

Star Valley Ranch Association  
Board of Directors Meeting  
September 21, 2013  
9:00 a.m.  
Town Hall

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

**Call to order:**

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

**1. Adopt Agenda:\***

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

**2. Approval of Minutes for August 2013 Board Meeting:\***

- Director Horton made a motion to approve the August 2013 Board Meeting Minutes as written.  
Director Toolson seconded the motion.  
Motion passed unanimously.

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

**A. Utilities Report: Director Toolson gave the following report:**

The leak in the Stewart Pipe up Green Canyon has been dug up and repaired by Ernie and Stretch of the Town crew. After LVI shuts down their watering operations on September 30<sup>th</sup>, the line will be reactivated, tested for leaks and then re-chlorinated.

The digging going on above the Cedar Creek maintenance shop has produced many rather large boulders. Kurt Richmond will be incorporating these rocks in landscaping projects around the Ranch.

No word yet on the newest paperwork filing on "The Point of Diversion" with Scherbel Engineering and the State Water Board.

**B. Architectural Control Report: Director Horton gave the following report:**

Permit Activity (8/23/2013 to 9/21/2013)

Approved: 5	
Roof cover for deck - Pergola	1
Re-do front deck	1
Front yard landscaping	1
Garden Fence	1
Small Dog Fence	1

Disapproved:	1	
18x12 shed (need updated drawing package)		1
Variances:	1	
Rebuild Deck, Increase in size (Variance Approved)		1
Withdrawn:	0	
In Process:	1	
Update Garage Door (Waiting for Town Permit)		1
Up coming:	0	

Architectural Committee monthly meeting schedule:

Town P&Z Board	Architectural Committee
1st Wed of each month	1st Friday of each month
3rd Wed of each month	3rd Friday of each month
Meeting will be held at 10:00a.m. at the SVRA Office.	

This meeting schedule has been setup to help reduce the permit approval process.

Policies In Work:

Architectural Committee Document.  
Clarification of Fence Policy - new drawings, explanation of terms  
Green Houses

The Architectural Committee is looking for new members. Please contact me if you are interested.

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

The Golf & Greens Committee held their regular meeting on Monday, September 16<sup>th</sup>, 3:00 p.m. at the Silo. Among the discussion items for next season were:

1. Tournament scheduling for 2014
2. Premium pricing for weekends and holidays next year to generate more golf income
3. Also a discussion on the possibility of limiting season pass holders to after 1:00 p.m. tee times on weekends and holidays to generate more outside play and revenues during prime times in the mornings.

The only remaining tournament for this year will be the Duffer's Magical Mystery TOURnament starting at 11:00 a.m. next Saturday. This will be a 4-person FUN Scramble. No handicap needed, pick your foursome, or we'll help put you on a team. There will be a potluck and party to follow celebrating another fine golfing season. Please sign up SOON---(today or tomorrow), so we have enough pulled pork ordered for the potluck.

**Pro-Shop News**

25% off all remaining inventory, Pro Shop credit may be carried over until 2014 season.



Our Assistant Pro ---- David Kurtz last day for the season will be on September 28<sup>th</sup> thru the Duffer's Tournament.

### **Course Maintenance Items**

The front nine greens at Cedar Creek have been verticut and top dressed. The back nine will be deep tined aerified this next week, so #10 thru #18 will be closed for golfing September 23<sup>rd</sup> thru the 25<sup>th</sup>.

### **Aspen Hills Projects**

Greens have been aerified and top dressed, the #2 tee box is finished and ready for next spring. Phase 1 of the cart path from #5 tee box to restrooms is completed for the year. Cart path on #2 will be completed next week.

The new pump, motor, and wiring are now installed at the Cedar Creek Well and will be completely tested very shortly.

Cart path priorities for next year were discussed with the following recommendations: Finish Phase 2 of the Aspen Hills #5 tee box to the green. Adding cart path of Cedar Creek #9 green coinciding with the new septic system at the Member Center Building, and a new path from #12 green to #13 tee box at Cedar Creek.

Also, in the last week several new trees have been planted between #1 fairway and the driving range plus down the right side of the fairway of #7.

If you haven't been on these courses lately, go take a look, I think you will be impressed with what our greens crew has accomplished. A big Thank You to Mother Nature, who has supplied the courses with a lot of moisture lately.

