

Star Valley Ranch Association
Board of Directors Meeting
January 21, 2016
7:00 p.m.
Town Hall

Mike Wardle: Chairman – Present
Ron Denney: Vice Chairman – Present via Teleconference
Maria Simental: Secretary/Treasurer – Present
Bob Meikle: Director – Present
George Toolson: Director - Absent
Dennis Christianson: Director – Present
Marsha Combe: Director – Absent

Call to order: Chairman Wardle

Chairman Wardle called the meeting to order at 7:00 p.m. and stated that there was a quorum and called for the Pledge of Allegiance.

Chairman Wardle recognized special guests: Thank-you to Councilman Lynch for opening and Councilman Koch for closing tonight.

1. Adopt Agenda:*

- Director Meikle made a motion to adopt agenda.
Secretary/Treasurer Simental seconded the motion.
Motion passed unanimously.

2. Approval of Minutes for November 2015 Board Meeting:*

- Director Meikle made a motion to approve the November 2015 Board Meeting Minutes as written.
Director Christianson seconded the motion.
Motion passed unanimously.

3. Standing Committee & Special Reports:

A. Chairman's Report: Chairman Wardle gave the following report.

Welcome to 2016 Happy New Year. We look forward to a fun year on the ranch as soon as the snow melts.

B. Golf & Greens: Tallia Booker gave the following report for George Toolson.

Last May the Board of Directors approved a Golf Course Equipment Replacement Plan. Every year we put an amount in to sustain the plan. This way we do not have to ask for \$300,000 or more when a piece or several pieces of equipment need to be replaced. This also saves money over leasing the equipment, which is what we have done in the past. With that reserve account we would like to buy the following equipment this year:

- Angle Master - \$22,927.00
- True Surface Frame - \$5,880.00
- Vacu Cutter Blade - \$3,990.00
- Vacu Groomer - \$3,990.00
- Vacu Brush (soft) - \$3,145.00
- Vacu Deep Slicer - \$3,675.00 (added item)

For a total expenditure of \$45,108.00

If you add the equipment we were able to purchase last fall as part of a lease return from a different course that is a total of \$72,933.00.

The plan called for budgeted expenditures for 2016 - \$76,300.00 saving the Ranch \$3,367.00.

Every winter Kurt goes through all the retired equipment to see what can we sold to other courses for their equipment or for parts for their equipment earning us more money than if we were to sale as scrap metal. This year he has found someone to purchase 6 pieces of retired equipment.

Through the sale of this equipment Kurt has been able to bring in an additional \$6,500.00 to go in that reserve fund.

- Secretary/Treasurer Simental made a motion to approve the Long Range Golf Course Maintenance Equipment Replacement Purchases for 2016 in the amount of \$45,108.00 for the purchase of an Angle Master Grinder, Toro Frame, Vacu Cutter, Vacu Groomer, Vacu Brush, Vacu Deep Slicer. To be withdrawn for the Equipment Replacement Reserve Account.
Chairman Denney seconded the motion.
Motion passed unanimously.

C. Finance & Legal: Secretary/Treasurer Simental gave the following.

Effective March 01, 2016, The Fee for processing property ownership transfers of SVRA lots will be \$50 This policy will be valid for all properties recorded after the effective date.

A copy of the recorded deed/transfer document is to be provided to SVRA together with the current contact information of the new owners of record.

- Secretary/Treasurer made a motion to approve second reading of this policy
Vice Chairman Denney seconded the motion.
Chairman Wardle explains the problem we are having is that a lot of properties are sold on the internet and we are not sent the proper paperwork. This way the Title Companies will collect the \$50 at escrow and send to us with the information of who bought the property.
Motion passed unanimously.

D. Architectural Report: Director Christianson gave the following report.
We issued one permit for a garage. As to the Sweatt fence issue we are moving forward into court. Leaving the Sweatt's the option to get a new permit and re-due the fence properly and pay all the legal fees we have invested. We also have an issue with a shed/permit that did not get issued. We are in negotiations to get the shed attached with a new permit to meet correct standards. Also, we are starting up an Architectural Committee, now that we have an understanding of what we are enforcing. This will build a charter guidelines for future Architectural Committee to follow.

E. Utilities Report: Director Denney, gave report.
After the SVRA Board authorized expenditure of \$9,000 from the Major Maintenance fund at the November 2015 board meeting, we met with Mr. Scherbel and Forsgren and Associates to kick off the work to develop a revised map and conceptual design with cost estimate for replacement of the Brog pipeline. Surveyors from Mr. Scherbel's office went with Kurt Richmond on snowmobiles up Green Canyon in December to get survey data. A draft of the survey map for the Brog pipeline has been received.

4. General Manager's Report : Tallia Booker gave the following report.

Account Statements: All bank accounts are reconciled for the months of November & December.

