

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

February 16, 2008

Present: Joe Angelovic, Chairman
Larry Watt, Vice-Chairman
Carl Brown, Secretary
Kathy Dietz, Director (Present by Phone)
Jan Jonson, Director
David Ward, Director (Present by Phone)
Bruce Bates, General Manager
Heather Bigelow, Office Manager

The regular meeting of the Star Valley Ranch Association's Board of Directors was held February 16, 2008 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.

Chairman Watt moved to adopt the agenda as amended. Adding, approve the capital budget under A. of old business, also hiring of a new CPA under D. of New Business and under E. of New Business is to complete the water transfer documents. Director Brown seconded the motion. The motion was unanimously adopted.

Approve Minutes: Director Jonson moved to approve the minutes of the January 19, 2008 meeting as written. Director Brown seconded the motion. The motion was unanimously adopted.

Standing and Special Committee Reports:

Chairman's Report: Chairman Angelovic indicated there was not a lot to report. One thing he wanted to stress however is that, while input from the audience at the meetings is appreciated there is a parliamentary procedure to follow. He asked that speakers please constrain their comments to the agenda item on the table and to please remember that, if you are told you are out of order, it is not a personal attack.

He congratulated the Board for hiring Bruce Bates the new General Manager. Bruce has proven to be a progressive thinker and has demonstrated the type of personnel skills needed in his position.

Legal and Finance: The major item of discussion for this committee has been the hiring of the Association's golf pro. New information has come to light that the board had been unaware of

previously. After a rigorous analysis the Board decided to not go with a contract for but rather to look into the possibility of having the Association employ the golf pro. The Board believes this would be a win/win situation.

Golf: No Report was given.

Green: No report was given.

House and Entertainment Committee: Halina Bukowinski sent in the following report:

Serving as a co-chair of the House and Entertainment Committee this past year has been a real privilege. Despite the challenges we faced due to the loss of Ethel McCormick, who for many years has led the committee selflessly and enthusiastically, and whom we miss greatly the House and Entertainment committee once again fulfilled it's mission by organizing numerous activities and providing great entertainment to SVRA members throughout the year.

The first event to kick off the summer season was a "Welcome Back" potluck dinner held in May and hosted by J.C. Colley and Dee Holley. It is one of the yearly events and we are pleased to announce that the tradition will continue with the welcoming potluck dinner scheduled for May 17, 2008.

The "Ladies Spring Luncheon", a welcoming program for all the new ladies on the Ranch and one that all the ladies look forward to every spring, was one of the best we have had. Shauna Crittenden outdid herself and, with the help of many volunteers, have us a "Second Hand Rose

Long Range Planning Committee: No report.

Utilities Committee: Nothing to report

Architectural Control Committee: Elmer Beck gives the following report:

We have no new starts this year. The total of new homes is 932.

FISC III: Director Jonson gave the following report:

Last month it was reported that we had 560 consent to sell forms turned in. This month the total of forms was reduced to 540 due to a miscount at the office. The consent to sell forms went out in the association's annual newsletter and also in the Towns Newsletter. By the end of March we would like to send out another letter asking people to sign.

General Manager's Report: Bruce Bates, General Manager gave the following report:

Financials: Informed the board and membership that our computer system was down at the time, preventing the issuance of the monthly balance sheet, however the information would be available by the following Monday. Reported on the current delinquencies of assessment fees.

Golf Professional Contract: Reported on the conversion of the Golf Pro Contract to an employment position for 2008. This transition would allow SVRA to regain control

over the Pro Shops, tournaments, cart sales and servicing, as well as employee hours on the courses. This gives us the opportunity to track expenses and project future earnings more precisely.

DCCR Enforcement: I informed the membership of the current disposition of non-compliant members. I stated that we would be working with those that could not conform because of hardship, weather or other factors. The Mayor indicated that the town would be willing to help dig out trailers in extreme cases.

Up coming events: I informed the membership of events and programs that Staff, along with the various committees, would like to produce in the coming year. Movie nights, cook-offs, treasure hunts, midnight golf programs, etc.

	<u>Jan 31, 08</u>	<u>Dec 31, 07</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
1000 · Wells Fargo Operating Account	21,763.03	1,408.07	20,354.96	1,445.59%
1002 · Wells Fargo Reserve Account	53,213.39	95,285.11	-42,071.72	-44.15%
1003 · PayPal Account	-91.49	-91.49	0.00	0.0%
1004 · Petty Cash	294.21	407.09	-112.88	-27.73%
1007 · Bank of Star Valley Savings	3,331.20	3,323.31	7.89	0.24%
1008 · Bank of Star Valley Checking	2,294.85	2,028.25	266.60	13.14%
1009 · Bank of SV Short Term CD	156,868.19	154,817.43	2,050.76	1.33%
1014 · Tennis Court Cash Reserve Fund	12,692.19	12,692.19	0.00	0.0%
1070 · Long-Term CD Bank of SV	404,284.93	400,000.00	4,284.93	1.07%
1074 · Short Term Reserve Investment	286,804.28	286,393.45	410.83	0.14%
Total Checking/Savings	941,454.78	956,263.41	-14,808.63	-1.55%
Accounts Receivable				
1015 · Accounts Receivable	695,593.91	11,552.73	684,041.18	5,921.04%
Total Accounts Receivable	695,593.91	11,552.73	684,041.18	5,921.04%
Other Current Assets				
Other Current Assets	71,724.41	72,979.61	-1,255.20	-1.72%
Total Other Current Assets	71,724.41	72,979.61	-1,255.20	-1.72%
Total Current Assets	1,708,773.10	1,040,795.75	667,977.35	64.18%
Fixed Assets				
Fixed Assets at Cost	3,874,549.21	3,874,549.21	0.00	0.0%
1022 · Accum Deprec - Equipment	1,425,767.87	1,425,767.87	0.00	0.0%
Total Fixed Assets	2,448,781.34	2,448,781.34	0.00	0.0%
TOTAL ASSETS	4,157,554.44	3,489,577.09	667,977.35	19.14%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
1101 · Accounts Payable	-3,847.62	11,003.16	-14,850.78	-134.97%
Total Accounts Payable	-3,847.62	11,003.16	-14,850.78	-134.97%
Other Current Liabilities				

