

Star Valley Ranch Association  
Board of Directors Meeting  
March 15, 2014  
9:00 a.m.  
Town Hall

Mike Blackman: Chairman  
Ron Denney: Vice Chairman, via phone  
Ann Earl: Secretary/Treasurer, via phone  
Bob Horton: Director  
Derk Izatt: Director, absent  
George Toolson: Director, via phone  
Robert Lujan: Director, via phone

**Call to order:**

Chairman Blackman called the meeting to order at 9:10 a.m., stated that there was a quorum and called for the Pledge of Allegiance.

1. **Adopt Agenda:**\* Chairman Blackman called for a motion to adopt the agenda as written.
  - Director Lujan made a motion to adopt the agenda.  
Director Toolson seconded the motion.  
Motion passed unanimously.
2. **Approval of Minutes for November 2013 Board Meeting:**\* Chairman Blackman called for a motion to approve the November '13 minutes.
  - Director Toolson made a motion to approve the November 2013 meeting minutes as written.  
Director Horton seconded the motion.  
Motion passed unanimously.

**3. Standing & Special Committee Reports:**

**A. Chairman's Report – Chairman Blackman gave the following report:**

Firstly, I would like to greet you all today for our first meeting of 2014. Secondly, I would like to apologize for any inconvenience you may have had as a result of the cancellation of the January and February meetings. The January meeting was cancelled due to our inability to have a quorum of Directors. This was caused by a myriad of problems including one of our Directors being hospitalized, one with business commitments and two traveling. The February meeting was cancelled due to an extremely light agenda and no assurance that there would be a Director available to attend the meeting in person. Hopefully, we will not have any more of these type problems.

Since our last meeting, the Board reviewed the resumes of several lawyers and has decided to enlist the services of Mr. Frank Hess of the law firm of Hess, D 'Amours & Krieger, LLC located in Jackson. We plan to use Frank's services in addition to Jim Sanderson.

Despite several different personnel changes in the Association offices, Kirk and his team have been able to continue operating relatively seamlessly. In this regard I would like to welcome Katie Putnam to our ranks.

Over the January and February time frame the board did approve the purchase of water for the fish pond on hole number 8 of the Aspen Hills Course. The water level had fallen significantly and the board approved the purchase of approximately 1.4 million gallons from the city for \$1000. This was done in an effort to save the nearly \$3000 worth of fish. Hopefully we will be able to further fill the pond as the snow begins to melt.

As to the DCC&R enforcement, we plan on enforcing the items that are common to both of the DCC&R's. Bud Hill will continue to be the point man on enforcement. We will continue using the progressive notification procedure of a friendly reminder, formal notice, and notice from the lawyer. Also, we will not be approving anymore recreational vehicle parking until the DCC&R appeal is decided. Finally, people need to be thinking about running for the Board of Directors, as we will have three spots come up for election this year.

**B. Finance and Legal Report – Vice Chairman Denney gave the following reports:**

- **Legal** – On the DCC&R's, the appeal was submitted to the Supreme Court. The plaintiffs had a chance to look at it and provided us with their response this week. We are now looking at that and will have a chance within 20 days to send any comments back.
- **Finance** – In finance area, since we are going to open the barn somewhat this summer, we have to approve a budget for Duffer's so they can hire and staff it this summer.

General Manager, Kirk Sessions gave an overview of the proposed Duffer's budget.

				Budget
			22121 · Golf Course Beer Sales	4,150.00
			Total 22100 · Golf Merchandise Income	4,150.00
			Total 22000 · GOLF OPERATIONS INCOME	4,150.00
			Pro Shop	
			60236 · Beer Purchased	2,100.00
			Net Income	\$ 2,050.00
			27000 · LOUNGE INCOME	
			27100 · Lounge Beer/Liquor Sales	
			27120 · Bar Sales	49,200.00
			27160 · Package Sales	6,050.00
			Total 27100 · Lounge Beer/Liquor Sales	55,250.00
			27600 · Snack Sales	1,280.00
			Total 27000 · LOUNGE INCOME	56,530.00
			60000 · LOUNGE EXPENSE	
			60100 · Lounge Payroll Expenses	
			60110 · Lounge Payroll	16,200.00
			60120 · Worker's Comp	324.00
			Total 60100 · Lounge Payroll Expenses	16,524.00
			60190 · Entertainment - Contracted	2,300.00
			60200 · Lounge Inventory	
			60210 · Beer Inventory Purchased	13,250.00
			60220 · Food & Soft Drinks	400.00
			60230 · Liquor/Wine/Consumables Purchas	18,700.00
			Total 60200 · Lounge Inventory	32,350.00
			60300 · Utilities - Lounge	
			60310 · Electricity	500.00
			60320 · Garbage	280.00
			60330 · Propane	0.00
			60340 · Telephone	353.00
			60350 · Water	353.00
			Total 60300 · Utilities - Lounge	1,486.00
			60400 · Licenses	800.00
			60460 · Lounge Supplies/Non-Consumable	1,125.00
			60550 · Office Supplies	150.00
			60600 · Satellite TV	700.00
			Total 60000 · LOUNGE EXPENSE	55,435.00
			Net Income	\$ 1,096.00
			66000 · Payroll Expenses - Entire Assoc	
			66100 · FICA - Entire Assoc.	1,239.30
			66200 · FUTA - Entire Assoc.	39.61
			66300 · SUTA- Entire Assoc.	912.06
			Total 66000 · Payroll Expenses - Entire Assoc	2,190.97

Chairman Blackman called for a motion to approve the Duffer's Budget as presented.

