

Star Valley Ranch Association
Board of Directors Meeting
January 21, 2012
9:00 a.m. Town Hall

Jere Kovach: Chairman – via phone
Mike Blackman: Vice Chairman
Kathy Daulton: Secretary /Treasurer – via phone
Gary Braun: Director-via phone
Derk Izatt: Director – absent
George Toolson: Director-via phone
Alycyn Culbertson: Director-absent

Call to order:

Vice Chairman Blackman called the meeting to order at 9:05 a.m. Vice Chairman Blackman stated that there was a Quorum and called for the Pledge of Allegiance.
Recognition of Mayor and Town Council.

1. Adopt Agenda:

- Chairman Kovach made a motion to adopt agenda as written.
Director Braun seconded the motion.
Motion passes unanimously.

2. Approval of Minutes for October 2011 Board Meeting:

- Secretary/Treasurer Daulton made a motion to approve the November 2011 Board Meeting Minutes as written.
Director Braun seconded the motion.
Motion passes unanimously.

3. Standing & Special Committee Reports

A. Utilities Report: Vice Chairman Blackman gave the following report:

The State Water Board met in November to consider the points of diversion for the Green Canyon system. Due to the discovery of additional rights the matter was referred to the Regional Water Superintendent for resolution. This will require a new petition be filed to formalize the take points* for LVI and the Association. No further problems are anticipated.

- I therefore move that the Star Valley Ranch Association Board authorize Chairman Jere Kovach to sign the Amended Petition for Correction of the Record Point of Diversion and for a Change in Point of Diversion and Means of Conveyance.
Director Toolson seconded the motion.
Motion passes unanimously.

B. Finance & Legal Report: Chairman Kovach gave the following report:

The Finance and Legal committee does not meet during the winter months. However, I would like to report an action has been filed by a number of members against the Association. The members are asking the Third District Court to rule that the amendment to the Declaration of Covenants, Conditions and Restrictions is invalid. Because this matter is in litigation, our attorney has advised us not to comment about the matter.

C. Architectural Control Report: Vice Chairman Blackman gave the following report:

For the year 2011, the Architectural board has approved a total of 33 permits and declined approval of 3 permits. Currently there is one permit for a RV parking exception that is deferred until the snow clears so the exception can be properly reviewed.

* "take points" clarified after meeting as "points of diversion"

In addition to permit reviews, the Architectural Committee is in the process of updating the permit process to match the new DCC&R's. The updated major project permit application and checklist were reviewed by the Board and after some minor modifications should be ready for approval, the Accessory building application forms should also be ready for Board review and potential approval in February.

D. Golf and Greens Committee Report: Director Braun gave the following report:

Kurt Richmond has waded into both the pro shop and course maintenance job responsibilities. The pro shop retail goods inventory has been completed, verified and the financial records updated. The process for ordering hard and soft goods for our pro shop has also begun to take advantage of early specials. Kurt and our General Manager are planning the 2012 Pro Shop schedule and determining the necessary staffing to support Golf operations in the coming season.

Comparing our golf rounds against the recently published results from the National Golf Foundation through October, we are very satisfied with our achievements for 2011. The Rocky Mountain States rounds are down 2.7% YTD and Utah is down 6.6% while SVRA is down only 2% despite the weather, a canyon closing and additional competition. Our 2011 fall results however, did not keep up with our record fall numbers of 2010, which eroded our gains YTD through August.

The launch of the Family Legacy Golf Program last fall has brought a great deal of excitement, receiving very favorable comments from our members. To date members have ordered 15 of the large tee box rock boulders and 30 tee box and course yardage markers. Contact the office or any member of the Golf or Greens committees for more information. These markers will be installed this summer.

On the course maintenance side of the business, the required upgrade to the irrigation computer and program has been completed successfully and our Irrigation Technician has been enrolled in training to occur later in March. Kurt Richmond has also completed the updates to the physical equipment inventory to reflect the dispositions and acquisitions made in 2011. Plans for the 2012 season are well under way even as it snows, with over two feet on the greens at this time. Kurt has, again this year, taken the lead in laying out and maintaining the winter trail system, and getting the equipment set up to accomplish the task.

The 2012 winter golf tournament will be hosted by Arch and Myrna Archibald the end of February in Mesquite Nevada. Arch and Grandma Myrna have worked very hard to get the costs down this year and the tournament was full however, Arch just received 4 cancellations. If you would like to play please contact Arch or the office. Entry forms for this winter golf tournament are also available at the back of the room today.

E. H&E Committee Report: Secretary/Treasurer Daulton gave the following report:

The Star Valley Ranch Art Show originally planned for mid-February has been postponed. Initial plans were to provide a Friday night "Meet the Artists" and an all-day Saturday viewing of the art work. Generous prizes have been offered by the Flying Saddle, and the Town had made it possible for the artists to use the upstairs of the Town Hall. H&E is partnering in a supporting role to assist with advertising and other forms of letting the community know and lending a hand at the art show itself. Mark Marino, who developed the concept and is coordinating it, asks Valley artists to contact him at 307-413-9911 for more information and/or to sign up to participate.

