<u>-192,619.00</u>	<u>2,703.31</u>	<u>98.6%</u>
<b>Net Income</b>	<b><u>589,851.94</u></b>	<b><u>113,182.65</u></b>	<b><u>476,669.29</u></b>	<b><u>521.15%</u></b>

### DRAFT CASH RECONCILIATION & RESTRICTED FUND BALANCES

*Reconciliation of Cash as of 09-30-07*

<i>Net Income (loss) from Operations less depreciation</i>	<i>41,669</i>
<i>Other Income/Expense</i>	<i>20,480</i>
<i>Net change in Current Assets / Current Liabilities</i>	<i>86,533</i>
<i>Net Proceeds from Assets Sold</i>	<i>0</i>
<i>Debt service-principal payments</i>	<i>0</i>
<i>Capital expenditures</i>	<i>(159,004)</i>
<i>Net increase (decrease) in cash</i>	<i>\$ (10,322)</i>
<i>Beginning cash 8-31-07</i>	<i>1,082,982</i>
<b><i>Ending Cash on 09-30-07</i></b>	<b><i>\$ 1,072,660</i></b>

## Restricted Fund Balance as of 09-30-07:

Restricted Water Fund:	\$85,451
Designated Funds:	\$157,836
<i>Neighborhood Directory</i>	\$1,084
<i>T-Box Program</i>	\$3,486
<i>Cedar Creek Park</i>	\$386
<i>Building Deposits</i>	\$130,850
<i>H &amp; E Special Project</i>	\$4,522
<i>Memorial Fund</i>	\$615
<i>Member Guest Fund</i>	\$17
<i>FISC II Fund</i>	\$6,130
<i>Snack Shack Fund</i>	\$1,641
<i>Youth Committee</i>	\$742
<i>Beautification Restricted Fund</i>	\$263
<i>Cook Shack Round Up</i>	\$35
<i>Inspection Fees for New Construction</i>	\$7,400
<i>Snowmobile Fees Restricted for Cart Path Repairs</i>	\$665
Golf Course Irrigation:	\$ 33,097
Pollock Award Fund:	\$ 1,034
Equipment Reserve	\$232,092
Tennis Court Reserve:	<u>\$ 12,152</u>
Restricted Funds:	\$521,662
Operating/Unrestricted Funds:	\$550,998
Cash as of 09/30/07	\$1,072,660

## **Restrict Cook Shack Funds:**

**Director Petty moved to restrict the funds allocated 2007 Cook Shack to be available in 2008. Director Dietz seconded the motion. The motion was unanimously adopted.**

## **Old Business:**

- a. **Update on Memorial Monument Policy:** Director Ward had no update.
  - b. **Update on Operations Manual, Policies and Procedures:** Director Brown had no update.

- c. **DCCR Enforcement Update:** Director Angelovic reports that most of the membership have had a positive attitude about the enforcement. With the magnitude of the task ahead, the Board has decided to put the enforcements in a priority order. The first thing will be to send out letters to notify the violator of the specific violation. Give them a decent amount of time to comply before legal action is taken. The November 19 court case will determine if the DCCRs are enforceable. Elmer Beck reported that anyone who has a complaint about any violation will need to put it in writing and it will be logged in at the office.

**New Business:**

- a. **Adopt Resolutions from Bank of Star Valley for two CD Accounts, authorizing Chairman to sign:** Sharon Backus explained that in order to fund the Aspen Hills Water Conservation Project, the Board decided to pay \$400,000 down and then borrow the remainder. The amount to be borrowed is \$400,000. We have chosen to secure the note with a Certificate of Deposit. The existing C. D. comes due on October 20<sup>th</sup> and at that time we will split it. The \$400,000 securing the note will be tied up for two years in a long term C.D. The remaining \$154,817 will be in a short-term (6 month) C.D. where the funds can be used freely without penalty, should we need them. To accomplish this we have two corporate resolutions prepared by the bank to be signed by the Directors authorizing this split. Mr. Chairman, I recommend that the Board of Directors sign the resolutions prepared by Bank of Star Valley to split this C. D. as detailed in our discussion the long-term C.D. to be used to secure your note.

**Director Watt moved to approve the recommendation allowing the Directors to sign the Corporate Resolutions prepared by the Bank of Star Valley to split the existing Certificate of Deposit into two new Certificates of Deposit, one for \$400,000 and the other for \$154,817; the \$400,000 being placed in a two-year CD to secure the note payable. Director Brown seconded the motion. The motion was unanimously adopted**

- b. **Authorize Chairman and Corporate Secretary to sign final loan documents for Aspen Hills Water Conservation Projects effective 10-22-07:** Sharon Backus explained that once the Board had decided to secure the note for the Aspen Hills project with a CD, we had a temporary note from the Bank of Star Valley so we could begin the project and draw funds on the note as needed. When the Certificate of Deposit comes due on October 20, the note will roll over into a two-year note. This however requires the signature of the Chairman and the Corporate Secretary must attest to the fact that you have indeed decided to make this transaction. Mr. Chairman I recommend that the Board finalize this note by having you and Director Brown sign the loan document prepared by the bank.