- Vice Chairman Denney made a motion to approve Duffer's Budget as presented.  
Director Lujan seconded the motion  
The motion passed unanimously.
- **Operating Account Reconciliation**  
Vice Chairman Denney, with assistance from General Manager Kirk Sessions, gave an overview of the proposed operating account reconciliation.

**2013 OPERATING ACCOUNT RECONCILIATION**

3/14/2014

ACCOUNT	OPERATING ACCOUNT ACTIVITY 2013	AMOUNT
81413	REDEVELOP BARN/SILO EXPENSES 2013	\$116,935.22
81414	GC STORAGE BUILDING EXPENSES 2013	\$55,660.40
3006	1ST BANK CD MATURED 10/11/13 - REIMBURSED OPERATING ACCOUNT	(\$147,911.70)
	<b>SUBTOTAL CAPITAL SPENT &amp; UNBUDGETED/UNFUNDED</b>	<b>\$24,683.92</b>
81415	*CC WELL PUMP & MOTOR REPLACEMENT EXPENSES	\$22,159.00
81415	*FUND PROJECT FROM OPERATING FUNDS (RECOMMENDED)	(\$22,159.00)
	<b>**TOTAL CAPITAL SPENT &amp; UNBUDGETED/UNFUNDED</b>	<b>\$24,683.92</b>
1000	OPERATING ACCOUNT AS OF 12/31/13	\$132,542.92
	ALLOWANCE FOR INCENTIVE PLAN CHANGE CARRIED TO 2014	(\$3,811.23)
	2014 OPERATING ACCOUNT STARTING ALLOWANCE	(\$100,000.00)
	<b>AVAILABLE FOR TRANSFER</b>	<b>\$28,731.69</b>
2999	** REIMBURSEMENT REQUIRED FROM RESTRICTED CAPITAL ACCOUNT TO OPERATING ACCOUNT (PROPOSE REDUCTION OF SVRAMC ACCOUNT)	\$24,683.92
2997	<b>TOTAL TRANSFER TO GCM EQUIPMENT FUND</b>	<b>\$53,415.61</b>

- Vice Chairman Denney made a motion to approve Operating Account Reconciliation.  
Director Toolson seconded the motion.  
Motion passed unanimously.

**A. Architectural Report – Director Horton gave the following report:**

- The Architectural Committee Report  
Permit Activity (1/1/2014 to 3/15/2014)  
Approved: 2  
Storage Shed/Shop 1  
Fence 1  
Disapproved: 0  
Variances: 0  
Withdrawn: 0  
In Process: 1  
Addition 1  
Upcoming: 0
- Architectural Committee monthly meeting schedule:  
Town P&Z Board Architectural Committee  
1<sup>st</sup> Wed of each month 1<sup>st</sup> Friday of each month

3<sup>rd</sup> Wed of each month      3<sup>rd</sup> Friday of each month  
Meeting will be held at 10:00 a.m. at the SVRA office.  
This meeting schedule has been setup to help reduce the permit approval process.

- Policies In Work:  
The Architectural Committee is looking for new members. Please contact me if you are interested.

**B. House and Entertainment Report** – Secretary Earl gave the following report.  
Easter – We have the Easter Egg Hunt coming up April 19<sup>th</sup>. It's going to be held at the Cedar Creek Park if there are any volunteers that would like to hide eggs let me know and we will put you to work.

**C. SVRA Barn/Silo Redevelopment & 2014 Season Operations Plan** – Director Lujan gave the following report:

- Where do we stand:

In November 2013, the Architect firm of Dubbe Moulder submitted the drawings and project manual for the new proposed Member Center. In the November 2013 Board of Directors meeting the Board reported "work on the Barn/Silo redevelopment project was being postponed pending resolution of potential legal issues".

For several months the Board had been dealing with a lawsuit regarding the new DCC&R's which were implemented January 1, 2012. In August 2013, the court ruled the new DCC&R's were invalid forcing the Association to revert back to the original sets of DCC&R's they were previously operating under. This ruling has a direct impact on how the Association might operate in the future. The ruling is currently being appealed. It was the Board's opinion; further actions on any large proposed project could potentially impact the financial security of the Association and should be held in abeyance until these issues were resolved

There has been no change in status:

Although the implantation of the project is on hold, the Board continues to work on issues pertaining to the water system and the roads surrounding the project. The Board, in conjunction with the SVRA Manager, is also working on a plan which will allow for the usage of the Barn, Bar and Pro Shop for the upcoming 2014 summer season. This will involve restocking the pro shop, providing electrical fixtures and enclosing the bar to meet liquor law requirements. This concludes my report.

