

**STAR VALLEY RANCH ASSOCIATION
BOARD OF DIRECTORS
MEETING MINUTES
MAY 17, 2008**

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

The board meeting was called to order at 9:00 am.

Adoption of Agenda:

Secretary-Treasurer Brown moved to amend the agenda and add items under New Business regarding the Adopt a Highway clean up day. Vice Chairman Watt also moved to amend the agenda and add under New Business to change the restricted use funds for path repair to ladies tee boxes. Director Ward seconded the motions.

Director Jonson moved to accept the agenda as amended. Director Ward seconded the motion. The motion passed unanimously.

Approval of Minutes:

Director Brown moved to approve the March 19, 2008 minutes as written. Director Jonson seconded the motion. The motion passed unanimously.

Standing and Other Committee Reports:

Chairman: Chairman Angelovic began his report by addressing the Culinary Water System. When this was turned over to the town, the association is only responsible for the irrigation water. It has been brought to our attention by the Wyoming DEQ, and the Federal EPA that because over half of the water comes out of Green Canyon there needs to be a water operator present whenever someone goes up to turn the valves. The town has been very accommodating in sending one of their water operators along when Mark needs to go up and adjust the valves for irrigation so that we are not violating any regulations. There have been some questions as to what to do if there was an emergency and a Town Water Operator was not available. So

the Board has decided that we will train another Water Operator. We have left it up to the general manager to decide who will be best to train for this position. It has been suggested also that there needs to be a back up for that person also. Chairman Angelovic felt the town would appreciate this.

Legal and Finance:

The finance committee members are now returning and with all of the changes the budget has been so fluid that the board has to have another operational budget presented to them for approval by the next meeting.

Golf Committee: Director Dietz gave the following report:

It's very good to see golfers out there as we officially kick off the 2008 season. Change is the name of the game this year and positive change I might add. First and foremost we are no longer contracting out our golf operation as we have done in previous years. Our General Manager has assumed the job of over seeing the business called golf on the ranch.

The Association will now be responsible for hiring the Pro, golfing staff, marshals, and so on. The proceeds from the Pro Shop will come directly to the Association.

Our new golf Pro Randy King comes to us from Teton Pines with fine credentials. Credit goes to him for the new look in the Pro Shop at both Aspen Hills and Cedar Creek. If you have walked into the pro shop at Cedar Creek you have probably thought you were in the wrong place it really does look good.

Watch for new golfing activities and offers. Today at 10:00 he will be running a free golf clinic. The youth program sign up is also underway.

The driving range has been equipped with a new ball machine and low flight golf balls which have not yet arrived. Those people who have purchased season pass prior to May 19 will be eligible to a bucket of balls a week as a perk for buying that membership.

We are working diligently to increase both members play and outside play. Outside play really is our bread and butter.

Men and women's golf official play begins on Monday. The ladies scratch has been moved forward a week and sign up sheets are available in the pro shop. We look forward to a fun filled profitable season.

Director Dietz concluded her report with this compliment.

I went over to the pro shop this morning and I just wanted to share what happened to me up there. I went up to talk to Randy to see if there was anything he wanted me to include in today's report. There was a gentleman there from Jackson and having a conversation with him and He said "Are you golfing?" And I said "no I've got to go to a board meeting" He said. "Oh are you on the board?" "Congratulations on how nice you've made it. I would like to make this observation it really is upgraded I made sure I was wearing the shirt with a collar today, and everything looks wonderful and I'm sure that this new look is going to bring you a lot more play out of Jackson because it looks as though it's going to be a quality experience for people." So that made me feel very good and I think underscores the philosophy that we are working under at the present.

Director Dietz asked Randy King if he wanted to add any thing else. Randy introduced himself to the board and talked about his background. He also talked about the Pro shop and what is happening there. He mentions that members get a discount, and that he is trying to keep his prices competitive. He thanked the board for their time.

Greens Committee: Director Watt gave the following report:

I would like to thank the residents of Wyoming for this long snowy winter because now we have more water in the reservoir and coming down the river into our systems.

The golf course as we have mentioned opened Thursday which is a couple of weeks later than normal. There was a little bit of damage on the fairway from the mice and voles, but not too bad. There is damage around the greens and tee boxes also. The greens came through in fairly good shape although Mark was a little bit worried about the snow so much and the longer it stays on the greens in the spring the worse the damage could be. There are spots but I think that will grow out. Other than that the greens came through in good shape.

We will start aerating the greens on Monday; they will do the front nine at Cedar Creek on Monday, the back nine on Tuesday, and Aspen Hills on Wednesday. They will aerate and sand those so they will be rough for a few days but that's a necessary process on the greens each year. Mark will be charging the sprinkler system in the next few days.

We had a few problems with some of the sprinkler heads along the road during the winter they were hit with the snow plows. We will have to move those back where they belong. It doesn't involve anyone; they just got put out a little bit further that they should have been. When you get four or five feet of snow it's kind of hard to tell where all that stuff's at.

