

Star Valley Ranch Association
Board of Directors Meeting
August 18, 2016
7:00 p.m.
Town Hall

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

Call to order: 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 Councilmen Ed Koch and Dick Johnson from The Town of Star Valley Ranch.

1. Adopt Agenda:*

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

2. Approval of Minutes for July 2016 Board Meeting:*

- Director Meikle made a motion to approve the July 2016 Board of Director Meeting Minutes as written.
Secretary Combe seconded the motion.
Motion passed unanimously.

3. Standing Committee & Special Reports:

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

We have settled the Sweatt fence lawsuit. Mr. Sweatt has agreed to bring his fence to compliance within the fence policy.

The other DCC&R violation is Mr. Ketchum on Custer Drive. He has asked for a 60 day extension to move his cars and clean up his lot. We are going to give it to him and he promises to get it done. He plans to sell his property in the spring.

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

Since the last golf & greens report, the tournaments here on the Ranch are starting to wind down. The 2016 Member/Guest Tournament is now in the books and all competitors had a great time. Participation for the tournament was down this year by approximately 30 people, and we are now looking at scenarios to build it back up to 100+ next year.

The Men & Women's Challenge was held on the 4th of August. This is the tournament between the members of the Ladies Golf Association competing against the Men's' Golf Association. It has become kind of a big deal because the winners go to eat steak and the losers eat brats. Long story short, the guys ate brats.

The annual Thayne Senior Center and Simplot tournaments were held this past Friday and Saturday and the Salt River Motors Scramble is tomorrow morning beginning at 9:00 a.m. This tournament takes place of the old "Oldsmobile Scramble & the Teton Motors Scramble". We really appreciate Salt River Motors sponsoring this tournament to keep it going.

Speaking of appreciation, The Star Valley Medical Center has selected our Cedar Creek Golf Course for the last several years to hold their annual tournament. This is a fundraiser which helps the entire Star Valley region and we appreciate the choosing us.

- Director Toolson made a motion to donate \$1,000.00 to the Star Valley Medical Center.
Chairman Wardle seconded the motion.
Motion passed unanimously.

Mr. Jim Fairchild is here to accept this check on their behalf.

Mr. Fairchild stated the Foundation Board at the hospital raises money for equipment for the hospital and at this year's tournament cleared \$15,000. There were 100 participants from Evanston, Rexburg, Jackson, Pocatello. We had the same 25 foursome's from last year. Everyone all enjoy coming here because of the great golf course and 2 good meals. A special thanks to Tallia and Ben Whalen who make it easy on us.

Director Toolson also wanted to recognize and report that the Ladies' Golf Association who hosted the Wyoming Senior Women's Golf Tournament in mid-July. This Tournament added over \$11,000 to the Star Valley Association through green fees and pro shop prize money. In addition to that, as some of you may have seen in the local newspaper, this tournament donated its net profit of \$11,650.00 to the Thayne Senior Center. Great Job Ladies!

Director Toolson gave a big thank you to Richard Endres who has been busy putting a new paint job on all of the bridges at Cedar Creek Golf Course. Volunteers make it happen!

Get out and golf....The tournaments are pretty much over. The year-to-date total rounds show that we're down from 12,567 in 2015 to 11,518 as of the 15th of this month. The good news is that the Golf Course Maintenance & Pro Shop expenses are down from last year, so we're actually ahead by approximately \$17,000 from last year at this time.

C. Architectural Report: General Manager Booker gave the following report:

Since the last meeting there has been 1 landscape, 1 detached garage and 1 new home permits approved.

D. Finance & Legal Report: Director Kovach gave the following report:

The Finance & Legal Committee has been reconstituted and the current members are Mike Blackman, Ann Earl, Bob Lujan, Bob Saunders and Jim Vandel.

The committee met on 8/9/16. We agreed to meet the second Tuesday of the month at 1:00 p m. Our September meeting will be held in the cook shack. We will meet from May through October and the other months we will communicate electronically when issues arise.

We discussed the current approach of the Board of Directors in accepting complaints on DCCR violations. We reviewed the Supreme Court ruling directing the SVRA to return to the original 11 sets of DCCRs. We concluded that if each set of DCCRs had to stand alone, then complaints should only be accepted from a lot owner covered by the same particular set of DCCRs as the potential violator. The committee voted to recommend to the board that they revise their approach to this methodology.

