

Star Valley Ranch Association
Board of Directors Meeting
October 15th, 2015
7:00 p.m.
Town Hall

Mike Wardle: Chairman – Present
Ron Denney: Vice Chairman – Present
Maria Simental: Secretary/Treasurer – Present
Bob Meikle: Director – Present
George Toolson: Director - Present
Dennis Christianson: Director – Absent
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: Councilman Koch and thanked him for opening the doors.

1. Adopt Agenda:*

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

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

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

3. Approval of Minutes for September 2015 Board Meeting:*

- Director Toolson made a motion to approve the September 2015 Board Meeting Minutes as written.
Secretary/Treasurer Simental seconded the motion.
Motion passed unanimously.

Ed Koch asked what was in the September 2015 minutes because there was not a quorum so they did not have a real meeting. Director Wardle stated that they said that we could not do business.

3. Standing Committee & Special Reports:

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

Chairman Wardle let everyone know that we sold both lots that SVRA had owned. The last property was sold for \$8,000.00. With that amount we were able to pay back the taxes that we had paid of \$1635.84, and it paid off the assessments that we had missed of \$1,057.00 leaving us \$348.39 of unallocated money.

- Secretary/Treasurer Simental made a motion to move the \$348.39 into the Major Maintenance fund.
Director Toolson seconded the motion.
Motion passed unanimously.

B. Architectural Report: Director Meikle gave the following report.

There were 2 applications one was for an add-on to a home and it was approved. We had another application to attach a prefab shed that had no foundation, to an existing 2 car garage to make it a 3 car garage. It was disapproved. Today we received a new application for a new home.

C. Golf & Greens Report: Director Toolson gave the following report.

The golf course crews are winding things up for this season. Sale of the Pro shop merchandise is still ongoing. Kurt Richmond's crew continues the fall winterization of both courses. All irrigation lines have been blown out and aeration of all 27 greens is complete.

Year to date rounds thru October 13th reveal a pretty decent season at Star Valley Ranch. For 2015, we are up 1360 rounds which indicates an increase of 8.31% and an additional \$14,189 in revenue.

Representatives from the Ladies and Men's Associations will be meeting with Tallia, Ben, and me on Monday, October 19th to put the finishing touches on next years' golf events calendar.

Aspen Hills will close at the end of the day on Sunday, October 18th for the season. Cedar Creek course will close within the next couple of weeks depending on Mother Nature.

The cart path from #12 green to the #13 tee boxes is now complete and looks great.

Finally, we have several pieces of golf course maintenance equipment scheduled to be replaced in 2016, according to the Board's Equipment Replacement Plan. We are attempting to save association funds by purchasing good quality used equipment when available. Four pieces of equipment, including 2-Two-wheel drive Toro Workman's, 1-Four-wheel drive Toro Workman, and 1-Buffalo Blower are now available if we purchase before the end of the year. This equipment is available thru a "lease" return from Shooting Star Golf course in Jackson by purchasing these four pieces of equipment

now, instead of buying new in 2016, will save substantial funds. If prices don't go up in the next 6 months, the cost for these four pieces of new equipment will total \$73,600. We can purchase the same, slightly used equipment for \$27,825 . . . a savings of \$45,775.00.

- Director Toolson made a motion to purchase the listed equipment for \$27,825 using a portion of the Golf Course Maintenance Funds.
Chairman Wardle seconded the motion.

Mark Michel asked if Director Toolson had a breakdown of how much of the extra revenue was from people coming in and paying and how much was from season passes. Director Toolson said he did have that information but would have to look for it and would let him know by the end of the meeting.

Motion passed unanimously.

D. Utilities Report: Vice Chairman Denney gave the following report.

Chip sealing of the Aspen Hills parking area and the Cedar Creek pavilion parking area was completed on August 21, 2015. To date, the chip seal on the two areas appears to be functioning very well.

The Major Maintenance priority list has been posted on the SVRA web site for members to review and provide input. The chip sealing tasks are shown as complete. Placement of new concrete in front of the library doors is also complete.

Silverstar Communications has completed installation of the propane generator on their easement on the airstrip. To date, we have seen no new information on their request to install a larger internet service box in the utility easement in front of lot 17-14 which is the overflow parking area for the Cedar Creek pavilion.

