

Star Valley Ranch Association
Board of Directors Meeting
October 15, 2011
9:00 a.m. Town Hall

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

Call to order:

Chairman Kovach called the meeting to order at 9:00 a.m. Chairman Kovach stated that there was a Quorum and called for the Pledge of Allegiance.
Recognition of the Town Council.

1. Adopt Agenda:

**Secretary/Treasurer Daulton made a motion to adopt the agenda as written.
Director Braun seconded the motion.**

Motion passes unanimously.

2. Approval of Minutes for September 2011 Board Meeting:

**Secretary/Treasurer Daulton made a motion to approve the September 2011 Board Meeting Minutes as written.
Director Izatt seconded the motion.**

Motion passes unanimously.

3. Standing & Special Committee Reports

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

In June of this year, 73% of the lot owners here at Star Valley Ranch voted to revise the DCCRs. At each board meeting since then, someone has raised a question regarding enforcement of these new regulations.

The board has worked diligently on the process of enforcement and you will hear more details later in this meeting. A key concern of the board is that the General Manager does not become inundated with visits or phone calls from persons having questions or complaints about our process of enforcement.

We, the board, want to try using the "good of the order" portion of these meetings as the forum for all comments regarding the DCCRs. The rationale for this choice is that we want the general population of Star Valley Ranch to be involved in the evolution of the enforcement process. If the time allowed by the "good of the order" proves to be inadequate, then the board will consider setting aside time at the beginning of each board workshop for additional discussions.

Enforcement of the DCCRs has been defined by the courts as a duty of the Board of Directors. We are developing our implementation procedures in a manner that will protect the time of the General Manager. We would appreciate the cooperation of the association members in achieving this goal.

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

The Finance and Legal committee held its meeting on October, 3rd. The entire meeting was dedicated to a review of the draft budget for 2012, as presented by the General Manager. A significant portion of the discussion involved whether or not to assess each lot to enhance the reserve fund that will be used to develop a facility that can be used by the members twelve months of the year. This discussion centered on the inherent conflict between "what we want" and "what we can afford". The possibility of a mortgage as a source of funds was discussed as well as the concept of phasing the facility to match existing funds.

C. Utilities Report: Director Braun gave the following report:

On November 7 the state water board meets in regards to the point of diversion in green canyon.

D. Architectural Control Report: Director Braun gave the following report:

Two RV parking area variances were approved last month.

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

The frosty mornings and beautiful yellow and gold leaves tell us winter is approaching fast but not for many of our golfing members. This fall has been one of the warmest and best golfing Indian summers in recent memory. Both golf courses are still in excellent condition and our overall golf rounds are 16,966. This is down just less than 300 rounds from last year and you'll recall we opened 3 weeks later due to the snow and did not have much of a May or June this year.

Our course Superintendent, Kurt Richmond and his staff have completed all the greens aeration work for this year and are applying fall fertilizers and sprays to the greens, tee boxes, roughs and fairways. Next week the water system blow downs will begin as the new driving range tee box also continues to take shape. Our target completion date for the new driving range with real driving range balls and animal silhouettes is July 4th next year. We still have several projects we'd like to get accomplished this fall including the pond on Cedar Creek's number 16 and also planting a number of the new berms. The 2012 draft budgets for both the Golf and Greens have been prepared and reviewed by each of those respective committees and now with the Board.

Both the Greens and Golf Committees met this month for the last time this year. The Board and I would like to thank each of the committee members for their hard work and team play this year. The golf maintenance and pro shop staffs have also done an excellent job all year focused on customer satisfaction, quality of play and course conditions.

Our 2011 concrete golf cart path program is working and should finish up this next week. The cart paths at Cedar Creek's number 1 green and number 2 tee box are now complete as is Aspen Hill's number 7 green to the top of the hill at the number 8 tee box. Cedar Creek's hole number 4 cart path from the bridge to the ladies new tee box is now mostly formed and will be poured next week. The Greens Committee has also identified and prioritized the 2012 cart

paths which will also be estimated this fall giving us a much earlier start next spring. The Greens Committee has also finalized the granite tee box, granite tee marker and granite course yardage marker program. You can checkout this program with the application form to reserve your favorite hole with the office or either pro shop. A special Thank You to Korry Wheeler for orchestrating this program and giving our members a very reasonably priced opportunity for their names to live on for literally hundreds of years here at Star Valley Ranch.

Last but certainly not least, Arch and Grandma Myrna Archibald have offered to host this year's annual Winter Golf Tournament in Mesquite, Nevada on Wednesday, February 29th with a welcoming reception and optional practice round Tuesday the 28th. A copy of the entry form and all the information will be attached to the minutes of this meeting¹, emailed to as many SVRA golfers as we have emails for and also available in the office and pro shops. Arch and Myrna have secured some very good pricing for food and rooms at the Casa Blanca and the Virgin River with the tournament being played at the beautiful Palms Golf Course. Please give old Arch and Grandma Myrna a call early so they can get a good headcount estimate for this winter's big event.

