

Star Valley Ranch Association
Board of Directors Meeting
October 20, 2012
9:00 a.m.
Town Hall

Mike Blackman: Chairman
Ron Denney: Vice Chairman
Ann Earl: Secretary/Treasurer
Jere Kovach: Director
Derk Izatt: Director
George Toolson: Director
Robert Lujan: Director

Call to order:

Chairman Blackman called the meeting to order at 9:00 a.m. and stated that there was a quorum and called for the Pledge of Allegiance.

Chairman Blackman recognized Mayor Siddoway from the Town of Star Valley Ranch.

1. Adopt Agenda:*

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

2. Approval of Minutes for September 2012 Board Meeting:*

- Director Lujan made a motion to approve the September 2012 Board Meeting Minutes as written.
Vice Chairman Denney seconded the motion.
Motion passed unanimously.

3. Standing & Special Committee Reports:

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

We have had a change in the Board of Directors this month. Kathy Daulton has submitted her resignation from the Board to be able to pay attention to some pressing family matters. The Board of Directors has accepted Kathy's resignation and has appointed Mike Blackman as the new chairman and appointed Ron Denney as vice chairman.

With Kathy's resignation, the Board has considered potential replacements to fill Kathy's term which expires in June of 2013, and has contacted our first choice, Jere Kovach, to determine if he would be interested. Jere has indicated that he would be amenable to the idea. Therefore, I would entertain a motion from the Board to appoint Jere Kovach to the Board to complete Kathy's term on the Board.

- So moved by Vice Chairman Denney
Director Toolson seconded the motion.
Motion passed unanimously.

The Board has reviewed the first pass of the proposed 2013 Budget and requested clarification of some of the operating costs and reduced some of the capital requests. The SVRA General Manager will make the requested changes and provide further clarification of the costs by the November Workshop to allow for presentation to the membership in the November Board Meeting.

With the respect to the upcoming meetings, it has been the tradition of the Board to not have a December meeting due to the busy Christmas season with many people out of town or hosting family and company events. Therefore, I would entertain a motion from the board to cancel the December Board of Director's Meeting.

- Director Toolson made a motion to cancel the December Board of Directors Meeting
Director Izatt seconded the motion.
Motion passed unanimously.

Finally, the proposed new Architectural Policy has been given to the Architectural Committee for review and rewrite. When their suggestions are completed, The Board of Directors will review their work to ensure it meets our intent.

B. Utilities Report: No report.

C. Finance & Legal Report: Chairman Blackman gave the following report:

This week we received word from the judge reviewing our motion to dismiss the fence lawsuit that our motion was denied. We will be working with our lawyer to plan our future action.

The DCC&R lawsuit is still in the judge's hands, and we are not sure when we will get a response.

The Finance and Legal Committee met twice since our last meeting. During the September meeting the new factor for the calculation of the maximum assessment for 2013 was determined from the Bureau of Labor Statistics calculation of the Consumer Price Index for all urban areas. In October, the proposed 2013 budget was reviewed by the committee and comments passed on to the General Manager and the Board of Directors.

D. Architectural Committee Report: Chairman Joe Angelovic gave the following report:

Although the construction season is drawing to a close permit applications continue to arrive. Thanks to both the efficient system set up by Kirk and Tallia that allows each member to review the application before the committee meets and to committee members who are flexible enough to meet almost on demand the committee has been able to handle the applications expeditiously. Since the last Board meeting the Architectural Committee has approved six applications:

Two were for changes to existing structures involving decks and a roof, one was for a detached garage and three were for fences.

One of the permits for a fence on a corner lot required a variance before it could be approved under the Association's Fence Policy. In addressing this issue it became apparent to the committee that fences on corner lots may often pose circumstances that require a variance from the Fence Policy. The problem basically is due to the fact that the policy was not written to accommodate lots that essentially face two streets.

The committee plans on continuing with a rapid response to all applications received.

E. Golf and Greens Committee Report: Director Toolson gave the following report:

The last official Golf/Greens Committee meeting for 2012 was held on Sept 26th with 16 members in attendance. The main objective for this particular meeting was to hash out next years' golf activity calendar. SVRA 2013 upcoming tournaments, along with both: the Ladies' and Men's Association activities were discussed and approved for the upcoming season. The calendar should be available on the SVRA website soon.

