

Star Valley Ranch Association
Board of Directors Meeting
October 16, 2014
7:00 p.m.
Town Hall

Mike Wardle: Chairman
Ron Denney: Vice Chairman
Ann Earl: Secretary/Treasurer
Bob Meikle: Director
George Toolson: Director
Dennis Christianson: Director-Absent

Call to order:

Chairman Wardle called the meeting to order at 7:00 p.m. and stated that there was a quorum of 5 and called for the Pledge of Allegiance.

Chairman Wardle recognized Mayor Siddoway, Council Members Kathleen Buyers, Kent Harker, and Ed Koch, and candidates Ron Mueller, Marc Jones, and Dick Johnson from the Town of Star Valley Ranch.

1. Adopt Agenda:*

- Director Toolson made a motion to adopt agenda with revision that there would not be the 3rd reading of Operating Policy 1.2.1 Conflict of Interest or a motion to approve it. Secretary/Treasurer Earl seconded the motion. Motion passed unanimously.

2. Approval of Minutes for August and September 2014 Board Meeting:*

- Director Denney made a motion to approve the August and September 2014 Board Meeting Minutes as written. Secretary/Treasurer Earl seconded the motion. Motion passed unanimously.

3. Standing & Special Committee Reports:

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

Chairman Wardle made an apology. At the September Board Meeting he made the mistake of calling Ann Earl a princess. While it was just in jest he realized that is was inappropriate. He claims it as his mistake and takes all ownership of it. He has apologized to Ann, and she has graciously forgiven him. He would also like to apologize to anyone else that it may have offended.

Two of the Board Members have stated that they would like more time to study the updated Trail Proposal before they make a decision. The Board decided to table the decision until the November Board Meeting. This will give the Board Members more time and will still give the Board of Natural Resources time to include SVRA on the grant request if they choose to do so.

Last Tuesday there was a very large workshop meeting, and the Board appreciates everyone that attended. The workshop was with both attorneys and the Board has opinion letters from both of them about how to go back to the new DCC&Rs. Anyone that wants a copy can provide their email address to the Association and have it emailed to them or they can stop by the office and get a hard copy. The Board would like everyone to understand that the members are paying for these attorneys, so their opinions are the members' property and the Board doesn't want to keep any of the information from the members. The opinions will also be available on the website for anyone to look at. Chairman Wardle stated that his philosophy is that the only time there will be an executive session will be if they fire a Board Member or if they need to discipline an employee. Vice Chairman Denney said that he thinks there should also be an executive session if the Association is involved in a lawsuit and the Board is making decisions about it that should be kept confidential.

Mayor Siddoway asked if there was anything that the Town or the Board of Natural Resources could do to enter into discussions about the Trails. The Town was also having issues and resolved it by meeting with people and answering any questions to resolve the issue. Chairman Wardle explained that he has asked Mr. Greenhoe to contact both Board Members and answer any questions that they might have. The Board Members have these questions because they were busy and didn't have enough time to go over the entire plan. He does not think that it will be an issue that the Board will not support the plan. Director Toolson made it known that one of the Board Members was able to get the answers and that they were favorable. Mayor Siddoway brought up that this was a time issue. Chairman Wardle said that he had talked to Mr. Greenhoe and that the next Board Meeting is before the grant application deadline. Mr. Greenhoe is going to leave a spot, on the grant, open for SVRA. Mayor Siddoway advised the Board that he had talked to the ranger and that he is going to hold some sessions, before the next Board Meeting, where it would have been nice to have the formal support of the Association. Chairman Wardle apologizes for the inconvenience but said that he is not going to push any Board Member into a decision that they do not want to make, and that affects every member of the Association.

B. Finance & Legal Report: Director Meikle gave the following report:

The Finance & Legal Committee had 2 Monday meetings this month at which Kirk Sessions instructed and informed the new Finance & Legal Committee. Those on the committee are mostly "neophytes" so we decided to have 2 meetings. The Finance & Legal Committee meets the 1st Monday of each month in the Library, at the SVRA Office, or in the Cook Shack if it is available. We allow and encourage in-depth discussion of the current budget issues, and the meetings normally last about 2 hours.

One objective of the meetings is to review the current budget and to accurately project those numbers into the new budget. Many questions are asked by members and the process can get tedious. Another objective is to be able to make recommendations to the Board about the level of the annual assessment prior to the next budget cycle. Those currently serving on the committee are: Jillaine Maas, JC Colley, Kathleen Dietz, Donna Thompson, Cathy Lynch, Bob Hayes, Bob Meikle, and General Manager, Kirk Sessions.

