

Star Valley Ranch Association
Board of Directors Meeting
January 18, 2018
7:00 p.m.
Town of Star Valley Ranch Town Hall

Ron Denney: Chairman - Present via teleconference
Mike Wardle: Vice Chairman - Present
Jere Kovach: Treasurer - Present via teleconference
Marsha Combe: Secretary - Present via teleconference
Bob Lujan: Director - Present via teleconference
George Toolson: Director - Present via teleconference
Donna Thompson: Director - Present via teleconference

Call to order: Vice Chairman Wardle called the meeting to order at 7:00 p.m. and called for the Pledge of Allegiance.

Vice Chairman Wardle recognized special guest, ex-Mayor Siddoway.

1. Adopt Agenda:*

- Chairman Denney made a motion to adopt the agenda.
Director Toolson seconded the motion.
Motion passed unanimously.

2. Approval of Minutes for November 2017 Board Meeting.*

- Treasurer Kovach made a motion to approve the November 2017 Board of Directors Meeting Minutes as written.
Secretary Combe seconded the motion.
Motion passed unanimously.

3. Standing Committee & Special Reports:

A. Legal & Finance Committee Reports

Removal of Recreational Vehicle Parking - Policy*

This is the policy that became obsolete with the Supreme Court rules that we were out of compliance in our DCC&R's.



OPERATING POLICY

| | |
|--|--------------|
| POLICY TITLE: RECREATIONAL VEHICLE PARKING | |
| SECTION OPERATIONS POLICIES FOR NUMBER 132 DATE 18/20/11 | |
| REPLACES POLICY NUMBER: | TITLE: |
| DATE: | |
| DATE: | |
| CROSS REFERENCES: | |
| APPROVED: | |
| GENERAL MANAGER | DATE 8/20/11 |
| SVR CHAIRPERSON | DATE 8/20/11 |

The purpose of the recreational vehicle parking policy is to clarify details on Article 7 Section 9 of the OCC&Rs. It ensures recreational vehicles, motor homes, camp trailers, utility trailer, motorcycles, all-terrain vehicles, boats, personal watercraft, and snowmobiles are parked in designated areas and not scattered across any lot.

Recreational vehicles that are operational and/or current on registration requirements may be parked or stored in one or more of the following ways:

1. Inside an attached and/or detached garage.
2. Inside an auxiliary building with a minimum square footage of 120 sq. ft. and door sizes no larger than 6' wide by 7' high.
3. Small trailers or recreational type devices inside a 6' limited area privacy fence.
4. On a single space up to 40x13 on each lot where a residence exists. (See details below.)

Recreational vehicles that cannot be accommodated above should be removed from the property and stored elsewhere.

The single space for recreational vehicles may only be on a lot where a residence exists. This space shall be a graveled or paved area up to 40' x 13' within the setback lines and situated beside or behind an existing structure. Lots adjacent to the golf course may not locate the RV space broadside to the fairway, but may park so that the front or rear is visible alongside an existing building. Parking on vacant lots is prohibited.

Recreational vehicles may not be parked on the roadway or front yard at any time. However, they may be parked in the driveway for loading, unloading, temporary

cleaning or visits not to exceed 72 hours. Recreational vehicles may never serve as a permanent seasonal dwellings.

Homesite Variance to 2012: While this policy is written to address all situations, it is recognized that there may be circumstances beyond the owner's control that may need review as a potential variance. See the SVRA Variance Policy attached and on the website.

New Construction: In order to ensure that new residences can accommodate a space for recreational vehicles beside a structure and within the lot line, a 40x13 space must be designated on the lot maps presented to the Architecture Committee for approval.

- Treasurer Kovach made a motion to remove the Recreational Vehicle Parking Policy from our policy book. Chairman Denney seconded the motion.

Member John Moore asked, "What does this mean?"

Vice Chairman Wardle explained that we are removing the policy that was put into place when we thought the new DCC&R's were going to be adopted. This policy just gave specifics on where a recreational vehicle could be parked size of the pad that could be installed. By removing this policy, we are not conflicting with the DCC&R's. Member John Moore asked how that is going to affect the people with RV's?

Vice Chairman Wardle explained that this does not change how the DCC&R's apply. It only makes our policy match DCC&R's.

Motion passed unanimously.

► Approval of Contra-Asset - Policy*

Treasurer Kovach stated that essentially what this does is it allows so we don't continually think that we are going to collect an assessment with a number of years

into delinquents. Each year, after the first year it's delinquent, we go up by 25% so at the end of four years it's essentially written off of accounts receivable.