Along with next years' calendar were discussions on;

- (1) Future "marketing" of SVRA golf courses, (currently being addressed by Mr. Sessions and the Board of Directors.
- (2) Readjusting the ladies' tee box on Cedar Creek #2 to again make it a par 5 for the gals (ongoing discussion)
- (3) Remaining tee box boulders and yardage markers (They are either here now—en-route—or being built as we speak.
- (4) There was also a discussion, motion, and second for next years' cart path improvement program to begin with the path from #5 green to #6 tee box at Cedar Creek. If there is still money available after that project, we would continue on the next prioritized location. The motion carried unanimously.

Greens crew "Fall" projects continue on;

- (1) Continuing with landscaping around the new driving range and #1 tee box
- (2) Aerification and verticut projects for all 27 greens are completed for season.
- (3) Ongoing projects for Cedar Creek Park horseshoe pits and basketball courts continue this fall.
- (4) Lots of odds & ends for #2 at Cedar Creek including finishing the "Gold" tee box, landscaping island next to ladies' tee box, and reworking the berm to west of the green.
- (5) Kurt is now trying a new product with garlic to force moles out of the fairways to the outer edges of the rough. This should keep the little critters from doing so much damage during the winter months.

A couple of items to mark on your calendars.

- (1) 1st Golf/Greens meeting for next year-----Monday, May 13th, 2013 at the "Silo" 3:00 p.m.
- (2) SVRA "Winter Tournament" March 5th, 2013 @ Francisco Grande Golf Course in Casa Grande, Arizona hosted by Ann Earl & Lavonne Compton. More info to follow and will be available on the SVRA website.

A big thank you to Kurt Richmond and the entire golf staff for a job well done this summer. It is because of their effort, that even with a dry season like we had, golf here at Star Valley Ranch was a very pleasant experience.

F. House & Entertainment Committee Report: Director Earl gave the following report:

The last event held this year will be the Trunk or Treat held Wednesday, October 31st at the airstrip at 6:30 p.m. We do need volunteers to help with this great event.

There will be a costume party tonight at Duffer's starting at 6:00 p.m.

Mayor Boyd Siddoway mentioned that the Town is putting together a contract with the Chamber of Commerce. Part of that contract says that they will put together a valley-wide calendar of events. When planning something, it would be helpful to see what your competition for that day may be. This would also be a great way to get notice of events out to people all over the valley.

G. DCC&R Compliance Report-General Manager Sessions gave the following report:

The DCC&R Compliance Officer, Bud Hill, continues providing guidance to property owners toward voluntary compliance. Where voluntary compliance is not achieved, the progressive notification of non-compliance is started. It is pleasing that notable voluntary improvements continue! Since the last meeting, there have been 4 Friendly Reminders to owners, 13 violations that were resolved and 1 violation that is to be referred to the attorney (this will be the first that progressed to this point).

Joe Angelovich asked if the compliance officer was only looking for specific violations.

General Manager Sessions stated that the compliance officer is looking for all DCC&R violations.

H. Master Planning Report: Director Denney gave the following report:

In the past month I have been going around taking pictures of the property that the Association owns so that we can better assess what is needed.

I. SVRA Barn/Silo Redevelopment: Director Lujan gave the following report:

The Bar/Silo Redevelopment Committee has met several times since the last Board meeting. The committee addressed issues ranging from doing nothing and living with our existing facilities to constructing a year round multi-purpose center which would potentially house a pro shop, bar, grill, large meeting area, multi-purpose rooms, fitness space, and administrative offices. It is important to note all alternatives are still being considered. However, the committee concluded that if we were to take the latter approach, we needed to know in advance what size project we could undertake based on our needs and existing budget. With that in mind, the committee interviewed two architect firms to assist us with the first phase of the Barn/Silo Redevelopment Project.

The architect firm of Dubbe/Moulder, from Jackson, was selected for the project. On October 17, 2012 the committee held its first working meeting with the architect. Topics discussed included program objectives, project size, function, priorities, budget, schedule, and a review of the site location. Based on our discussion, the architect will prepare initial schematic design ideas and review with us alternative approaches to the design and construction of the project. The architect will also prepare design illustrations and format boards for presentation purposes.

Chairman Blackman asked how many presentations were being planned.