**F. Election 2014** – Chairman Blackman gave the following report:

The time frame for the 2014 election of Board of Directors is rapidly approaching. In order to be prepared for this the Board has taken two major actions. The first is the review and of the Policy for the Annual Membership Meeting Voting Procedures. There were several changes to correct some spelling problems and english mistakes.

There were some changes to make the process less onerous on the Election Chair. One section was eliminated to remove a reference to the way Leisure Valley, Inc. will cast its votes since they now hold a minor amount of lots. The biggest change is a result of the tie last year for one of the open positions. Our attorney has prepared verbiage that will now provide for the resolution of another tie. In the absence of any objections, I will proceed through the new policy and only pause at the changes to high light the change and not read the entire policy.

Chairman Blackman gave an overview of the changes in the Annual Membership Voting Procedures, the changes are highlighted below.



# OPERATING POLICY

<b>POLICY TITLE: Annual Membership Meeting Voting Procedures</b>					
<b>SECTION</b>	<b>The Board of Directors</b>	<b>NUMBER</b>	<b>2.1</b>	<b>DATE</b>	<b>9/5/13</b>
REPLACES POLICY NUMBER: 2.5		TITLE: Annual Membership Meeting Voting Procedures			
DATE ADOPTED: 1994					
DATE REVISED: 2/21/04; 2006					
CROSS REFERENCES:					
APPROVED:					
GENERAL MANAGER				DATE	
SVRA CHAIRPERSON				DATE	

**Section 1. DEFINITIONS - The following definitions of titles and terms will help the reader understand the procedures and regulations contained herein.**

- (a) SECRETARY - Refers to the director of the Association who is serving as Secretary of the Board of Directors during the current year the Annual Membership Meeting is held.
- (b) DIRECTOR - Refers to any member of the Board of Directors of the Association.
- (c) GENERAL MANAGER – Refers to the person currently employed by the Association in the capacity of General Manager.
- (c) OFFICE STAFF - Refers to the person(s) currently employed by the Association presently working in the SVRA office.
- (d) ELECTION COMMITTEE CHAIRPERSON - Refers to the person nominated by the Secretary, and approved by the Board of Directors, to serve as the authority over the election and the Election Committee.
- (e) MEMBERS ELIGIBLE TO VOTE - Members who have no outstanding assessment delinquencies, excluding interest or collection fees, or citations outstanding with the Association.
- (f) ABSENTEE MEMBERS - Those members who are not in attendance at the Meeting.
- (g) PROXY - Assignment of a member's legal voting right to another member.

(h) MEETING - Refers to the Annual Membership Meeting held on the fourth Saturday in June for the purpose of conducting the business of the Association including the Annual Election of Directors, or any Special Meeting of the Members.

## Section 2. PREPARATION FOR VOTING

(a) To facilitate the orderly conduct of business at the Meeting, motions regarding new business will not be accepted from the floor. All motions and amendments with regard to new business must be submitted in writing to the Secretary for consideration by the Board of Directors at least ninety (90) days prior to the Meeting. The Board will then review all such motions as outlined in (b) below, prepare the agenda to consider the motions, and designate the time allowed for discussion on the motions. The motions will then be placed on an official ballot and be included in the election packet.

(b) A motion, submitted for the Annual Meeting Agenda is first considered by the Board. If the Board supports the motion, then the motion will be presented to the membership at the expense of the Association. If the motion, in the opinion of the Board, is an issue that should be decided by the membership, without Board support or opposition, then the motion will be presented to the membership by the Association, but at the expense of the member submitter. A motion which, in the opinion of the Board, is not in the best interest of the membership can be dismissed by vote of the Board.

(c) On the day of the Annual Meeting no demonstrations, literature, flyers, and/or other forms of information shall be distributed on, in, or around the Silo-Barn complex which would in any way influence the voting for directorships and/or motions to be considered at the Meeting.

(d) Upon registration at the Annual Meeting, each member's voting status shall be determined by the Secretary and verified by a staff member. Each member who is qualified to vote on motions at the Meeting shall be given a printed ballot listing, in numerical order, all the motions to be voted upon. Ballots will be distributed to the members by U.S. Mail along with the notice of Annual Meeting. The Election Committee will insure that only one ballot is marked for voting purposes. The ballots of all members who own multiple lots ~~on the~~ in Star Valley Ranch and all agents with multiple proxies will be marked to indicate the total number of votes to be cast by that ballot.

## Section 3. VOTING

(a) Each motion brought to the floor for voting by the members at the Meeting shall be presented to the members by printed ballot, and shall be voted on individually, in the procedure set forth below:

The Director conducting the Meeting shall read the first motion on the ballot for consideration by the members and ask that it be moved and seconded by the membership. Upon being seconded, he/she shall then ask for discussion on the motion. Any proposed amendment to the motion being considered must have been submitted in accordance with the procedure as detailed above in preparation for voting. Upon completion of the discussion he/she shall then advise the members to vote their approval or disapproval of the motion by marking their printed ballot accordingly.