SVRA Winter Festival, Saturday, March 3rd -- bring your skis, shoes, sleds, skates and sun screen (we hope) and join the fun at the pool/pavilion/skating area!! Many thanks to Deb Adler, Rick Nelson and the SVRA staff for planning a day for all of us to play and learn more about the multiple use winter sports options available to all members. So far we anticipate:

- Demonstrations and sample skis brought to the Ranch by Skinny Skis of Jackson.

- Using the trail system for cross-country, skate skiing and snowshoeing through our trail map and tours. See the new grooming machine that is capable of creating tracked and packed trails.
- Sledding and tubing on the sledding hill at the top of Vista West and skating near the Cedar Creek Grill. We ask snowmobilers that return sledders to the top of the sledding hill to please use the track on the slope east of the groomed hill (#9 fairway) so the sledding track remains safe and useable.
- Meet Deb and Dan Valdez, the new operators of the Cedar Creek Grill, and order a hot drink!
- Watch for more details on SVRA e-mail and on the website.

The Cross-Country/Snowshoe Trail Map is available at the SVRA office, the Town Hall and on the SVRA website at this link: <http://www.svrawy.com/cross-countrysnowshoe-trails/>.

SVRA welcomes snowmobilers but we ask that they avoid the groomed ski and sledding trails and all private property. Snowmobilers must obtain a Daily Permit (\$5) or Annual Permit (\$25) at the SVRA office to use the courses.

F. Chairman's Report: Chairman Kovach gave the following report:

The Chairman has been absent from SVR for the past two months. Barring a major winter storm it is my intention to be in attendance at the February board meeting.

The current board is holding winter workshops telephonically and spends lots of time communicating with each other by phone and email. We are continuing to work on ranch issues.

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

Account Statements: All bank accounts are balanced for the months of October – December with no exceptions.

Assessments:

2009 Lawsuit Collection Status: 16 Lots (.79%) have not paid in full (includes 1 declared bankruptcy, 3 foreclosures). One SVRA foreclosure resulted in a judgment and one is still pending. More foreclosure proceedings should be pursued to bring the larger balances up to date if the test case proceeds successfully.

2010 Assessment Status: 27 Lots (1.34%) have not paid in full (includes 16 from above). Finance charges (12%) are added to past due accounts.

2011 Assessments Status: 63 Lots (3.13%) have not paid in full (37 of those are not included in one of the above categories). Some additional partial payments have been received from the 63 above.

2012 Assessments Status: Of the 2015 Lots that were assessed, 435 (21.6%) have paid in full compared to 193 (9.6%) for the same period last year. The next statement distribution is planned for March. We continue to pursue with assertive action to get additional payments on past due accounts.

Business Activities: The staff is continuing targeted training through one hour webinars that address a multitude of business topics. This approach is proving to be very economical and is yielding some positive learning results. The Annual Newsletter, Recreational Fee Schedule, Events Calendars and Family Legacy Golf Flyer were packaged and sent out 1/5/12 with the Annual Assessment Statements. With some good planning and a lot of hard work, this year went smoother than ever! Thank you to our staff for this outstanding achievement! The office continues to be a flurry of activity (no, contrary to popular belief we are not hibernating or enjoying a respite from the

busy summer season)! Assessments, calls, Family Legacy bookings, inventory verifications for all businesses, year-end closing of the financials, and requests from members are just some of the activities that keep us hopping!

Facilities: It has been a challenging year, but at last the ice rink is now operational and our restrooms are open at the pool building for skaters as well as cross-country skiers. Ernie has removed all of the cabinet faces in the Cook Shack and is refinishing them for a new refreshed look this season. He is also partnering with Kurt on the growing task of trail grooming in addition to the usual parking lot/walkway/ice rink snow removal duties. Please bear with us throughout the winter as maintaining the rink, trails and sledding hill consumes a significant amount of time, and weather conditions will affect our ability to always have these venues at 100% at all times.

Winter Recreation Activities: SVRA strives to provide a multiple use system for winter activities. Our new groomer creates two kinds of trails: side-by-side tracks for cross-country skiers and a packed trail for snowshoeing and skate skiing. The hill below the Association office has also been groomed for sledding/tubing. SVRA welcomes snowmobilers, but we ask that they avoid the groomed trails. When returning sledders to the top of the sledding hill, please use the slope east of the groomed hill (#9 fairway) so the sledding track remains safe and useable. The Cross Country/Snowshoe Trail Map is available at the SVRA office, the Town Hall and on the SVRA website at this link: <http://www.svrawy.com/cross-countrysnowshoe-trails/>. Snowmobilers are reminded that they must obtain a Daily Permit (\$5) or Annual Permit (\$25) at the SVRA office to use the courses. We request that snowmobilers please stay off private property and out of respect for other winter sports, please stay off groomed cross-country/snowshoe trails and the sledding hill.