We discussed if there was any avenue of enforcement that was less time and resource consuming than going to district court. Some possible approaches will continue to be discussed.

We discussed which documents are in play for guiding decisions for SVRA. These include Wyoming state statutes, SVRA by-laws and DCCRs, the MOA with LVI, and SVRA board policies. We concluded that the Finance & Legal Committee might be a good initial sounding board for member issues. We could review an issue in light of the documents and forward our findings to the board. This would free up valuable board time.

A new attorney in Afton called the SVRA office to introduce himself. We have his fee schedule and will explore his potential value to SVRA as future needs for legal assistance arise.

We discussed the financial statements for July. We discussed our role in developing the annual budget for the upcoming year.

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

To follow up on the motion approved in July to proceed with actions to remodel the barn/silo facility, the SVRA Board plans to complete replacement of the roof on the barn this fall.

Based on input from a local roofing contractor, the steel roof can be replaced with replacement steel over a 5/8" wood sheathing layer.

- Vice Chairman Denney made a motion to authorize SVRA management to proceed with completion of a barn replacement statement of work on which bids from roofing contractors can be obtained, and thereon to award a contract to the best bidder for replacement of the roof this fall. This authorization is for a maximum of \$80,000.

Member Lovell Hopper had a point of order referring to the IRS rulings on Capital Improvement. He quoted several codes and rulings by the IRS. There was much discussion on the Barn roofing replacement if the Board had the ability to approve a Capital expenditure without the vote of the members.

Chairman Wardle denied Mr. Hopper's point of order.

Director Toolson seconded the motion.
Motion passed unanimously.

Further efforts on remodeling the barn/silo facility are being led by Donna Thompson, who will present her report later.

The Survey of the airstrip which was authorized in the July meeting is underway.

We are still waiting for the revised map of the SVRA irrigation water system from Surveyor Scherbel.

F. Barn & Silo Remodel Report: Treasurer Thompson gave the following report:

I was asked to take on the task of the Barn/Silo Project by the Board. This would include a basic remodel of the existing Barn, leaving the iconic structure to represent our beginnings and replacing the existing Silo with a new structure that would be capable of year round access, both for our office staff and our members. To date we have accomplished the following:

BARN REMODEL:

*1. We have requested bids for replacing the roof on the existing Barn. So far, one bid has been received for new sheeting, weather tech and new tin. We are expecting to receive at least two more bids before contracting with a company for the work to be done, which should begin in October and be completed before the REAL winter hits.

*2. A list of minimum required specifications for the remodel of the Barn has been drafted, and once the new roof is completed, we will look at tackling some of those projects. In the long run, the barn will be a summer only use building capable of hosting large meetings, parties, weddings and other functions during the summer. A service kitchen as well as two ADA equipped restrooms will be added. The existing bar

and kitchen, as well as the existing men's restroom will ultimately be removed from the barn and relocated to the new Silo building. New ADA access will be provided and there will be a connecting breezeway between the Barn and the new building.

NEW BUILDING TO REPLACE THE SILO AND ASSOCIATION OFFICES:

- *1. There has been a rough draft of a design completed for a building to replace the Silo, meeting the minimum required specifications for the project, exceeding some of those specifications in some areas. There are copies of the rough design on the table at the back of the room for those of you who are interested. Keeping in mind that they are ONLY ROUGH at this point, I am willing to listen to ideas to improve upon what we have but would encourage everyone to find the positive concepts this design has. I would also ask that anyone who knows of any Architects, Commercial Builders, HVAC, Plumbing and/or Electrical Contractors who would be willing to work with us to achieve this new building and can save us some money, be asked to contact Tallia or myself to submit their input and/or offer their services.
- *2. I requested from two Utah firms rough estimates for the new structure. Those rough and I do want to emphasize 'ROUGH' estimates average out to approximately 1.6 million. Of course, once we are able to hone in on everything, the membership will be kept informed, but we would like to see things start to happen as quickly as possible.

I think the Board is in agreement that we institute a donation campaign for those individuals, families or companies that would like to have their name associated with the new building. Details of any such campaign will be provided to the membership when we have determined the best way to approach it.

G. House and Entertainment Report: Secretary Combe gave the following report:

Since our last meeting we had a Potluck Dinner/Dance on July 30th attendance was down due to Member/Guest Tournament on the same weekend; On that same day we had a waterslide, due to bad weather attendance was down.