Next month we will be right in the middle of the budget cycle, so I will not go into any budget detail at this time. We will leave that up to Kirk Sessions in his General Managers report, he is in a better position to talk about it and answer questions.

At the Board of Director's most recent workshop the entire budget committee was in attendance to listen and participate in the 2 hour conference call with attorney, Frank Hess. The entire Board and attorney, James Sanderson was present. The attorneys were given several key questions, in advance, to be ready to debate any differences they might have in the interpretation of law or the meaning of the DCC&Rs or HOA By-Laws. The meeting ended up being 3.5 hours.

There is a lot going on with the Board, and the Finance & Legal Committee could still use another member. We just got word from Jere Kovach that due to other conflicts he will not be able to be on the Committee. We are looking for a broad array of people to serve so that every group has representation on the budget issues.

C. Architectural Report: Chairman Wardle gave the following report:

Permit Activity: (9/19/2014-10/15/2014)

Pending:	1
Fence:	1

The pending fence was for a 6 ft. fence that will not fit our Architectural or Fence Policy so it will be denied. Dennis has contacted the gentleman or had Kirk Sessions contact him with that information. There will be some negotiation because it was the height and material that was rejected.

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

There is still time to go out and get a couple more rounds of golf in at Cedar Creek Golf Course. The weather is great after the frost is gone and the course is in excellent condition for late fall. Hurry and beat "Mother Nature" out of a few more games before that "white stuff" arrives.

Kurt Richmond and his golf course crew are now finalizing projects for this year including the plumbing project in Green Canyon, along with winterization of irrigation systems and golf course maintenance equipment. A portion of the new cart path on #9

has recently been done by Jeff Earl our resident concrete guru. Also the #13 pond renovation started Monday morning with Erickson Excavations portion nearing completion. You will soon find out this puts a totally different look to what has been an eyesore on your Cedar Creek Course.

The Pro-Shop is pretty quiet right now and I think Ben and the staff are already getting lonely. Some really good pricing is still in effect for the remaining merchandise.

A big thank you goes to the entire golf course staff, the administrative staff, and all 17 members of the Golf & Greens Committee for another great year at Star Valley Ranch.

E. House & Entertainment Report: Secretary/Treasurer Earl gave the following report:

The H&E committee has met and has the budget done and submitted for 2015. The next upcoming event is the Trunk-or-Treat at the Star Valley Ranch Airstrip on October 31st. Chairman Wardle has some winter activities planned for the kids. He would like to do a couple of hot cocoa, and tubing days on a couple of Saturdays, and he is going to try and have a cross country ski expo where RPM will come and demo some ski's for those that are here in the winter. Some of the complaints that we have had is that after the October meeting, when everyone leaves, nothing happens so we are trying to remedy this as best we can. Next summer there are also a lot more activities and potlucks on the calendar.

Mayor Siddoway asked who the contact would be for the Trunk-or-Treat? He also said that they can contact Ernie, at the town, if they need any help setting up barriers or directing traffic to keep the children safe. Chairman Wardle will be the contact for this event.

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

Installation of the alterations to the Green Canyon water line is underway. Installation of the valves above the de-sanding house to allow water to be routed into the de-sanding house is complete. Excavation below the filter house to allow routing of water into the fish pond pipe has been started.

The Certificate of Occupancy for the storage building has been obtained, and equipment is being placed into the storage building.

Improvements to the Aspen Hills administrative building library access have been initiated. Bids are being requested for removal of the two rooms under the front entry deck of the administration building. The budget for 2015 includes \$15,000 for this task.

A meeting was held with Silverstar Communications and the Town of Star Valley Ranch regarding a revision to their easement of the SVRA airport to allow addition of a

propane tank and generator to support their telecommunications building. The Town of Star Valley Ranch requirements for protection of the airport culinary well were presented to Silverstar Communications. Silverstar Communications is now working to complete the necessary surveys and revision of the easement document.

Mayor Siddoway asked if Silverstar had contacted the Board at all. Chairman Wardle said that they hadn't and that they probably wouldn't until close to the next Board Meeting. The Board is going to have to grant them a little bit bigger easement, but in payback for that Silverstar is going to fence their facility, bury their propane tank, and take care of all the surveys. They are going to barricade it this winter because they won't have enough time to get the fence installed.

Chairman Wardle thanked Ron Denney for his hard work, and stated that when he is given a project he takes it head on and gets it done.

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

Account Statements: All bank accounts are reconciled for the month of September with no variances.