The Director shall then follow this procedure in turn for each of the motions presented. Upon completion of the discussion on all motions, the members will be reminded by the Director that they must mark their ballots and deposit them in the sealed ballot boxes for counting and tabulation by the Election Committee.

The polls will be open for thirty (30) minutes following the adjournment of the Meeting for members to cast their ballots.

(b) The Director shall then introduce each nominee/candidate for election to the Board of Directors. After such introductions, the Director will then move on to any other business before the meeting.

c) The counting and tabulation of the votes shall be done in conjunction with and in accordance with the procedures as detailed in Section 10 below.

(d) The Election Committee Chairperson shall report the results of the voting to the Corporate Secretary, who will post the same on the bulletin board in the hall where the Meeting is held. This shall be done as soon as the results are verified by the Election Committee.

#### **Section 4. ELECTION COMMITTEE**

The Election Committee Chairperson and other members of the Committee shall be approved by the Board of Directors and shall be assisted by the General-Manager office staff. The Election Committee Chairperson shall appoint a Vice-Chair and Committee Secretary who, together with the Election Committee Chairperson, shall constitute an Election Executive Committee. The Board Secretary shall be an ex-officio member of the Committee. A minimum of fifteen (15) Committee members, in addition to the Chairperson, is normally required; however, such number may be reduced or enlarged by the Board of Directors. The Attorney for the Association may be present, or available by telephone, under the direction of the Secretary, at the election and ballot counting to render any legal opinions requested of the Election Committee Chairperson on the conduct of the election. The Attorney for the Association shall rule on questions raised.

#### **Section 5. ELECTION CALENDAR**

At least ninety (90) days prior to the Meeting, the Secretary and the General-Manager-office staff shall provide the Board of Directors with an election calendar. The calendar shall include dates for the current year which will guide the election as required by the By-Laws.

#### **Section 6. CANDIDATE PACKET**

Each year, the Secretary shall develop a packet for all candidates that shall be distributed to them at the time they request their nomination petition or no later than sixty (60) days prior to the meeting. The packet shall include the following information:

The current Annual Membership Meeting Voting Procedures, a Nominating Petition, an Official Proxy, a current year Election Calendar, and a letter from the Secretary outlining important dates, and what position(s) will be open for the election.

#### **Section 7. NOTICE OF MEETING**

Official notification of the Meeting for the purpose of electing Directors, voting on motions brought before the membership, and delivery of an election packet shall be made by the Star Valley Ranch Association



Administrative Office under the direction of the General Manager ~~under the direction of the Corporate Secretary~~. The Notice shall be dispatched to reach the membership at least twenty-five (25) days prior to the Meeting. The Notice and election packet shall include; The Association Annual Report, presentations by the candidates for Director, ~~the candidate's recent picture if available~~, a recent picture of each candidate if available, a printed Ballot, a printed Secretary Proxy Statement, ~~instructions on voting procedures~~, a Ballot Envelope and a Return Envelope.

### Section 8. NOMINATION OF CANDIDATES FOR DIRECTOR

Candidates for Director shall be nominated by a petition on which the signatures of at least ten (10) Star Valley Ranch Association Members in good standing shall appear. For nominations to be presented and placed on the printed ballot, the petition must have been submitted to the General Manager office staff at least sixty (60) days prior to the Meeting. Nominations shall also be accepted from the floor by petition with the required signatures thereon at the Meeting by proper nomination, i.e., nomination to be supported by at least ten (10) members in good standing.

### Section 9. PRE-ELECTION DAY PROCEDURES

(a) Proxies and/or absentee Ballots that are received prior to the Meeting by the Secretary shall be verified against the Association records. The verification process shall be conducted by the Secretary (or a director(s) designated by the Board of Directors) and the Election Committee Chairperson assisted by the office staff.

(b) The voter registration shall be audited against the accounting records to verify voting eligibility of all members ~~as soon as practicable after June 15~~ on June 15<sup>th</sup> or the first business day thereafter.

(c) The number of Leisure Valley, Inc. owned lots, as of June 15<sup>th</sup>, which are to be voted at the Meeting shall be verified by lot and plat number against the Association and Lincoln County records at least three (3) days prior to the election.

(d) The Secretary shall develop a standard Member Proxy that will be recommended for use by all agents. All proxies must be both signed and dated to be valid.

(e) Absentee members may present their proxies to the Secretary by signing and dating the Secretary Proxy Statement on the outside of the return envelope provided in the voting packets distributed to the membership by U.S. Mail. A signature and a date are required for the Secretary Proxy Statement to be valid. For ballots to be secret, they must be sealed in the ballot envelope(s) with no identification thereon. The basic purpose of such a procedure is to insure that the Secretary Proxy Statement and the Ballot are physically separated when counted. Most members choose to mark and return a sealed Ballot. Please remember, no more than one Ballot per envelope.