On August 5th we had Movie in the Park "Despicable Me" there was a great turnout with over 50 people.

On August 13th was the Community Garage Sale, 19 homes were listed on the map and 149 maps were given out.

Night Golf was on July 22nd.

Coming up events are Night Golf on August 20th and Potluck Dinner/Dance on August 27th.

H. Election Report: Secretary Combe gave the following report:

SVRA reorganization meeting was held on June 25th 4:30 p.m. at the Cookshack. In attendance were Mike Wardle, Ron Denney, George Toolson, Marsha Combe, Bob Meikle and Jere Kovach.

Chairman Wardle called the meeting to order and stated there was a quorum at 4:30 p.m. No motion can be made unless at a public meeting. The Board of Directors positions were decided unanimously.

Board of Directors Meeting

August 18, 2016

Page 5 of 7

Mike Wardle - Chairman
Ron Denney - Vice Chairman & Utilities Chairman
George Toolson – Golf & Greens Chairman
Marsha Combe – Secretary & House/Entertainment Chairman
Jere Kovach – Finance & Legal Chairman
Robert Meikle – Architectural Chairman

The July 2016 Board Meeting, the Board of Directors appointed Donna Thompson on the Board of Directors. She will hold the Treasurers position.

After the positions were decided the meeting was adjourned at 5:15 p.m.

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

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

Assessments:

2009 Lawsuit through 2015: 55 Lots unpaid (2.73%)

2016 Assessment Status: 1872 Lots (92.86%) have paid in full.

Business Activities:

For the month of July, 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:

2012 – 0.00 (0 lots x \$44.09 for each assessment paid)

2013 – 0.00 (0 lots x \$40.00 for each assessment paid)

2014 – 0.00 (0 lots x \$40.00 for each assessment paid) Total = \$0.00

These transfers result in the YTD account balance of \$206,797.50 including accumulated interest.

The monthly transfers for the Major Maintenance Reserve Account was as follows:

2015 – \$65.64 (3 lots X \$21.88 for each assessment paid)

2016 – \$316.00 (25 lots x \$12.64 for each assessment paid) Total = \$381.64

As approved at the July Board meeting \$5,860.96 was transferred from the Major Maintenance account to cover the cost of replacing the Bridge on Cedar Creek #9 and the cart path to and from the bridge.

These transfers result in the YTD account balance of \$108,784.05 including accumulated interest.

An overview of SVRA Financials finds that YTD Gross Profit slightly above budgeted levels (101.8%) and Total Expense below budgeted levels (98.5%) resulting in year-to-date Net ordinary income prior to depreciation at 105.8% of budgeted levels and 25.2% better than 2015. The YTD cash assets (7/31/16 Balance Sheet) Total \$1,860,826.74. The summary of the financials for July YTD are available on the SVRA website.

Board of Directors Meeting

August 18, 2016

Page 6 of 7

DCC&R Compliance:

Gene Root continues to take on our DCC&R Compliance responsibilities. There continues to be one property that we are working with to get them into compliance. The Board has granted them 60 days to clean up their property before being turned over to the Association's Attorney.

All other properties that we have received complaints on have come into compliance.

Great job Gene!

Budget 2017: The 2017 budget creation will commence in September; members with suggestions and budget requests are encouraged to communicate with the respective standing committee chairpersons or myself prior to 9/30/16.

Facilities: 2016 swimming lessons ended with 256 children that have learned to swim or swim better. This includes the Etna Elementary School Swim and Learn program! A special thanks to Rebecca Hutchinson & Christine Turner and staff for their diligent efforts as instructors and coordinators of this year's programs!

5. **Old Business:** None stated

6. **New Business:** None stated

7. **For the Good of the Order:**

Member Mr. Hopper stated the minutes on the website needed to be updated and the committee meeting minutes needed to be updated as well.

The Directors agreed and would be available on the website soon.

8. **Adjournment***

- Director Toolson made a motion to adjourn.
Treasurer Thompson seconded the motion
Motion passed unanimously at 7:45 p.m.



Chairman Mike Wardle



Vice Chairman Ron Denney



Treasurer Donna Thompson

Approved via teleconference

Director Bob Meikle



Director George Toolson



Secretary Marsha Combe



Director Jere Kovach