Golf Operations:

Golf/Pro Shop: Comparing our results to the recently published results from the National Golf Foundation through October, we are very satisfied with our achievements for 2011. The Rocky Mountain States rounds are down 2.7% YTD and Utah is down 6.6% while SVRA is down only 2% despite the weather, a canyon closing and additional competition. Our 2011 fall results did not keep up with our record fall of 2010, which eroded our gains YTD through August. The retail goods inventory has been completed and verified and the financial records updated. The launch of the Family Legacy Golf Program has brought a great deal of excitement, receiving very favorable comments from our members. To date members have ordered 15 Tee Box Boulders and 30 Yardage Markers. These markers will be placed this summer. Kurt and I are planning the 2012 Pro Shop schedule and the necessary staffing to support Golf operations in the coming season.

Golf Course Maintenance: The required upgrade to the irrigation computer and program has been completed successfully and our Irrigation Tech has been enrolled in training to occur later in March. Kurt has completed the updates to the physical equipment inventory to reflect the dispositions and acquisitions accomplished this year. Plans for the 2012 season are well under way even as it snows, with about two feet on the greens at this time. Kurt has, again this year, taken the lead in laying out and maintaining the winter trail system, and getting the equipment set up to accomplish the task. (Refer to Golf and Greens Committee Reports for additional information.)

Water Projects Update - Alternate Point of Diversion: The State Water Board has referred the matter to the Regional Water Superintendent for a local hearing and resolution. However, the engineer has discovered some additional rights that need to be included in the petition to thoroughly clarify the water rights from Green Canyon. The new petition will go back before the State Water Board in February with the expectation that once again it will be referred back to the Regional Water Superintendent for local hearing and resolution. It is our expectation that this resolution will be achieved this summer.

Barn/Silo Replacement: MTI conducted radar testing of the barn foundation as part of an overall assessment of the barn foundation integrity and future load capacity. Working with Sargent Engineering it has been determined that the existing foundation does not meet current building code requirements. The Community Center Project Team will be reactivated to begin looking at scaled down, cost effective alternatives for consideration in the continuing need to replace the barn/silo with a year round facility that will meet the needs of the community.

H & E: The SVRA Winter Festival is scheduled for March 3rd. Rick Nelson and Deb Adler, who are both ski/snowshoe enthusiasts, will be working with the SVRA staff in planning and conducting this event. Rick approached Skinny Skis in Jackson to demo skis here and give skiing tips. Skiing, sledding, snowshoeing and use of trail maps will be featured. The venue will be at the skating rink-grill-pavilion area. People will also have a chance to check out our new grooming equipment. (Refer to H & E Committee Report for more information.)

Cedar Creek Grill: March 1st will mark the opening of Cedar Creek Grill under the operation of Deb and Dan Valdez, who are returning to Wyoming from Nevada. Watch our e-mails for further announcements of their plans and menu; sounds like at least coffee and Wi-Fi are a part of those plans. Deb and Dan are planning to return to the name of "Cedar Creek Grill" and be open twelve months a year.

5. Old Business: None stated.

6. New Business: None stated.

7. For the Good of the Order:

Carolyn Koch asked if the Ranch is lifting the restrictions on the capacity of the barn? General Manager Sessions answered no, we are not.

Ms. Koch then asked if the Ranch is still planning on expanding the grill.

General Manager Sessions answered that we were previously planning on adding enough space to add a pizza oven. With the new management in the grill we are only planning on adding a closet to keep the ice machine in. The closet will make the ice machine accessible and cuts off the need to access the shop. We are not planning on blowing out any walls.

We will do the best we can to help make the grill successful.

Ed Koch asked if the fee schedule is being re-evaluated. Right now members are paying more for a punch card vs. paying the daily fees. He also asked about the trail fee vs. cart rental.

Vice Chairman Blackman and Director Braun assured him that the fee schedule will be re-evaluated at the next Board of Director workshop.

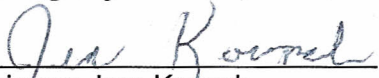
Russ Storbo asked how long will the assessments be increased?

Vice Chairman Mike Blackman said that in the spring we will be making a plan to determine what is best for the Ranch. We will make every effort to keep assessments as low as possible. We will also be looking for comments from the membership.

8. Adjournment:

- **Secretary/Treasurer Daulton made a motion to adjourn.**
Director Toolson seconded the motion.
Motion passed unanimously.

Meeting adjourned at 9:40 a.m.


Chairman Jere Kovach


Vice Chairman Mike Blackman

Secretary/Treasurer Kathy Daulton

Director Gary Braun

Director George Toolson

Director Alcyon Culbertson


Director Derk Izatt