(f) All Secretary Proxy Statements received by the Secretary are eligible for use in voting on motions presented on the Ballot providing they have been empowered by the member to do so and if they have been duly signed and dated.

(g) To have the Secretary cast the members' Ballots as the members choose, the members must correctly place their marked Ballot(s) in the ballot envelope(s), seal, place in the return envelope, sign and date their Secretary Proxy Statement, and mail it to the Secretary. **The Secretary Proxy Statement on the**

**return envelope must be signed and dated by the Member.** The proxy envelope shall contain notice of the requirement for signature and date.

(h) There may be a few members who will include in the return envelope a check for payment of their lot assessments. At a convenient time, soon after the election, all return envelopes must be opened and screened for checks, including those declared ineligible, and any received late, etc.

## **Section 10. ELECTION DAY PROCEDURES**

(a) The ballot box(es) will be placed by the Election Committee Chairperson near the door of the building wherein the Meeting is held. The ballot box(es) will be placed under the specific supervision of the Ballot Box Clerk, appointed by the Election Committee Chairperson. The ballot box(es) will be kept under close surveillance until the polls are declared closed.

(b) Registration shall begin one (1) hour before the Meeting, and shall be conducted as follows:

i. A master alphabetical roster of the entire membership shall be prepared to provide the name of all property owners eligible to vote, lot and plat number, whether proxy or ballot has previously been filed, and status of assessment accounts. Said roster shall be maintained and kept for ready reference by the ~~General-Manager office~~ staff election committee during the registration process.

ii. Tables will be arranged near the entrance to the polls with chairs and space for five (5) Registration Clerks and one (1) Proxy Clerk being provided.

iii. Registration forms showing plat and lot number and a space for the member's signature shall be prepared for each Registration Clerk. Casting of ballots by eligible members shall be recorded on the registration form by the Clerk at the time the ballot is deposited in the ballot box. Registration Clerks attend their respective stations until election polls are closed.

iv. A Proxy Clerk shall be responsible for all proxies which will be voted, including the number of multiple votes on one (1) ballot. The list and ballot will be given to the Proxy Clerk by the Election Committee Chairperson the morning of registration. A sign will designate the Proxy Clerk.

v. The Election Committee Chairperson shall calculate quorum requisites from registration records and deliver the results to the Director conducting the meeting. Attendance is construed to be the total of eligible members present in person, present by proxy (valid proxies held by the Secretary or other designated agents), Leisure Valley-owned lots and Association-owned lots, the total of which is divided by the total number of Star Valley Ranch Association lots eligible to vote. (This includes SVRA and LVI-owned lots). The result is the percentage of members present. **Association Bylaws state that the presence in person or by proxy of thirty percent (30%) of all members eligible to vote shall be a requisite and shall constitute a quorum.**

(c) Members attending the meeting who are entitled to vote may cast their ballots (deposit sealed ballot envelope in ballot box) at the time of initial registration, but are encouraged to vote after the Meeting. The Ballot Box Clerk shall witness the actual deposit of each ballot in the ballot box and check for the registration stamp. Unstamped ballots are invalid.

(d) Agents holding valid member proxies which grant a general or limited power to vote for election of Directors and which have been verified by the Secretary shall mark one (1) ballot with the total number of authorized votes and deposit it in the ballot box prior to the close of the polls. The Agent shall also register with the Proxy Clerk at the proxy station.

The list of proxies and marked ballots will coincide with those proxies provided to the Proxy Clerk by the Election Committee Chairperson before registration begins on Election Day. The Election Committee Chairperson will personally accompany each designated Agent to the ballot box following the marking of the ballot. Proxies which authorize the Agent to vote the ballot of the member shall be restricted to the language on the Official Proxy.

(e) The following actions authorize voting:

**Persons** – Any person listed on the deed is eligible to vote, however, each lot is entitled to only one vote. The Association will count only the first voting ballot presented by a listed owner or the last proxy presented by a listed owner.

**Trusts** – If the property is owned by a trust, the Association will treat the trustees as owners of record.

**Corporations** – All voting ballots and proxies for properties owned by a corporation must be accompanied by a Corporate Resolution detailing the one person authorized to vote or sign a proxy. No vote or proxy will be counted that is not accompanied by the Resolution.

**Partnerships, LLCs, and all other entities** – A Resolution must accompany the ballot or proxy similar to that for Corporations.

(f) The total number of authorized votes to be cast by Leisure Valley, Inc., based upon their unsold lots, shall be marked on a single ballot and provided to the Proxy Clerk by the Election Committee Chairperson before registration begins on Election Day. The single ballot will be deposited in the ballot box by their designated agent prior to the close of the polls. Casting of said ballot shall be recorded as provided in paragraph four (iv) above.

(g) Votes may be cast by the Star Valley Ranch Association based on the lots owned by it, at the discretion of the Board of Directors. One (1) ballot shall be marked with the total number of authorized votes and deposited in the ballot box by the Secretary prior to the close of the polls. Casting of said ballot shall be recorded as provided in paragraph four (iv) above.