Assessments:

2009 Assessment Status: 10 Lots (.5%) have not paid in full (3 foreclosures).

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

2011 Assessment Status: 21 Lots (1%) have not paid in full.

2012 Assessment Status: 39 Lots (1.9%) have not paid in full.

2013 Assessment Status: 62 Lots (3%) have not paid in full.

2014 Assessment Status: 120 Lots (5.9%) have not paid in full. There are currently 7 foreclosures that we are aware of on the Ranch.

All of the above outstanding's, result in \$119,891 in receivables due SVRA. Legally scripted procedures for collection have begun early this month to get delinquent accounts paid to date or face legal actions up to and including foreclosure.

Business Activities: For the month of September, the allocations of Annual Assessments for the Barn/Silo Redevelopment were transferred from the Operations Checking account into the Restricted Capital account for the Barn/Silo Redevelopment as follows:

2014 - \$240.00 (6 lots X \$40 for each assessment paid)

2013 - \$80.00 (2 lots X \$40 for each assessment paid)

2012 - \$44.09 (1 lot X \$40.09 for each assessment paid)

Total = \$364.09

These transfers bring the account balance to \$211,037.29 including accumulated interest.

An overview of SVRA Financials for 2014 finds the YTD September Gross Profit at slightly under budgeted level, reflecting the impact of August's rainy weather on golf, pool, and bar revenues. Total Expense is 5.8% under the budgeted level, resulting in year-to-date Net Ordinary Income prior to Depreciation at 12.2% better than budgeted level. The current cash assets (YTD September Balance Sheet) Total \$1,536,536.46; of that, \$807,067 is set aside for the SVRA Member Center. The remaining cash assets consist of a \$200,000 Emergency Fund, Operating accounts, and 4th of July, Golf Course Equipment, and Tennis reserve accounts. September golf rounds reflect 9.6% improvement over last year and October to date reflects 100.9% improvement over last year bringing an additional \$6500 to the bottom line due to the significant increase in cash rounds (200% improvement!). However, the impact of a rainy August remains a significant hurdle to overcome entirely. Fall reduced rates are in effect for the balance of the season and sunshine appears plentiful in the long range forecast, so get out and enjoy a fall round of golf at a great value!!

The summary of the Financials for September YTD are available on the SVRA website.

Budget 2015: The 2015 budget has been provided to the Board together with the recommendations of the Finance and Legal Committee. The final Operating Budget and Capital Plan will be presented at the November BOD meeting.

Facilities: Ernie has winterized the pool and is currently rebuilding the Library portico. We believe the new design will improve greatly on the access/egress to the library in all seasons. Restroom facilities will remain open as long as temperatures permit. Duffer's will close Sunday 10/26 and the annual liquor sale of all remaining stock will be scheduled shortly thereafter. Golf operating hours will reduce further as the days shorten and the temperatures fall. Check the weekly emails for Cedar Creek closing updates! Contact the SVRA office if you want to be included on the email list.

Grill: Remember that the Grill will be open year round!! In addition to her website, there are current menu listings and specials on the Cedar Creek Grill page of the SVRA website.

Golf: I know the inventory is getting low at the Pro Shop but we can still get special orders. If you have event credits please use them up!

Mayor Siddoway asked if a draft of the 2015 Budget would be available before it was approved at the November Board Meeting. Chairman Wardle said that it would be available after the Board went over it at their workshop on November 4th. This will give members 2 weeks to get their comments and suggestions to the Board. To get a copy of the budget members can call the office and have it emailed to them, or they can stop at the office to get a hard copy.

Ron Thacker wanted to know if the legal fees that have been incurred on the delinquent lots are being assessed to those lots. Kirk Sessions said that the fees are recoverable and that we will be assessing them to the specific lots.

5. **Old Business:** None Stated

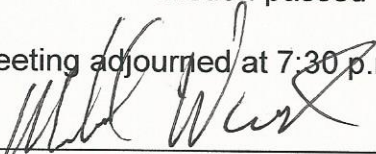
6. **New Business:** None Stated

7. **For the Good of the Order:** None Stated

8. **Adjournment:***

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

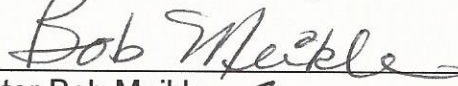
Meeting adjourned at 7:30 p.m.



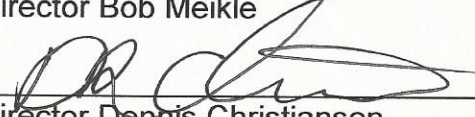
Chairman Mike Wardle



Vice Chairman Ron Denney

Approved Via Teleconference 
Secretary/Treasurer Ann Earl

Director Bob Meikle

Approved Via Teleconference 
Director George Toolson

Director Dennis Christianson