Director Lujan stated that the committee expects at least two presentations.

4. General Manager's Report: General Manager Kirk Sessions gave the following report:
Account Statements: All bank accounts are balanced for the month of September.

Assessments

2009 Lawsuit Collection Status: 12 Lots (.6%) have not paid in full (3 foreclosures).

2010 Assessment Status: 20 Lots (1%) have not paid in full (includes 12 from above).

2011 Assessment Status: 36 Lots (1.8%) have not paid in full.

2012 Assessment Status: 126 Lots (6.3%) have not paid in full compared to 110 (5.5%) for the same period last year.

The last statement distribution was Friday 9/14. The office staff, on a regular basis, contacts delinquent accounts by phone attempting to secure payment on accounts. Some additional partial payments have also been received and will not be reflected in the above until paid in full. Finance charges (12%) are added to all past due accounts.

Business Activities: For the month of September, the allocation of \$1102.25 (25 lots X \$44.09) for each assessment paid was transferred from the Operations Account into the Restricted Capital Account, which has been established for the redevelopment of the barn/silo. This transfer brings the account balance to \$82,363.49 including accumulated interest.

A quick overview of SVRA Financials, finds the YTD September Net Ordinary Income of the Association less than budget by 4.7%. Total Income is 3.1% less than budget, reflecting a decline in swimming lessons income due to lack of qualified instructors, a decline in trail fees and punch card support, a continuing late summer and fall decline in daily golf income shored up by solid increases by Duffer's, pool rentals, and golf course snack & beverage sales. On a positive note, expenses for the period have been managed to 2.4% under budget. The October results look more positive but just not enough to make up for the summer's slowing sales.

Budget preparations for 2013 are in full swing with a focus on realistic revenue expectations and management of expenses. The Operating and Capital (CAPEX) Budgets were compiled by the SVRA staff, reviewed during a line by line review with me and modifications made as necessary. Every opportunity to manage expenses and develop revenues is being reviewed and incorporated into the budget plan. The Budgets, together with the Recreational Fee Schedule, have been reviewed by the Finance and Legal Committee and by the Board of Directors. The combined input of both groups will be incorporated into the budget for final review and approval by the Board in November.

Duffer's: Duffer's will host the 2nd Annual Halloween party tonight starting at 6:00 p.m. Costumes are not required, but encouraged! The tentative closing date is 10/27/12, weather dependent. On that day we will be offering closeout pricing on remaining inventory. Duffer's will be closed Monday through Friday next week, opening Saturday at 2:00 p.m. until close. Beer will be available in the pro shop.

Golf Operations

Pro Shop/Golf: Golf season is winding down. Aspen Hills closed yesterday and we are planning to keep Cedar Creek open as long as the weather allows. The end of season sale is still going on at the pro shop with great discounts and we can still special order items not in stock.

Golf Course Maintenance: There remain some projects that will be addressed over the balance of fall with the intent of completing all before weather prohibits. Our staff is about complete with spraying and preparations of the greens for winter. The irrigation system is being drained and will be blown out starting Monday. The focus will then switch back to completion of projects. The Aspen Hills #2 tee box has been completed and will be sodded in the spring (Mark Barber is the rock mason doing such a fine job!), the hillside behind Cedar Creek #9 has been groomed and seeded and the driving range hillside is currently underway as well. The #1 tee box at Cedar is also in progress along the parking area and cart path. All yardage markers have been delivered and will be installed this fall and the final order of boulders will be delivered and placed as well. All 27 Tee Box boulders have been sold for both courses. When we started this program, we anticipated 2 years to achieve that milestone and we have achieved our goal in half that time!! To date our members have contributed **\$19,875.00** toward the beautification of our courses through their participation!! On behalf of Kurt, myself, and everyone that has and will enjoy the course markers for years to come, I want to express our sincere appreciation to each of the members that share our pride in the courses of Star Valley Ranch Association! We have had several requests for the old signs from certain holes and over the winter we will present a proposal for the BOD for an equitable means of making those available to the members interested.