Assessments:

2009 Assessment Status: 7 Lots (.3%) have not paid in full.
2010 Assessment Status: 11 Lots (.5%) have not paid in full.
2011 Assessment Status: 19 Lots (.9%) have not paid in full.
2012 Assessment Status: 27 Lots (1.34%) have not paid in full.
2013 Assessment Status: 35 Lots (1.73%) have not paid in full.
2014 Assessment Status: 44 Lots (2.18%) have not paid in full.
2015 Assessment Status: 67 Lots (3.32%) have not paid in full.
2016 Assessment Status: 140 Lots (6.94%) have paid in full.

Collections Update:

71-Assessment Accounts sent to Attorney last year.
5-Accounts could not be pursued due to conflict of interest.
(1 has been paid in full)
32-Accounts (48%) have paid in full
5-Accounts on Payment Plans

38-Accounts (54%) paid in full or on Payment Plans
29-Accounts will have defaults filed with the county, and will then start the foreclosure process.

Business Activities:

For the months of November & December, the allocations of Annual Assessments transferred from the Operations Checking account are:
The transfer for Barn/Silo Redevelopment into the Restricted Account was as follows:
2014 - \$360.00 (9 lots X \$40 for each assessment paid)
2013 - \$200.00 (5 lots x \$40 for each assessment paid)
2012 - \$220.45 (5 lots x \$44.09 for each assessment paid) Total = \$780.45

These transfers result in an account balance of \$205,703.88 including accumulated interest. The monthly transfers for the Major Maintenance Reserve Account was as follows:
2015 - \$481.36 (November - 18 lots, December - 4 lots = Total 22 Lots X \$21.88 for each assessment paid).

These transfers result in an account balance of \$11,174.00 including accumulated interest minus funds used as approved in previous Board meetings.

An overview of SVRA Financials through December finds Gross Profit at 6.9% (\$82,261.30) better than budgeted level, Expense 0.5% (\$6,975.57) below budgeted levels. The resulting Net Ordinary Income prior to Depreciation, I'm very pleased to report is: 68.4% (\$89,236.87) better than budgeted level. The YTD cash assets (12/31/15 Balance Sheet) Total \$1,464,188.11. The summary of the Financials for December YTD are available on the SVRA website.

As part of the standard yearend procedures we reconcile the bank Operating Account to the established maximum balance of \$100,000 for the next fiscal year beginning. I will review the results and recommendations made to the Board.

Snowmobiles are encouraged to utilize Aspen Hills #2-9 and the airstrip. These "preferred use areas" will be incorporated into all printed materials and will become part of the educational dialogue with all winter activity participants and re-emphasized with snowmobile permit purchases. We have sold a record 30 snowmobile permits this year. This is more than in the past 4-5 years. The Association and Town will work together to come up with a solution to some of the winter recreation complaints received.

Please stay off the groomed trails and private property. A vacant lot is private property! Ernie continues to work on the ice skating rink, but with the warmer temperatures, it is not guaranteed that we will have a rink this year.

New for 2016: During the budget process for 2016, the Board decided to provide Health Insurance contributions for the 5 year-round, full-time employees and Ben, our golf professional. This is way to ensure that we are continuing to offer a competitive salary/benefit package to our employees.

Ed Koch asks of the 5 accounts with conflict of interest with Sanderson office. What does this mean? Chairman Wardle explains our attorneys also represented them in other legal matters and would help us turn them over to someone else. We are still pursuing with these accounts.

5. Old Business:

Ed Koch stated that in the Oct/Nov 2015 Board Meeting it was mentioned that Barn/Silo exploration of the footing was step 1, to determine where so we go from there. Has this been pursued? Chairman Wardle said we contacted a construction company in Salt Lake City that did not want to do the engineering report. But wanted to charge us \$15,000 to give us a best guess estimate. We have not pursued at the point any further. We are still looking at having the foundation of the barn looked at with another engineering company. We are stepping back at this point and we will be discussing a timeline at the next workshop. Also, we are looking at what to do with the silo.

6. New Business: None stated

7. For the Good of the Order: None stated

8. Adjournment*

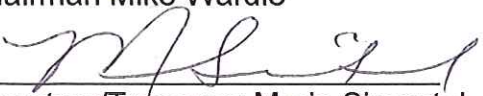
- Secretary/Treasurer Simental made a motion to adjourn.
Director Christianson seconded the motion.
Motion passed unanimously

Meeting adjourned at 7:27 p.m.

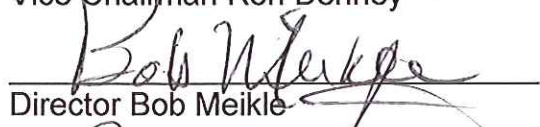


Chairman Mike Wardle

Approved via teleconference
Vice Chairman Ron Denney ¹⁰³



Secretary/Treasurer Maria Simental


Director Bob Meikle

Approved via teleconference
Director George Toolson


Director Dennis Christianson

Approved via teleconference ¹⁰³
Director Marsha Combe ₁₀₃