### **D. SVRA Barn/Silo Redevelopment Report: Director Lujan gave the following report:**

We have received the final construction progress set from the Architect Firm of Dubbe Molder. The Board is currently reviewing the progress set and will be providing feedback to the Architect. We anticipate our review will be completed within the next two weeks. We have also updated our SVRA website site to include the exterior evaluation drawings, and upper and lower floor plans which have been extracted from the progress set. These drawings are still subject to final changes.

Revised projected time frames are as follows:

1. Completion of final construction documents review by 10-15-2013
2. Bid requests from 10-15-2013 thru 11-30-2013
3. Bid selection by 12-15-2013
4. Removal of the existing Barn/Silo structures fall/winter 2013 (subject to weather conditions and time constrains of the successful bidder)
5. Construction of the new building starting spring 2014 (12-14 month projected time frame)

Over the last year, the Board has received inquiries regarding the Boards authority to make decisions on the construction or refurbishing of facilities, the authority of the Board to borrow money and incur debt without submitting the issue to vote of the membership, the authority of the Board to utilize annual assessments for capital improvements.

The Board has solicited legal advice on these various issues. It is the opinion of counsel, based on their review of the Article of Incorporation, Bylaws and their review of the DCC&R's, the Board is within their authority to make decisions regarding the construction and refurbishing of facilities, the authority to incur debt without submitting the issue to a vote, and the authority to fix dues and assessments for the improvement or development of property for the general benefit and welfare of its members.



In our Last SVRA Board meeting on August 24, 2013, Helen Harker asked for the date that the Board voted on the new building. In our May 18th, 2013, Board meeting, Director Georg Toolson made the following motion:

"I move the Board of Directors of Star Valley Ranch Association move forward with the Star Valley Ranch Association Member Center project and authorize the Chairman to sign a contract with Dubbe Moulder Architects for the detailed Architectural & Engineering design of the building we have discussed today. Vice Chairman Denney seconded the motion. Motion passed unanimously".

Bonnie Johnson has been appointed Chairperson for the new Association Member Center fundraising/donation committee. The Committee will be hosting an "End of the Era" fundraising activity/diner on Friday September, 27, 2013.

A silent auction is being held to raise money for the new Association Member Center project. Items to be auctioned are memorabilia and miscellaneous items from the Barn and Silo.

Ron Mueller and Marie Cazier asked for a copy of the legal opinion given to the Association.

Director Lujan stated that the Board would discuss that request and that he would get back with those members.

#### **4. DCC&R Lawsuit Update:**

In 2011 the Association culminated a three year effort to update the DCC&Rs to reflect the desires of the majority of the lot owners. Through a tremendous effort of many volunteers, 73% of the overall membership voted to approve the proposed changes and consolidate the prior 11 sets of DCC&Rs into one uniform set across all plats (70% approval was required to implement the change). 1,549 of 2,019 lots participated in the voting process and all but three plats surpassed 70% approval (1,476 for and 73 against and 470 did not vote). Plats 1 & 2 - 60% approved the changes (87 for and 10 against and 49 did not vote-16 additional approvals required to achieve 70%) and plat 3 - 63% approved of changes (79 for and 3 against and 43 did not vote-9 additional approvals required to achieve 70%). As the Association has always been regarded as one entity, the SVRA Board acted on the 73% overall approval vote and attempted to record the new DCC&Rs with the county. Due to the voluminous number of pages of signatures reflecting approval, the county chose not to record said ballots and only after discussions between legal representatives of the county and SVRA, was an affidavit of the results recorded into the records of Lincoln County. On January 1, 2012 the new DCC&Rs were implemented across all Association member lots.

On 12/13/11, the above referenced legal action was filed. The suit contended that the new DCC&Rs were invalid because 70% of each of the eleven separately recorded sets of DCC&Rs did not meet the 70% approval. The suit also contended that the new DCC&Rs had not been properly recorded at the County Clerk's Office. After one year and eight months of judicial proceedings, the Judge in the case has ruled against the Association. That preliminary decision will result in the Association rolling back the clock to once again being governed by eleven different sets of DCC&Rs. It is the strong opinion of the majority of the members of the Board that the ruling is incorrect and does not recognize the expressed desires of the 73% of the members. However, the Board has no alternative but to accept the Judge's ruling while evaluating the option of an appeal to the Wyoming Supreme Court once the final order is received. At this time, effective 8/6/13, all prior DCC&Rs will be re-implemented.

Clyde Cazier asked how many lots were controlled by the plaintiffs.