Accrued Liabilities	782,654.80	123,617.10	659,037.70	533.13%
Other Current Liability	185,258.27	192,408.27	-7,150.00	-3.72%
2100 - Payroll Liabilities	8,667.59	9,183.99	-516.40	-5.62%
Total Other Current Liabilities	976,580.66	325,209.36	651,371.30	200.29%
Total Current Liabilities	972,733.04	336,212.52	636,520.52	189.32%
Long Term Liabilities				
Notes Payable	350,769.60	350,769.60	0.00	0.0%
2119 - Long-Term Capital Lease	147,172.00	159,297.85	-12,125.85	-7.61%
Total Long Term Liabilities	497,941.60	510,067.45	-12,125.85	-2.38%
Total Liabilities	1,470,674.64	846,279.97	624,394.67	73.78%
Equity				
Net Worth	1,396,959.99	1,396,959.99	0.00	0.0%
3000 - 2000 Net profit	-2.51	-2.51	0.00	0.0%
3900 - Retained Earnings	1,246,339.64	675,302.24	571,037.40	84.56%
Net Income	43,582.68	571,037.40	527,454.72	-92.37%
Total Equity	2,686,879.80	2,643,297.12	43,582.68	1.65%
TOTAL LIABILITIES & EQUITY	4,157,554.44	3,489,577.09	667,977.35	19.14%

Old Business:

- a. **Approve 2008 Capital Budget: Chairman Brown moved to approve the 2008 capital budget. Director Jonson seconded the motion. The motion was adopted unanimously.**
- b. **Update on Policy Manual: No update was given.**

New Business:

- a. **Approve Election Procedures, Packet and Annual Report Documents for quarterly newsletter: Director Jonson moved to approve the Election Procedures, Packet and Annual Report Documents. The motion was adopted unanimously.**
- b. **Town of Star Valley Ranch proposal for a site for a mail room: Director Ward moved to grant permission to the Town of Star Valley Ranch to place a modular for a non personnel unit for mail boxes on the common property next to the maintenance building if they get enough response to warrant this. Director Jonson seconded the motion. The motion was adopted unanimously.**
- c. **Consideration of selling Lots owned by the association: Chairman Angelovic explained that the association owns 15 lots. Of these there are some sellable lots that are not used for Association purposes. The funds generated from the sale of these properties could be used to maintain the infrastructure of the Ranch. Director Watt moved to have the General**

Manager look into the feasibility of selling the lots that would be good for a single-family dwelling. Director Jonson seconded the motion. The motion was adopted unanimously.

- d. **Hiring a new CPA:** Chairman Angelovic explained that our current CPA has hired Sharon Backus our former General Manager. This would, at a minimum create an apparent conflict of interest. In a sense she would be auditing herself. Bruce Bates explained that after researching this matter he found that non profit audits are a specialty for CPAs and there are only a few around here. He had anyone that can do this type of audit make a bid. The best bid that came in was from Ruud and Company. They also guaranteed to get the audit done in two weeks. He did contact the State Board of CPA's and asked if we could continue with our current CPA. He was told there are two tests for conflict of interest. A direct conflict of interest and apparent conflict of interest. He believes this is a direct conflict of interest because Ms. Backus will be asked questions about 2007. **Director Brown moved that we resend the letter of intent to James Dubiz. Director Ward Moved to amend the motion to include due to conflict of interest. Director Jonson seconded the motion. The motion was adopted unanimously.**
- e. **Paperwork that still needs to be signed for the water transfer to the Town of Star Valley Ranch:** Chairman Angelovic explained that documents transferring water rights, easements, etc. still need to be signed. Clarence Kemp engineering for Forsgren Engineering research the records and presented us with papers that have been sent to attorney James Sanderson. Sanderson has assured us that in the near future everything will be approved and signed.

Adjourn:

Director Watt moved to adjourn the meeting. Director Brown seconded the motion. The motion was unanimously adopted. The meeting adjourned at 10:30 AM.

Joe Angelovic, Chairman

Larry Watt, Vice-Chairman

Carl Brown, Secretary-Treasurer

Kathy Dietz, Director

Jan Jonson, Director

Jack Petty, Director

Dave Ward, Director

