



OPERATING POLICY

POLICY TITLE: ANNUAL ASSESSMENTS					
SECTION	SVRA ORIGIN AND PURPOSE	NUMBER	1.3.3	DATE	5/19/2022
REPLACES POLICY NUMBER: 1.3.1		TITLE: BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS			
DATE ADOPTED: 2/15/2018					
DATE REVISED:					
CROSS REFERENCES:					
APPROVED:					
				5/19/2022	
GENERAL MANAGER				DATE	
				2/19/2022	
SVRA CHAIRPERSON				DATE	

The Board of Directors will be guided by the DCCRs in setting the annual assessment for all plats and lots of Star Valley Ranch.

The maximum annual assessment may be increased effective January 1 of each year by the Board of Directors, without a vote of the membership, in conformance with the rise, if any, of the Consumer Price Index as published by the United States Department of Labor for the preceding month of July.

The Maximum Annual Assessment is determined using the formula above as follows:

$$\begin{aligned}
 & \text{(Current Year Maximum Assessment (per DCC\&R base) x (CPI index for July, Current} \\
 & \quad \text{Year/CPI index for July, Previous Year)} \\
 & = \text{Following Year Maximum Annual Assessment (per DCC\&R base)}
 \end{aligned}$$

Example

$$\begin{aligned}
 & \text{(2021 Maximum Assessment (per DCC\&R base) x (CPI index for July, 2021/CPI index for July, 2020)} \\
 & = \text{2022 Maximum Annual Assessment (per DCC\&R base)}
 \end{aligned}$$

**Note: The example reflects the 2022 formula using the July 2021 and July 2020 CPI. The appropriate CPI for each successive future year will be utilized as required.*

The maximum annual assessment is calculated as in the above example, and the actual assessment is set. After consideration of current maintenance costs and future needs of the Association, the Board of Directors shall fix the annual assessment at an amount not in excess of the maximum established for the subject year.