(h) Counting and tabulation of the votes will take place as follows:

i. Thirty (30) minutes following the adjournment of the Meeting, the election polls shall be declared closed by the Secretary. The registration records, ballot boxes, and absentee ballots shall then be moved by the Election Committee to a location set by the Election Committee Chairperson where votes can be counted and tabulated without interruption.

ii. The Election Committee Chairperson shall assign three (3) Election Committee members to each of three (3) teams. One team member shall open sealed ballots and read aloud the number of votes for each candidate marked on the ballot. The second team member shall record and tabulate the number of votes cast for each candidate. A ballot shall be considered counted when the third team member concurs with the actions of the other two (2).

iii. The Election Committee Chairperson shall unseal the ballot boxes and distribute ballot envelopes to teams and the counting process shall begin.

(i) Problem areas, discrepancies, or legal issues which arise during the Election Day procedures, shall be ruled upon by the Election Executive Committee upon obtaining advice of the Star Valley Ranch Association Attorney.

(j) Upon completion of vote counting, team records shall be correlated by the Election Committee Chairperson, final results tabulated, and a written report submitted to the Chairperson of the Board of Directors so that election results may be published.

(k) In the event of a tie, the Election Executive Committee shall call a special meeting. Said meeting shall be held within thirty (30) days of the final vote count. Notice of said meeting shall be given to the candidates and Members of the Association not less than ten (10) days and not more than twenty (20) days from the day the final vote count has been taken.

(l) At said meeting, the Election Executive Committee shall resolve the tie by placing two slips of paper within a box, one slip shall have a visible mark upon the paper, the other(s) shall have no mark. The candidates who received the tie vote shall then draw a slip of paper from the box. The Chairperson of the Election Executive Committee shall take precautions so as to not allow the candidates to see which slip of paper they are drawing from the box. The candidate who draws the slip of paper that does have a mark upon it shall be declared the winner of the election.

(m) Once the Election Report has been signed, which signing shall constitute a certification by the Election Executive Committee, the election results shall be deemed official and final. Any dispute or controversy relative to the validity of proxies, ballots, absentee ballots, actions of the Board, or conduct of the Election Committee during any phase of the election or voting process, including a recount or court action, must be made in writing, setting forth all claims, to the Board of Directors, or filed with the appropriate court, within thirty (30) days from the date that the Election Executive Committee signs and certifies the election results as official and final, or forever be barred.

Chairman Blackman called for a motion to accept the Annual Membership Voting Procedures policy as written.

- Vice Chairman Denney made a motion to approve the Annual Membership Voting Procedures.  
Director Horton seconded the motion.  
Motion passed unanimously.

- **2014 Election Calendar -**

Chairman Blackman stated: The second action is to approve the calendar for the election process. This is required by the policy and By-Laws. The calendar for the election process as provided by the General Manager is shown here.

# Star Valley Ranch Association



## 2014 ELECTION CALENDAR

March 29 <sup>th</sup> (Saturday)	90 days prior to Annual Meeting Last day to accept ballot motions from members
Available April 1, 2014	Election packets are picked up at the office by the candidates.
April 28 <sup>th</sup> (Monday)	Candidates' last day to present nominating petitions, Candidate presentation and photo for inclusion in the annual packets are due and must be presented to SVRA office by this day.
May 9 <sup>th</sup> (Friday)	All election materials printed/complete
May 12 <sup>th</sup> and 13 <sup>th</sup> (Monday & Tuesday)	Election Committee will assemble packets for mailing
May 14 <sup>th</sup> (Wednesday)	Packets mailed to the members
June 14 <sup>th</sup> (Saturday)	7:00 PM: 1 <sup>st</sup> Candidates Night – 10 minutes per candidate for presentation; question and answer session
June 16 <sup>th</sup> (Monday)	Membership in good standing verified by office staff Membership roster closes
June 23 <sup>rd</sup> (Monday)	Proxies verified
June 27 <sup>th</sup> (Friday)	Set up for election 7:00 PM: 2 <sup>nd</sup> Candidates Night – 10 minutes per candidate for presentation; question and answer session
June 28 <sup>th</sup> (Saturday)	8:00 AM: Annual Meeting Polls close 30 minutes after adjournment Vote tally Re-organizational Meeting Elected and Incumbent Board of Directors

You will note that there will be two candidates nights this year. This is the result of a significant number of requests after last year's candidate's night.  
At this time I would entertain a motion to approve the calendar as shown.

- Director Lujan made a motion to approve the Election Calendar.  
Director Horton seconded the motion.  
Motion passed unanimously.

#### **4. General Managers Report – General Manager Kirk Sessions gave the following report:**

##### **Account Statements:**

All bank accounts are reconciled for the months of November, December, January and February with no variances.