Facilities: Ernie has begun the close down of facilities and water turnoffs; Aspen #5 restrooms are closed and Cedar Creek restrooms will close Monday or Tuesday of next week. The barn facilities will stay open until Saturday 10/27 if freezing temps allow. The Cook Shack will be winterized and closed Thursday 10/25. Ernie has also been accomplishing some painting of doors at the pool building as well as the restrooms. A special thanks to John Blakley for volunteering to paint the pump house at the south end of the driving range. After two coats of new paint, it looks great! Thanks John!!

For those winter outdoor enthusiasts, watch your e-mails, we have an exciting season planned!

5. Old Business: None stated.

6. New Business: None stated.

7. For the Good of the Order:

The following comments were made from the floor and responded to by the General Manager and Board of Directors.

Jim Vandel, "I have been going on the webpage. Are there any plans to make the webpage more comprehensive of the information available?"

Chairman Blackman, "What are you looking for?"

Mr. Vandel answered, "Budget balance sheets, committee information: such as members, meeting dates and times, and meeting minutes. Some of the members, not on the committees, might like to attend for their own information or to provide input. Are there any plans to improve that?"

Chairman Blackman, "The Board has not discussed this issue recently. We have tried to get the minutes from the Board Meetings on the website more quickly."

Mr. Vandel acknowledged that the Board Meeting minutes are kept up to date.

General Manager Sessions, "Typically the meetings that are set on the calendar can be found on the website calendar, such as the Golf and Greens meetings. The rest of the committee meetings, for the past year or so, have fluctuated so much. The same thing is so for the meeting minutes, not as many meeting minutes are being generated by the committees, therefore they do not get submitted; therefore they do not get posted.

The issue of the financials available on the website is strictly up to the Board as to what is posted. The budget is posted at the time that it is approved along with the Recreation Fee Schedule. The budget is posted and includes everything that was submitted to the membership at the November 2011 Board of Directors meeting.

The intent of the website is to make it as user friendly as possible. If anyone has any input as to what would make it more user friendly, Tallia and I would be happy to listen to your suggestions.

The biggest challenge we have is to direct people to our website. There are still a lot of people are not aware of our website and we would like to make them more aware of the information provided on the website. We are trying to make it so that everything we do now, the website is part of our address."

Jim Vandel asked about the burn pile.

Chairman Blackman, "This issue was discussed at the last Board of Directors workshop. He stated that the Association is waiting for a burn permit to be issued from the Town. The Town has stated that we will be issued a burn permit as soon as the snow is deep enough, that it is not a hazard. It is our intentions to take care of the burn pile this winter."

General Manager Sessions reminded Mr. Vandel that Lincoln County still has a no burn restriction.

Boyd Siddoway, "Using the Association Corner, in the Town Newsletter, I would suggest that you advertise the Association website.

Mr. Siddoway, "If someone had questions on the budget, what is the best way to get information, would it be best to go through the Finance and Legal Committee or through the General Manager?"

Chairman Blackman, "It is possible to ask either. The budget is in the final process and pretty much set. Of course we would be open to suggestions. If we are not able to incorporate your ideas this year, we will certainly give it thought next year."

General Manager Sessions, "At the September Board Meeting and in the minutes that went out, I invited the membership at large to come to me with any questions they had relative to the budget."

Chairman Blackman, "The Finance and Legal Committee meet the third Tuesday of every month at 6:30 p.m. (most of the time). The last F&L meeting of 2012 will be in November."

The Barn/Silo Redevelopment Committee has asked us to look into what financing is available to us, before we get too far into the project and realize that we cannot do what we would like."

Mr. Siddoway: "Will a preliminary budget be available to the membership, as it was last year?"

General Manager Sessions, "We did not release the budget ahead of time last year, that would of course be up to the Board of Directors."

Chairman Blackman, "At the next Board Workshop the Board will be reviewing the budget and the workshops are open to the public..."

Jim Vandel asked if the Finance & Legal Committee has been keeping meeting minutes and also voiced his feelings of the importance of keeping meeting minutes.

Chairman Blackman, "I have kept meeting minutes, I have not typed them up, however. I could do that."

8. Adjournment:*

- Vice Chairman Denney made a motion to adjourn.
Director Lujan seconded the motion.
Motion passed unanimously.

Meeting adjourned at 9:35 a.m.



Chairman Mike Blackman



Vice Chairman Ron Denney

Secretary/Treasurer Ann Earl

Director Jere Kovach

Director George Toolson



Director Derk Izatt

Director Robert Lujan