We have discussed the interrupted effort in 2012 to update the SVRA water rights permits on file with the Wyoming State Water Commission with Marlowe Scherbel. Drawings for the updated permit submittal had been completed by Mr. Scherbel at significant cost to the SVRA and LVI. However, when the permit was submitted, LVI withdrew their support. Since the SVRA water rights permit documentation does need to be updated to address changes that have been made, we are going to have Mr. Scherbel provide recommendations on the permit documentation. He has been unable to develop that scope of work to date, so we are on hold. We do need to get this moving since this documentation will also be needed to support our application to the Forest Service to renew our Green Canyon usage permit which expires in 2017. One of the revisions being considered to the Green Canyon usage permit is a replacement of the Brog pipeline due to its deteriorating condition. This replacement should include an extension of this pipeline further up the canyon to improve capture of water from the Double Springs and Cascade springs. A trip was made up the canyon today by Kurt Richmond, George Toolson, and myself to examine these springs. A statement of work

is being prepared to obtain engineering services for a conceptual design document and cost estimate. The conceptual design would be needed to support both the water rights revised permit and the application for the renewed Green Canyon access permit.

Work related to the airstrip includes working to complete a drawing of the airstrip with all relevant features including fence lines and boundary markers. Kent Harker is helping with this drawing. The airstrip needs to have the fences repaired or new sections installed, so knowing where the property lines are will be essential for work on the fences. We also are aware that the Brog ditch crosses private property owned by the Thomas's and then ends on the airstrip. This ditch currently overflows onto the Thomas's property and the water eventually ends up in the Hardman ditch. We need to correct this problem.

To support the proposed remodeling of the barn, a statement of work is being prepared to obtain engineering services to evaluate the concrete substructure under the barn to determine the extent we can add weight to the barn to accommodate remodeling for additional capabilities and year-around use.

To move the DCCR compliance effort along, the SVRA board will bring the tabled green sheet forward for discussion.

- Vice Chairman Denney made the motion to have the green sheet, called Return to Original DCC&Rs, be brought to the table for discussion.
Chairman Wardle seconded the motion.
Motion passed unanimously.
- Vice Chairman Denney made the motion that the green sheet be canceled/rescinded.
Director Toolson seconded the motion.

Ron Mueller asked if this meant that we were going back to the original DCC&R's with no variances. Chairman Wardle told him that we were told by 2 lawyers that we did not have the right to grant grandfather variances. Mueller then asked if those that had built RV pads/trailer pads during the window that they were allowed were going to have to move their trailers. Chairman Wardle said that even those that built while they were allowed will be treated like everyone else, they will get the same friendly letter, and the same nasty letter. Mueller then asked what would happen if they refused to move their trailer? Chairman Wardle said that it would be a case by case basis as to who is going to have to go to prove that they deserve to have and be able to use their pad. Mueller then asked if the Board was going to be taking people to court. Chairman Wardle said that the Board with the way the Board is leaning it depends on if their neighbor complains about it or not.

Boyd Siddoway asked if it is ok to have it behind your house even if it is visible from the golf course. Secretary/Treasurer Simental stated that you can park a trailer behind your house, and have it be visible from the golf course. It just cannot be visible from the road that the house is addressed on.

Many members expressed concern about how the Board is going to proceed to go back to the original DCC&R's, and what the steps will be to make people compliant. The Board stated that they are looking for a DCC&R officer to handle the complaints but until then the Board and the General Manager will be taking care of the complaint by going out and taking a picture of the complaint. Then they will send out a friendly notice with the pictures that were taken. After 14 days they will send them the not so friendly letter, 2 weeks after that date they can send the complaint to the attorney. The Board will keep members up to date as they receive more information.

Motion passed unanimously.

E. House & Entertainment Report: Secretary/Treasurer Simental gave the following report.

Karaoke continued for 3 more weeks because of the request of the karaoke members. It was funded by extra funds that were available. The last day of karaoke will be Sunday, October 18th from 4pm to 8pm and Duffer's will also be closing at that time. Saturday, October 17th there will be a chili cook-off and the end of the year Duffer's party, everyone is welcome. There will be Santa in December and we are doing a haunted house in the Barn on Friday, October 30th and Saturday, October 31st from 7-9. We will also have Trunk-or-Treat on Saturday, October 31st starting at 6:30.

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

Account Statements: All bank accounts are reconciled for the month of September.