**Director Petty moved to authorize and direct Chairman Angelovic and Director Brown to sign the final loan documents for \$400,000 for a term of two years for the purpose of funding the Aspen Hills Water Conservation Project. Director Watt seconded the motion. The motion passed unanimously.**

- c. **Amend Employee Personnel Manual:** Sharon Backus explained that with all the changes to the personnel and the elimination of two departments it was time to update the employee manual and more specifically the organizational chart. She said that the new organizational chart that depicts our Standing Committees and Special

Committees, which have not been on the chart in the past. The Golf Professional suggested the second change to the manual. Eric's suggestion is that we amend the manual to prohibit employees to use their golf benefits in any tournament held on either SVRA courses.

**Director Dietz moved to adopt the amendments to the Star Valley Ranch Association Employee Personnel Manual Amendment to include, 1. Adoption of the revised Organizational Chart; Amendment 2. of section 3.12 "Job Related Benefits", to add sentence at the end of the existing paragraph, which shall read; "Employees are prohibited from using the discount golf benefit for play in any golf tournaments hosted by either SVRA golf course". Director Jonson seconded. The motion was adopted unanimously.**

- d. **Request to vacate utility easement for Plat 22 lots 55 & 56:** Sharon Backus explained that the contractor Ron Onkes who is representing the lot owner is requesting that the utility easement between Lots 55 and 56 of Plat 22 be vacated. Mr. Onkes has received a letter from Silverstar, and The Town of Star Valley Ranch that they have no intentions of using the easement. He has also heard from Lower Valley Energy that do not intend on using the easement either.

**Director Jonson moved to vacate the utility easement between lot 55 and lot 56 on Plat 22. Director Ward seconded the motion. The motion was adopted unanimously.**

- e. **Adopt 2008 Operating Budget:** The budget from the Finance Committee was discussed by the Board. Director Watt explained that in the budget that was proposed by the Finance Committee, there was not enough money in the greens budget to accommodate the salary of the new mechanic being hired. The board suggested amending the proposed budget by moving \$10,000 from legal fees and \$5000 from insurance to the "Greens Salary" line item in the budget.

**Director Dietz moved to adopt the 2008 Operating Budget as amended. Director Brown seconded the motion. Directors Ward, Petty, Watt, Dietz and Brown voted in favor. Director Jonson opposed the motion. The motion was adopted.**

The 2008 Operating Budget Summary by Department is as follows:

**Star Valley Ranch Association  
Profit and Loss Budget Overview  
January through December 2008**

Ordinary Income/Expense	
Income	
Administration	
Services	38,250.00
Assessment/Transfer	
Income	872,217.00

Donations	0.00
Facilities Income	8,280.00
Miscellaneous	
Income	0.00
Recreation Fees	401,945.00
Utility Reserve	
Income	<u>89,200.00</u>
Total Income	1,409,892.00
Expense	
Administration	
Expenses	468,219.00
Architectural Control	
Expenses	4,889.00
Facilities Expenses	158,435.00
Golf	121,900.00
Green Expenses	<u>335,949.00</u>
Total Expense	<u>1,089,392.00</u>
Net Ordinary Income	320,500.00
Other Income/Expense	
Other Expense	
Depreciation& Cash	
Reserve	<u>320,500.00</u>
Total Other Expense	<u>320,500.00</u>
Net Other Income	-320,500.00
Net Income	<u><b>0.00</b></u>

- f. **Request to permit well drilling at test site on SVRA Common Property:** Chairman Angelovic explained there will be four test wells drilled on or around the ranch by Weston Engineering. The locations requested for the test drills are1. Prater Canyon 2. West of Prater Canyon 3. BLM Land 4.The Maintenance shop area.

Director Dietz moved to adopt the request to give permission to drill at a test site on the SVRA common property. Director Ward seconded the motion.

Director Ward moved to table the request to permit a test drilling on SVRA common property. Director Petty Seconded the motion. The motion was unanimously adopted. The motion was tabled.

- g. **Request to waive/reduce green fees for 2008 tournaments:** Director Dietz is recommending that the Board waive the green fees for the Star Valley Medical Center Foundation. She is further recommending that the green fees should be reduced by fifty percent based on the request from the Ladies Golf Association for the Ladies Invitational Tournament. She is also recommending that the Member Guest Tournament is placed on the list for consideration at a later date. She explained that she received a letter from Bill Hoopes requesting fee waiver for a High School Tournament this spring 2008. More information will be provided at a later date.

Director Dietz moved that the Star Valley Medical Center Foundation Tournament on June 20, 2008 will have the green fees waived, The Ladies

**Invitational Tournament on August 12, 2008 will have the green fees reduced by fifty percent and the Member Guest Tournament on August 1 and August 2, 2008 and the High School Tournament will be put on the list for consideration at a later date. Director Brown seconded the motion. The motion was unanimously adopted.**

**Adjourn:**

Director Watt moved to adjourn the meeting. Director Ward seconded the motion. The motion was unanimously adopted. The meeting adjourned at 11:40 AM.

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**Joe Angelovic, Chairman**

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**Larry Watt, Vice-Chairman**

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**Carl Brown, Secretary-Treasurer**

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**Kathy Dietz, Director**

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**Jan Jonson, Director**

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**Jack Petty, Director**

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**Dave Ward, Director**