We hope to get started on the ladies tee boxes right away. Bruce has done a lot of work this winter getting some prices to get those done. We hope we can get on it and get it done in a month or six weeks and established and maybe play on them later this summer or this fall.

If you notice when you play on number fourteen we are trying a false front there to try make the green a little smaller to solve the problem of the balls rolling off. There are about three or four greens that have this same problem. We will experiment with fourteen to see how it works out and see if you like it.

We were going to do something with the cart paths this year but with the price of asphalt almost doubling between last year and this year Bruce is looking into some other products that would be quite a bit cheaper and would work just as well. We are going to get started on that this year along with the other projects we have going, but we certainly want to move forward with that.

We also have spots for anyone who would like to participate in the tee box program, and have their names put on those spots. We will continue that program but with some changes that are probably come up in the next month or so.

House and Entertainment:

No report

Long Range Planning:

No report. One of the things Mr. Daulton wanted to cover will be in the General Managers Report.

Utilities: Director Ward gave the following report:

The only thing I have is an update on the underground storage tanks. Bruce took the lead on this and talked to a decommissioning contractor out of Pocatello and he is going to be able to take care of that for us this year. We have to coordinate with the state and the decommissioning contractor and the town as to taking them out of the ground and then that will be out of our hair. I feel fortunate that we kind of dodged a bullet on that situation. That will be behind us here pretty quick.

Chairman Angelovic reminded everyone that the association is getting out of the business and the town is taking over and Mr. Beck in his report is going to explain the next step in this.

Architectural Committee: Mr. Elmer Beck gave the following report:

We have had two new starts since the last meeting bringing our grand total of homes either under construction or finished to six since for the year. The over all total is 938 homes that are under construction or being lived in.

I want to now talk about the architectural controls and regulations. At this time a lot of the duties have been transferred over to the town and respectively so we need to bring those up to date. The main thing we are going to do is to refer everybody to build per ICC. We are still going to build per IRC. The ICC is merely a board of lawyers and builders that get together and make the regulations. So instead of saying build per ICC We would like change that to of the architectural rules and controls to refer to IRC/IBC which is the residential and construction building code per the 2003 addition.

I would like to admit a couple of items that we will no longer be responsible for. # 1 is inspections and #2 is completion deposits with some notes to clean up the verbiages or grammar.

Chairman Angelovic asked to clarify some points to see if everyone understood correctly. "We are changing where the current regulations say ICC. We are now changing it to IRC/IBC 2003 addition and that will be the same as the towns. We are dropping the fine schedule entirely. There will be no fines in any of our code. The completion deposit will be collected by the town".

Mr. Beck continued to say that there will still be a plan review fee of \$150.00. There is still a permit for both the association and the town of Star Valley Ranch. Any changes made in the motion won't be affective until Monday. Any plans that pre date this meeting will fall under the old guidelines. These plans will still require a copy of the inspection reports and they will get there full completion deposit back.

Director Jonson moved to approve the changes to the architectural control procedure. Director ward seconded the motion. The motion passed unanimously.

FISC III Report: Director Jonson gave the following report:

Consent to sell forms, we have 852 returned that leaves us with 550 to go. We are going to be sending out one more letter that will be from the Chairman of the Board and the Mayor explaining to people why they are hoping that this goes through. We did get a good response from the last letter that went out. But after this one goes out we will see how many we have left to go then we will start calling. I will be making some phone calls to see if I can get some volunteers for that.

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

Financials one discrepancy that was pointed out by a board member is that we had eliminated one of our accounts which are the Short Term Investments. We were making less than 2% interest on that. An amount of \$575,000.00 was transferred to an account that bares 4 ½ %. In doing so I have this fesdidual short term account, account 1074 left on the books. However after reviewing it the last few minutes it doesn't change our bottom line. I will have a revised copy on Monday.

Our cash at the moment is about \$122 thousand. Our current net worth is \$ 4.2 million. It's down \$130,000.00 from last year at this time due to the fact that we sold equipment, so our assets change our depreciation change that \$130,000.00 from last year. Were pretty

much on schedule, you'll notice that our collections on revenue are down \$ 75,000.00 which is reflective pretty much from the fact that we weren't able to post or book \$75,000.00 worth of assessments before the end of April.

That's the Financials, also attached to this sheet; you've got two sheets up there. One is just a month to month and the other is a month to the last year. I am going to try and get those out when we come down to the end of every quarter. It might make more sense as to how much more percentage we have changed. So far we haven't changed a lot now coming up in May in our next financials that will be presented to you; we are going to have some major changes due to the fact that we took over the pro shop. We had to stock it so probably about \$45,000.00 in cost to stock the pro shop. It also reflects employment for the start up month of April and May. If you get this package which is stapled over there you will find; actually last month I gave out the projected cost for starting up the pro shop, if you need another copy of those that's up in the office.