OPERATING POLICY

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|---|---|
| POLICY TITLE: CONTRA-ASSET ACCOUNT POLICY -ASSESSMENTS | |
| SECTION/FISCAL MANAGEMENT | NUMBER 3.1.1 DATE 1/18/2018 |
| REPLACE S POLICY NUMBER: 3.1 | TITLE: CONTR A-ASSET ACCOUNT POLICY-ASSESSMENTS |
| DATE ADOPTED: 7/14/2011 | |
| DATE REVISED: 1/18/2018 | |
| CROSS REFERENCES: | |
| APPROVED: | 1/18/2018 |
| GENERALMANAGER | DATE |
| | 1/18/2018 |
| SVRACHAIRPERSON | DATE |

The following schedule will be used in a contra-asset account, caned allowance for doubtful accounts, to offset delinquent assessments shown in accounts receivable:

| <u>Years Past Due</u> | <u>Estimated Uncollectible %</u> |
|-----------------------|----------------------------------|
| One | 25% |
| Two | 50% |
| Three | 75% |
| Four | 100% |

An assessment is a year past due on June 30th of the year following the assessment year

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- Treasurer Kovach made a motion to approve this policy that replaces 3.1. Chairman Denney seconded the motion. Motion passed unanimously.

Member Boyd asked does this allow the Board and the Association Office staff any leeway to not go after them as vigorously like we have in the past.

General Manager Tallia Booker stated no, this does not affect our collections procedures.

► **Approval of Convenience Fee - Policy***

Treasurer Kovach stated this is just covering some of the cost that's involved in processing credit cards when we don't have the card in hand. We're essentially trying to promote the idea to have people pay in person or personally mail a check.



OPERATING POLICY

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|--------------------------------------|--------------------------|--------------------|-------------|
| POLICY TITLE: CONVENIENCE FEE | | | |
| SECTION | FISCAL MANAGEMENT | NUMBER, 3.8 | DATE |
| REPLACES POLICY NUMBER: | TITLE: CONVENIENCE FEE | | |
| DATE ADOPTED: 1/18/2018 | | | |
| DATE REVISED: | | | |
| CROSS REFERENCES: | | | |
| APPROVED: | | | |
| GENERAL MANAGER | | DATE | |
| SVRA CHAIRPERSON | | DATE | |

Effective January 19, 2018, the processing of any payment over the phone will result in an additional convenience fee of \$15.00.

The convenience fee will not apply to payments made in person, or personal/certified checks sent in the mail.

- Treasurer Kovach made a motion to move we approve this policy. Chairman Denney seconded the motion. Motion passed unanimously.

► Approval of Vision Statement - Policy*



OPERATING POLICY

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|-------------------------------------|------------------------------|
| POLICY TITLE: SVRA VISION STATEMENT | |
| SECTIONS | SVRA ORIGIN AND PURPOSE |
| NUMBER | DATE |
| 1 | 1/18/18 |
| REPLACES POLICY NUMBER: | TITLE: SVRA VISION STATEMENT |
| DATE ADOPTED: | |
| DATE REVISED: | |
| CROSS REFERENCES: | |
| APPROVED : | |
| | 1/18/2018 |
| GENERAL MANAGER | DATE |
| | 1/18/2018 |
| SVRACHAIRPERSON | DATE |

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 DCC&Rs.

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- Treasurer Kovach made a motion to move that we approve this policy as read.
Director Toolson seconded the motion.
Motion passed unanimously.

► Approval of Variances to Policy - Policy*



OPERATING POLICY

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|--|----------------------------|
| POLICY TITLE: VARIANCES TO POLICY | |
| SECTION | THE SVRA BOARD |
| NUMBER | 2.8.1 |
| DATE | 11/18/2018 |
| REPLACES POLICY NUMBER: 2.8 | TITLE: VARIANCES TO POLICY |
| DATE ADOPTED: 8/20/2011 | |
| DATE REVISED: 1/18/2018 | |
| CROSS REFERENCES: | |
| APPROVED: | 1/18/2018 |
| GENERAL MANAGER | DATE |
| | 1/18/2018 |
| SVRA CHAIRPERSON | DATE |

- Not Injurious to the neighborhood. The granting of the variance will not be injurious to the neighborhood surrounding the land where the variance is requested and is otherwise not detrimental to the public welfare.
- Harmonious with policy. The granting of the variance is consistent with the general purpose and intent of the policy concerned.

All decisions will be based on the information supplied by the applicant and will be at the discretion of the Board of Directors. All variances will be approved by the SVRA Board of Directors. The applicant will be informed of the date and time of Board meeting in advance in which the variance will be discussed with the SVRA Board and the applicant may attend said meeting if they so desire.