##### **Assessments**

**2009 Assessment Status:** 10 Lots (.5%) have not paid in full (2 foreclosures).

**2010 Assessment Status:** 15 Lots (.7%) have not paid in full.

**2011 Assessment Status:** 22 Lots (1%) have not paid in full.

**2012 Assessment Status:** 49 Lots (2.4%) have not paid in full.

**2013 Assessment Status:** 74 Lots (3.6%) have not paid in full.

**2014 Assessment Status:** 767 Lots (38%) (Improvement over 2011-2013 for the same date). There are currently 6 foreclosures that we are aware of on the Ranch.

**Business Activities:** There have been some changes in staffing at the office over the past three months. Kathy left to be a full time Grandma; Tallia has been promoted to the Accounting position and Katie Putnam has been hired as the Member Services Coordinator. I expect these changes to support a continued high level of service provided to our members as well as accuracy in the accounting of the Association's financial transactions!

For the months of November - February, the allocations of Annual Assessment for the Barn/Silo Redevelopment were transferred from the Operations Checking account into the Restricted Capital account for the Barn/Silo Redevelopment as follows:

2012 - \$617.26 (14 lots X \$40.09 for each assessment paid)

2013 - \$1,880.00 (47 lots X \$40 for each assessment paid)

2014 - \$41,840.00 (1046 lots X \$40 for each assessment paid)

These transfers bring the account balance to \$200,822.29 including accumulated interest.

An overview of SVRA Financials for 2014 finds the YTD February Gross Profit at budgeted level, Total Expense at budgeted level, resulting in year-to-date Net Ordinary Income prior to Depreciation at budgeted level. The current cash assets (YTD February Balance Sheet) Total \$1,466,089.30. Of which \$770,810 is set aside for the SVRA Member Center.

The Annual Audit of SVRA Financials has begun with David DeCoria and Company again conducting the audit. All 2013 files have been provided to the auditor and all requested supporting documents have been pulled for his review starting Monday 3/17/2014.

**Golf Course Maintenance:** At last check there was still 3 feet of snow on the #9 green at Cedar Creek, however that will diminish soon with the warmer weather and a little help from some black sand. Kurt is prepping equipment and readying supplies for the coming season. Kurt is also busy with personnel training for the positions, Irrigation Tech and Mechanic, which were vacated this winter.

**Facilities:** Spring weather conditions are creating difficulties in getting the trails groomed due to soft snow and the equipment sinking and the hard morning crust which cannot be groomed. We are committed to continue grooming as long as weather conditions will allow. You may check with the office for current trail conditions. The Library entrance was destroyed by the ice sliding from the main building roof which required complete removal for safety reasons. This spring we will assess a better method to provide an entryway without the conflict of snow and ice slides.

**Cedar Creek Grill:** The grill is now open again with Haley Shervin as the independent operator. The hours of operation are Thursday – Saturday 11-8, Sunday 12-7 and closed Monday – Wednesday. These hours will change as the summer season approaches. Haley will be running some specials to encourage members to stop by, so keep an eye on your SVRA emails.

5. Old Business – None

6. New Business

Director Horton – In the past few days I have been contacted by 70+ members, and these members were from Arizona, St. George, and full-time residents here. I was contacted by telephone calls, by emails, and these people have expressed that they want to be able to vote on the new Member Center issue on the ballot this year. They want this placed on the ballot. During my campaign, and since I have been elected to this position on the Board of Directors, I have talked to several hundred people of the Association on many topics. When the topic of the new Member Center was discussed, there were members that were for the Member Center, there were members that were against the new Member Center, and members that were undecided. The one thing that all the members I talked to did want was the ability to vote on the new Member Center because it was a long-term financial obligation that the Board would be putting on the members over a long time period. Because of this I therefore move that the new Member Center project be put on the 2014 ballot for a vote of the membership.

- Director Horton made a motion to put the new Member Center up for vote on the 2014 ballot.  
Vice Chairman Denney seconded this motion.

Chairman Blackman stated: I think we would be better served to again do this at a special meeting of the Board of Directors to discuss this and have our legal representation involved. We have opinions that say we don't need that. I would be one that would like to stay with what our legal counsel says.

Director Horton stated: My opinion on that is the legal opinion is one issue, whether the Board has the right to make that decision independently of calling a 2/3rds vote for doing that. But I still think that no matter which way that goes, the members, because of the long term financial obligation have the right. The Board should hear how many of the people want this financial obligation or don't want this financial obligation so that can be weighed in the decision of what the Board does pertaining to that issue. I think that is a big issue because I would like my opinion heard on that since I am a member.

-Director Lujan stated: I agree with you, Mike, I think we need to have more discussion with Bob and the Board and postpone that. I wouldn't be in favor of voting for it at this point in time but I think it is worthy of more discussion.

Director Horton asked: Doesn't this have to be done by March 28<sup>th</sup>?

Chairman Blackman responded: Yes it does, in order to make it how you propose, any other discussion?

Ron Mueller stated: Can a member put his 25 cents in? In 2002 we had on the ballot for the memberships to approve the irrigation system down at cedar creek, it was a capital improvement, and the Board just did that and has done it in the past. I don't know why you have to go through any legal procedure; the members should have a voice on this issue. That is my comment.