General Manager Sessions answered that we have that number but not available with us today.

Clyde Cazier stated that he believed that the membership was entitled to know who were the plaintiffs.



Marie Cazier asked for the judges' name.

Director Lujan stated that the Association is waiting for the final order. As a Board we will review it and determine what course of action we need to take.

Director Lujan asked Mr. Cazier if he was specifically asking for the names of the plaintiffs.

Clyde Cazier answered yes, I am asking that I think we have a right to know.

Director Lujan read from the lawsuit as it originally read the plaintiffs are: William Daley, trustee of the Daley Family Trust, Gerald Kittleson and Sara Kittleson, trustees of the Kittleson Revocable Trust, Frank Goglio, and Bob Logan and Kathy Logan, trustees of the Logan 1988 Revocable Trust vs. The Star Valley Ranch Association (defendants).

The judge in the case was Marvin Tyler.

**5. General Manager's Report: General Manager Sessions gave the following report:  
Account Statements: All bank accounts are balanced for the month of August.**

**Assessments**

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

**2010 Assessment Status:** 16 Lots (.8%) have not paid in full.

**2011 Assessment Status:** 25 Lots (1.2%) have not paid in full.

**2012 Assessment Status:** 67 Lots (3%) have not paid in full.

**2013 Assessment Status:** 129 Lots (6.4%) have not paid in full. There are currently 9 foreclosures that we are aware of on the Ranch.

**Business Activities:** For the month of August, the allocation of \$680.00 (17 lots X \$40 for each assessment paid) was transferred from the Operations Checking account into the Restricted Capital account for the Barn/Silo Redevelopment. This transfer brings the account balance to \$154,205.10 including accumulated interest.

An overview of SVRA Financials finds the YTD August Gross Profit at slightly better than budgeted levels (1.1%), Total Expense at 6.6% better than budget, resulting in year-to-date Net Ordinary Income prior to Depreciation at 15.8% better than budget. Overall business results are tracking very close to last year with minor exceptions and we anticipate budget objectives will be met for all areas barring any unforeseen circumstances. Current cash assets (YTD August Balance Sheet) Total \$1,622,344. Of that amount, \$892,653 represents the current cash committed to the SVRA Member Center development project. The remaining cash assets represent various Reserve funds, a \$200,000 Emergency Fund and Operating Funds.

**DCCR Compliance Report:** There is 1 noncompliance issue currently open. There were three member complaints referred to the Compliance Officer and one Friendly Reminder distributed and the issue resolved within 7 days.

**Golf Operations**

**Pro Shop:** See Golf and Greens Report

Fall rates effective 10/1 and 25% off sale in the Pro Shop until closing approx. 10/31 or later.

**Golf Course Maintenance:** See Golf and Greens Report

**Facilities:** Pool has been closed and winterized. During this swim season SVRA Lifeguards were responsible for 12 saves. With another full season of operation with the thermal pool cover, we can validate

an annual savings in propane costs of \$2500 (just under 3 years to achieve a 100% return on our investment). The 2 bathrooms at the pool building, west side, were also refurbished this past summer and look very nice. The golf course restrooms will continue to remain open as long as weather allows.

Karaoke Party and Pot Luck 9/22 starting at 5 a.m. in the Barn

6. **Old Business: None stated.**

7. **New Business: None stated.**

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

Ron Mueller, Plat 17 Lot 24, The Barn/Silo project is a capital improvement for the Association.

A capital improvement is legally defined as any expenditure for physical improvements, which would include costs for acquisition of existing buildings, land, or construction of new buildings.

The Board of Directors cannot approve expenditures for capital improvements, but must be approved by the membership. Reference SVRA bylaws Article VI, Section 4, Special Assessments for Capital Improvements.

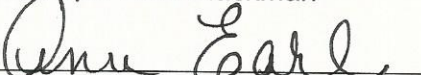
9. **Adjournment:\***


- Director Toolson made a motion to adjourn.  
Director Horton seconded the motion.  
Motion passed unanimously.


Meeting adjourned at 9:27 a.m.

  
Chairman Mike Blackman

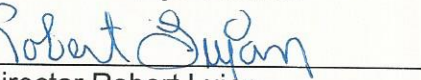
  
Vice Chairman Ron Denney

  
Secretary/Treasurer Ann Earl

  
Director Bob Horton

  
Director George Toolson

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Director Derk Izatt

  
Director Robert Lujan