The SVRA Board of Directors may consider variances to the policies that they administer, however, the variances must conform to all of the conditions described below. The person requesting the variance will be responsible for submitting their variance request by providing the Board of Directors, in writing, the name of the person(s) requesting the variance, the date of the request, the address of the lot and the lot and plat number along with the responses to the following conditions:

- Special conditions and/or circumstances exist. If there are special conditions or circumstances that are peculiar to the land or building or other condition for which a variance is sought that does not apply generally to land, buildings or other condition in the neighborhood.
- Not a result of the applicant. The special circumstances or conditions have not resulted from any act of the applicant that was intended to circumvent the Policies of the Board of Directors for the Star Valley Ranch Association.
- Strict application is unreasonable. The special circumstances or conditions are such that strict application of the policy would either deprive the applicant of reasonable use of the land or building or create a hardship on the applicant far greater than the protection afforded to the community by the policy sought to be varied.
- Minimum variance. The variance requested is the minimum necessary to make possible the reasonable use of the land or building.

- Treasurer Kovach made a motion to approve this policy. Chairman Denney seconded the motion. Motion passed unanimously.

► Approval to Begin Foreclosure Procedures on 12 Properties with Outstanding Balances.*

What we have here is a situation when people go many years without paying their assessments; the Board has the right to foreclose on the property.

- I move that the Board approves the start of the foreclosure process on twelve properties currently in significant arrears. Secretary Combe seconded the motion.

They will have the option to come in and pay their assessment. Otherwise, after some time, the court will foreclose on that property. And we will have the option to sell the lots and collect our assessments that way. The object of the whole thing is that those who do pay their assessment shouldn't have to be responsible for those who don't pay their assessment.

The motion passed unanimously.

Vice Chairman Wardle stated this is something that we've done before. It's 11 vacant lots and one lot with a home on it.

General Manager Booker stated they total over \$50,000 dollars owed to us.

Member Boyd Siddoway asked are there only 12 lots that owe many years' worth of assessments.

General Manager Booker stated that there are more.

Member Boyd Siddoway asked why you don't go after the others.

Vice Chairman Wardle stated this is basically the ones that we can get easily. We will consistently go after people, but we have to allocate funds to have a lawyer go and foreclose on them. As we can bite off more, then we will take more. Now we are looking at our overall fees for the year and this is what we can afford this year.

Member John Payne asked if they put a lien on properties.

General Manager Booker & Vice Chairman Wardle stated they already have liens on them.

General Manager Booker added at two years past due, we put a lien on their property.

► **Approval of Allocation of Funds for SVRA Construction***

Treasurer Kovach wanted to clarify that right now, most of you know we have a modular building up by the barn where the silo used to be that we only have a two year lease on that building. The Board is looking at building something to finish that project. We are taking the money that was previously allocated to the restricted capital barn and silo account, moving it to a savings so that it is accessible for this project. We're also moving some money that was in a CD to that same savings account so it's accessible. This will ensure we won't lose any money, by paying penalties if we decide to pull it out. The board will report any money that they spend on this project at every meeting.

If there are people that owe us past assessments that pay up, we are going to put that money into the savings account.

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Member Boyd Siddoway stated that he was under the impression that the members voted down any building at all.

Vice Chairman Wardle added that we have \$700,000 and change sitting in the bank. The Board's responsibility is to remodel, refurbish, and replace facilities. The silo is gone because it was an unsafe building. We are going to remodel the barn and replace the silo with the money that we have. We are doing this because that's our responsibility. The vote was a one-time special assessment to spend more money. Siddoway stated that in the DCC&Rs it states new construction requires a vote. Vice Chairman Wardle added that it is not new; we are replacing a facility that was already in place.

Some members had some concern, wondering if the board had received legal counsel?

Vice Chairman Wardle said that this is the most conservative path that our lawyers told us to follow and we will continue to keep our attorney informed of our progress. Director Toolson stated the DCC&R's Article five, Property Rights, Section one, Member's Easement Of Enjoyment, Paragraph C. The rights of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of purchasing and improving Common Areas and facilities and in aid thereof to mortgage or otherwise encumber said property.

Article 6, Covenants for Maintenance Assessments; Section Two, Purpose of Assessments. The assessments levied by the association shall be used exclusively for the purpose of promoting recreation, health, safety, and welfare of the Members of the Association. And in particular, improvement and maintenance of the services, and facilities devoted to this purpose and related to use and enjoyment of the Common Area.

Director Thompson shared her thoughts about how we already had a facility there. As the Board, we are just trying to do the right thing. She encouraged everyone to keep a positive attitude about this project.

- Treasurer Kovach made a motion to move that we eliminate the restricted capital account by moving the funds in it over to our savings account and that any future funds that would go to the restricted capital account will go into the savings account and those are the funds we use for the project we have going on as the replacement for the silo.

Director Toolson seconded the motion.
Motion passed unanimously.