-Chairman Blackman stated: Those in favor of putting the member center on the ballot for the 28<sup>th</sup> mailing please say aye.

For  
Director Horton  
Vice Chairman Denney  
Against  
Director Toolson  
Director Lujan  
Chairman Blackman  
Secretary Earl

- Chairman Blackman made a motion to have a special meeting, to include legal representation, to discuss putting this item on the ballot for member approval, this meeting to be held prior to the mailing on March 28<sup>th</sup>.

Director Horton asked: Since it is a workshop meeting, if we decide to make a motion prior to that would we have to have another Board Meeting to be able to vote on that issue?

There is a discussion on the procedure of accepting a motion from members or the Board for the Annual Meeting.

Boyd Siddoway stated: Maybe the Board should approve it and put it on there, pending legal approval. Approve it conditioned upon the legal approval.

Don Azevedo stated: Ron and I have had a lot of discussion about this and reading the Articles of Incorporation, DCC&R's and By-laws, if it comes from the floor the only reason the Board could reject it is if it is frivolous. In other words, something that would go on the ballot that we want to change the assessment to \$1 that would be considered frivolous and foolish. Whereas, requesting a vote, which is the right of the members, and a motion from the floor that is supported, the Board has to put it on the ballot as a yes or no vote. You have one attorney saying yes, and the other attorney saying no, according to Ms. Earl's email to me, and you saw that email yourself, so this is kind of a dilemma. What is the danger to this Board of putting it on the ballot? Other than if you have members that vote that they don't want it and you can't get the majority, then we relook at the project. But you might find that if it is supported, that you just go ahead without any issues in the future. It is a capital expenditure, a huge one.

Ron Mueller stated: I think this is an appropriate time, talking about a member submitting a petition or a letter to the Secretary of the Corporation to include that motion on the ballot has to be done 90 days before which means before March 28<sup>th</sup> and I have here something for the Secretary, let me read this and then I will give it to you and it can be handed to the Secretary.



Ron Mueller read:

To: The SVRA Secretary.

CC: Star Valley Ranch Board Members.

Subject: Member motion for the annual membership meeting.

We the following SVRA members request the following motion be included on the ballot at the 2014 Annual Membership Meeting for approval of special equipment improvement<sup>1</sup> for replacement of the barn/silo complex. The motion shall read as follows and require a yes or no vote. We the members of Star Valley Ranch Association Inc. do hereby consent and agree to allow the SVRA board of directors to use capital expenditure assessment funds set aside from the annual assessment for the barn/silo redevelopment and borrow the balance for removal and replacement of the barn/silo complex for a year-round facility. This is signed by over 30 members.

Chairman Blackman stated: We will accept your letter and your proposal. I'm not sure if we have to vote on it at this time or if we have to approve it. The Board will discuss it in a special meeting. A determination will be made on whether or not it will be presented and that will be communicated to the membership.

Ed Koch asked: Is that going to be an executive session or is that going to be an open meeting?

Chairman Blackman responded: We will get back to the membership in 2-3 days. We want to get our lawyers interpretation of the requirement and how we would further pass this through. Since that is presented, I won't make another motion to take this up in a special meeting. We already have that by virtue of a request from a member and that will be discussed within the next week with the Board of Directors and our lawyer. We will proceed and notify the membership if it requires a special meeting we will set one if it just requires a workshop vote we will do that. We will also notify the membership on the outcome of that vote.

## **7. For the Good of the Order –**

- Chairman Blackman – Explained that he would like to keep For the Good of the Order on Association business and operation of your Association only and nothing personal or other discussions. Also that he will be keeping each person's comments down to 2 to 3 minutes.
- Chairman Blackman – Lincoln County Fire Wise workshop scheduled for Saturday, April 12, 2014 from 8:30 to 5 p.m. at the Thayne community center.
- Boyd Siddoway – Talks about the value of the Fire Wise workshop.
- Ed Koch – Talks about grant opportunities through the Fire Wise workshop.
- Mayor Siddoway – Is concerned about the Board still talking about water. Mayor Siddoway and Chairman Blackman discussed having a water meeting.

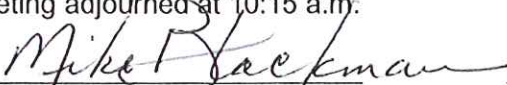
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<sup>1</sup> Written motion reads: "approval of a special capital improvement."

**8. Adjournment:**\* Chairman Blackman called for a motion to adjourn.

- Director Lujan made a motion to adjourn.  
Secretary Earl seconded the motion.  
Motion passed unanimously.

Meeting adjourned at 10:15 a.m.

  
\_\_\_\_\_  
Chairman Mike Blackman

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Vice Chairman Ron Denney

\_\_\_\_\_  
Secretary/Treasurer Ann Earl

  
\_\_\_\_\_  
Director Bob Horton

\_\_\_\_\_  
Director George Toolson

  
\_\_\_\_\_  
Director Derk Izatt

\_\_\_\_\_  
Director Bob Lujan