Now also coming in the last couple of weeks in May and the first part of June we took back the silo lounge, and that was approved by the board, we are moving forward with that and doing some remodeling in there. We are going to try to make it a more sports oriented bar. We are trying to make it more pleasant. Then again attached to your proposed budget is how we are going to do that. Hopefully with my projections which are extremely conservative we will probably net about an additional \$20,000.00 in revenue from that operation this year. We are adding a package sale division to it. There will be a separate part of the lounge that's dedicated to that. That will be staffed separately by it self. There will some member discounts on case purchases and hopefully we can give the members back something more and that's just one way just like in the golf we are going to try to promote member discounts all the way through.

The cook shack; now this going back to the long range planning. The cook shack has pretty much been completed from there plans on getting the whole thing remodeled and re wall boarded. There is a new pergo type floor in there. I think it turned out stupendous. We are going to have a grand opening the 30th of May. We are going to be short possibly counter tops for cooking or serving area, other than that its been painted and ready to go . On the 30th from 4pm to 5:30pm were going to have an open house with various group or committee representation over there for the clubs poker, the quilters and all those types of organizations we have here that are going to be

using the cook shack. So we encourage anyone interested in these kinds of things to sign up.

Chairman Angelovic thanked Ernie and Don for there hard work. He also thanked the Board who worked so hard on this project.

Old Business:

Election Committee

The election is coming up next month and it's a process that takes a lot of hands, computer people and people to check the records. I want to thank all very much for being kind enough to take over the election committee. This is a job that people don't seem to vie for, there not out there saying I'd like to do it. He has managed to get a lot of volunteers and what we have to do know is approve the committee. Let me read the names; Al Redlin, Vern Madsen, Donna Bell, Mark Michel, Heather Bigalow, Kelly Alldaffer, Jim Vandel, Jean Pitre, Sandra Wohrman, Scott Wohrman, Joanne Brown, Ron Mueller, Ray Hanck, Carol Ann Siddoway, Ken Simkin.

Director Jonson moved to accept the following people for the election committee. Al Redlin, Vern Madsen, Donna Bell, Mark Michel, Heather Bigalow, Kelly Alldaffer, Jim Vandel, Jean Pitre, Sandra Wohrman, Scott Wohrman, Joanne Brown, Ron Mueller, Ray Hanck, Carol Ann Siddoway, Ken simkin. Secretary-Treasurer Brown seconded. The motion passed unanimously.

We got a letter from the town, from Councilman Redlin asking again for approval for the post office box building as you know in our last meeting we approved it. So what we will do is we will just write a letter stating we saw your plans and everything is fine and we already approved it.

New Business:

The first is Adopt a Highway. Director Brown gave the following report.

We have got that stretch of Highway 89 down here from the edge of Thayne to going north 2 miles. I think what I like to do is Eric did that last year. But be looking for emails and communications in the next week or so and we will try to put a date together now that there is more folks back in town and we will be more likely to get a good group together. It seems to me that the ideal group size would be

about a dozen people or so, working in groups of 3 and heading out from some central point. I just kind of wanted to put it in peoples minds that we'll keep an eye on the weather and be mindful of folks that don't want to work on Sunday's and stuff like that. We are looking for volunteers so if anyone is interested in that just contact the office if you would and let them know you are available for that. The approximate date will be the weekend after Memorial Day.

The next one is the release of golf cart path funds. We need a Motion to bring every one up to date. The board passed the ladies tee project but the way it was originally presented and what we passed on was there were just going to be a few tee boxes put in as funds became available. A couple things happened here, we got a General Manager here who understands project management and he laid out a whole plan for us that would cost analysis to do the entire thing. In addition there is the Wyoming Ladies Senior State Tournament will be held here. Our problem was we had everything planned out according to our procedures with one little lack and that is how we fund it.

Vice Chairman Watt gave the following report:

We've had other projects in the past and it seems like that if you don't get in and get it done they just kind of go on and on. It's a difficult thing to say we'll do 5 now and 5 later and so on. We just decided to go in and bit the bullet and I think there are 15 tee boxes that we want to move forward and shorten the lengths of this course by about 600 or 700 yards. That's what the big complaints of the ladies who play golf here. In lue of that Bruce has put together a budget to do that project in a month or a month and a half of when we get started and have it all done. We had enough money in the budget and the ladies association will donate \$1,000.00 and the tee box association will donate another \$1,000.00 or 1,500.00 or what ever we have there available. The greens committee voted to approve this action. We have money in restricted funds from the golf cart fees that were put in the restricted account for golf cart paths.

Vice Chairman Watt made a motion that we release some of that money from the restricted fund for the golf cart fees to be used for the ladies tee boxes and to be used only for golf course projects. Director Ward seconded the motion. Secretary-Treasure Brown and Director Jonson apposed. The motion passed.

Adjournment:

Secretary-Treasure Watt moved to adjourn. The motion was seconded. The motion passed unanimously.

The meeting adjourned at 10:02 AM.

Joe Angelovic, Chairman

Larry Watt, Vice-Chairman

Carl Brown, Secretary-Treasurer

Kathy Dietz, Director

Jan Jonson, Director

Jack Petty, Director

Dave Ward, Director