B. House & Entertainment Report: Secretary Combe gave the following report:

We had Santa on the Ranch on December 9th. There were about 75 kids that made their way to the Cedar Creek Pro Shop. Santa listened to all of their wish lists. Each child was presented with a candy filled candy cane. They had hot chocolate and it was a great event for the kids! I would like to give a special thanks to Jason Ivie for helping bring a little bit of Christmas Spirit to Star Valley Ranch's children. Thank you, to the Star Valley Ranch Association staff.

Our next event will be the Easter Egg Hunt. It will be held on March 31st at 10:00 a.m. at the Cedar Creek Park. If you'd like to volunteer to help with this or any other event, please contact Whitney at the Star Valley Ranch Association office. They could always use volunteers for everything!

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

Account Statements: All bank accounts have been reconciled for November and December without discrepancy.

Assessments:

2009 Lawsuit through 2016: 47 Lots unpaid (2.33%).

2017 Assessment Status: 1938 Lots (96.13%) paid in full.

2018 Assessment Status: 89 Lots (4.41%) paid in full.

Assessment collections with our attorney began in September 2017. The attorney sent out a total of 62 notices. Since his letter 6 properties have started payment plans, 14 properties have paid in full, and 1 property has filed bankruptcy. We have now placed legal complaints on each of the 41 remaining properties.

Business Activities: The monthly transfers for the allocations of Annual Assessments transferred from the Operations Checking account in November and December are:

- The monthly transfers for the Restricted Capital account in November and December are:
2012 - \$44.09 (1 lot x \$44.09 for each assessment paid)
2013 - \$40.00 (1 lot x \$40.00 for each assessment paid)
2014 - \$0.00 (0 lots x \$40.00 for each assessment paid) Total= \$84.09

The account balance as of 12/31/2017 is \$103,810.28 which includes accumulated interest, minus any approved expenses.

- The monthly transfers for the Major Maintenance Reserve Account in November and December are:
2015 - \$43.76 (2 lots X \$21.88 for each assessment paid)

2016 - \$25.28 (2 lots x \$12.64 for each assessment paid)
2017 - \$69.66 (18 Lots x \$3.87 for each assessment paid) Total= \$138.70

The account balance as of 12/31/2017 is \$14,839.23 which includes accumulated interest minus any approved expenses.

The monthly transfers for the Future Account in November and December are:
2017 - \$1,720.00 (43 Lots x \$40.00 for each assessment paid) Total= \$1,720.00

The account balance as of 12/31/2017 is \$25,546.23 which includes accumulated interest minus any approved expenses.

An overview of SVRA Financials finds the 2017 year-end Gross Profit above budgeted levels (2.9%) and Total Expense slightly above budgeted levels (.9%) resulting in year-to-date Net ordinary income prior to depreciation at 115.6% of budgeted levels. The YTD cash assets (12/31/2017 Balance Sheet) Total \$1,344,003.23. The summary of the financials are, as always, available on the SVRA website.

Assessments:

The assessment invoice and Annual Newsletter mailing was completed on January 2nd. If you have not received your package please call the office and ensure that we have your current, correct mailing address.

As a friendly reminder the Board of Directors set the 2018 assessment at \$366.80. Assessments are to be considered delinquent as of February 28, 2018 and if not paid by March 31, 2018 interest on the unpaid balance will be accrued effective March 1, 2018.

We have implemented an online payment portal Click Pay. To date we have received 59 paid in full payments and 25 of those payments were through Click Pay. Click Pay charges 3.5% for credit card and debit payments and only \$2.95 for each ACH (pay by check).

DCC&R Compliance:

This month we have 2 active DCC&R Complaints. One property we are waiting on the court to rule on a default judgment on them, the second complaint just came in and we have sent out the friendly reminder (1st notice).

Winter 2017-18:

All winter activity information has been incorporated into a brochure. This brochure has become part of the educational dialogue with all winter activity participants and re-emphasized with snowmobile permit purchases.

For the winter of 2017-18 we will continue to groom 18 holes at Cedar Creek for snow shoeing and cross-country skiing. We will also groom Aspen Hills #1 for sledding. Grooming will only be done as weather and staffing allows. There will be no set schedule for grooming.

Snowmobiles are on both courses as always, but will be encouraged to refrain from driving on the groomed trails, with the exception of directly crossing a trail. Snowmobile permits are available at the SVRA office, during normal business hours.

- 5. **Old Business:** None stated
- 7. **New Business:** None stated
- 8. **For the Good of the Order:** None Stated
- 9. **Adjournment***
 - Director Toolson made a motion to adjourn.
Chairman Denney seconded the motion.
Motion passed unanimously at 7:50 p.m.

Approved Via Teleconference
Chairman Ron Denney

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Secretary Marsha Combe

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