Assessments:

2009 Assessment Status: 8 Lots (.3%) have not paid in full.

2010 Assessment Status: 12 Lots (.5%) have not paid in full.

2011 Assessment Status: 19 Lots (.9%) have not paid in full.

2012 Assessment Status: 32 Lots (1.58%) have not paid in full.

2013 Assessment Status: 40 Lots (1.98%) have not paid in full.

2014 Assessment Status: 55 Lots (2.73%) have not paid in full.

2015 Assessment Status: 108 Lots (5.36%) have not paid in full.

Business Activities:

During the month of September, 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 - \$40.00 (1 lot X \$40 for each assessment paid)

2013 - \$40.00 (1 lot x \$40 for each assessment paid)
2012 - \$44.09 (1 lot x \$44.09 for each assessment paid) Total = \$124.09

These transfers result in an account balance of \$204,529.55 including accumulated interest.

- The monthly transfer for the Major Maintenance Reserve Account was as follows:
2015 - \$218.80 (10 lots X \$21.88 for each assessment paid)

These transfers result in an account balance of \$9,969.38 including accumulated interest minus funds used as approved in previous Board meetings. Items approved by the Board in 2016 to date are: Fountain on Aspen Hills #8, New ice machine & bottle cooler in Duffer's, Chip seal parking lots at the pool building and at the office, and the cart path on Cedar Creek #13 to be refunded by cart path budgeted dollars in 2016.

An overview of SVRA Financials through September 2015 finds Gross Profit at 6.5% better than budgeted level, Expense 2.2% above budgeted levels and Net Ordinary Income prior to Depreciation 17.9% better than budgeted level. The YTD cash assets (8/31/15 Balance Sheet) Total \$1,708,868.87

Golf: See Golf & Greens Report

Facilities: Ernie has winterized the pool and is in the process of trying to remedy the acoustic problem in the Cookshack.

The project to replace the deck and remove the two rooms below the deck is underway. Our contractor has been by to inspect the project with a licensed electrician to start disconnecting power. Demolition should begin within the next week with construction of the new deck to follow.

The concrete entrance to the library has been torn out and replaced with a new large concrete pad. Jeff Earl continues to do a fantastic job for the Association.

Aspen Hills and Duffer's final day will be Sunday, October 18th and the annual liquor sale of all remaining stock will be October 20th. Cedar Creek operating hours are Monday – Friday 9-6 and Saturday and Sunday 8-6, frost delays are to be expected. Check the weekly emails for Cedar Creek closing updates! Contact the SVRA office if you want to be included on the email list.

Budget: The 2016 budget is on schedule with the 1st draft version being provided to the Board and the Finance and Legal committee this week for their review and comments. The final Operating Budget and Capital Plan will be presented at the November BOD Meeting.

5. Old Business:

Director Meikle said that he thinks "this association is light years ahead of where it was 10 years ago. As monumental as our problems seem they are nothing compared to what our predecessors had to deal with. If you look at our homeowners association through the recession of the past 7 years we are one of the most sustainable HOAs in all of Wyoming if we do things right. Sometimes we forget to mention that we have really good financial reserves. If you take our financial reserves most HOAs don't have 1full year of assessments in reserve, we have an excess of that per lot. We are financially stable and if we can decide to work together and be more positive about the Ranch we can make this place the greatest place and best value in America."

A member asked what the latest on the Barn/Silo replacement/renovation is. Chairman Wardle told him that we are getting cost estimates on the foundation to see what we can do with the foundation whether we have to replace it or restructure it. As soon as we have that information we are going to start remodeling.

6. New Business:

None Stated

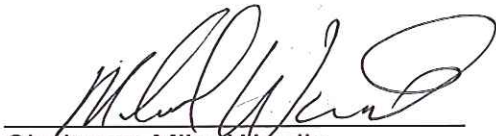
7. For the Good of the Order:

Gary Braun asked the Board to look at the bar and see if it is beneficial for us to be running the bar or if it would be better for us to contract it out. Chairman Wardle told him that we looked at contracting it out this year but we couldn't find anyone that wanted to run it so we had to do it. Tallia told him that thru September we are \$10,000.00 ahead in the bar.


8. Adjournment:*

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

Meeting adjourned at 8:18 p.m.


Chairman Mike Wardle


Vice Chairman Ron Denney


Secretary/Treasurer Maria Simental


Director Bob Meikle


Approved via teleconference
Director George Toolson


Director Dennis Christianson


Approved via teleconference
Director Marsha Combe