With Indian summer slipping quickly past, we encourage you all to get out often and enjoy your golf courses and also to spend your Pro Shop credit before October 31 to avoid losing it. Remember SVRA Members can order anything at cost plus 20% and also receive a 10% discount on all inventory in stock.

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

The H&E Committee invites all men, women, and children to **Trunk or Treat and the Haunted Barn**, Monday Oct. 31st. Cars with treats should be in place by 6:30pm in the horseshoe behind the **Haunted Barn**. Drop off decorated pumpkins or jack-o-lanterns for our pumpkin contest 6:00-6:30 – and don't forget to take them home. Groups ready for a fright can begin their trek through the **Haunted Barn** starting at 7:00pm. Tours will end by 9:00pm... because we have more to do that night....

Come and help. More volunteers are needed to dress in costumes for this event.

The characters needed are...

*Dot person dressed in solid black with dots all over

* "The Ring Girl" long white gown, black hair, pale skin (we have a wig)

*Chainsaw massacre

*Scream Ghost – we have a costume

*Skeleton – we have a mask

*Zombie – we have a costume

*Clown – we have a mask and a costume

*People dressed in all black or camouflage, we have scary masks that you can wear.

If you have a great costume that will work for this event, or are willing to volunteer please call 883-2669.

This is NOT a physically demanding event. We will need volunteers able to stand and/or walk around for the duration of the event. If you have physical limitations and would like to volunteer, please call. We will find the perfect position for you!

H&E has also been working on our 2012 budget and schedule of events, and will be adding

more adult-oriented options while preserving our family events like **Trunk or Treat and the Haunted Barn**. Don't miss it.....

G. Master Planning – Community Center Project Team Report: gave the following report:

The attorney general of Wyoming disapproved the Association's participation in receiving a grant for the community center.

**Secretary/Treasurer Daulton made the Motion to Release the Town from their grant commitment for the community center project.
Director Braun Seconded the motion.**

Director Braun thanked the Town for their help through the process.
Secretary/Treasurer thanked the community center committee.

Motion passes unanimously.

**4. DCCR Compliance Initiative-Secretary/Treasurer Daulton gave the following report:
DCC&R COMPLIANCE 2012 FORWARD**

It is the goal of the Board of Directors of SVRA to create and implement a formal, effective, equitable and sustainable system to achieve DCC&R compliance and to regularly review and measure its effectiveness in 2012 and into the future.

Rationale: On June 29, 2011, over 70% of SVRA members approved amendments to the DCC&Rs for the first time since the Association was formed 40 years ago. Based on community input over a 3-year period, the amendments allow increased options for storage and the parking of recreational vehicles on lots where a residence exists. SVRA's new single version of the DCC&Rs will fulfill its potential to increase the desirability and value of property as these new community standards become the norm.

In support of achieving our goal the following objectives have been identified:

- Communicate clear, concise policies and procedures to improve members' understanding of the single version of the DCC&Rs effective 1/1/12 and to make self-compliance easier for members.
- Use "For the Good of the Order" during Board meetings and evening open houses during the process to gather member input in an effort to continuously improve the system and member compliance.
- Maintain transparency of the process by publishing a regularly updated timeline of activities and compliance procedures to members through
 - Board minutes on email
 - Town water bills
 - Annual SVRA Newsletter and on the website
 - Star Valley Independent, when appropriate
- Create and distribute a proactive communication system to notify members of noncompliance issues.

- Hire, introduce and orient a DCC&R Compliance Officer by 4/1/12 to provide consistent overview of noncompliance issues and compliance improvements.
- Implement the compliance system and individual notifications by 6/1/12 using the DCC&R Compliance Officer and random patrols of all SVRA plats.
- Measure and report success regularly.
- Develop in the summer of 2012 an off-site storage area as a low cost option for recreational vehicle parking.

Progress to date:

June 29th – Approval verified; DCC&R single version filed.

July – First drafts of policy for auxiliary buildings, the parking of recreational vehicles, and suggested revisions to the regulations for architectural control written to match the revised covenants.

August – RV Parking policy and Variance policy approved; DCC&R highlights approved; Informative packet including all 3 documents delivered to every door on the Ranch and available on the website; packets delivered to realtors and title companies in the Valley.

September – DCC&R Revisions Committee disbanded; Association RV Parking area talks begin with LVI; Search for security options – Jackson Hole Security contacted and attends BOD workshop.

October – DCC&R Compliance goal and objectives written; Oct. 11 - Board compliance tours begin and will continue throughout the fall.

Result of first tour: The tour included parts of plats 6, 7, 9, 10, 13, 14, 16, 17, 18, 20, and 21. Overall, it is estimated that 400 homes were reviewed. Over 90% of homes were in compliance, while 32 incidents (8%) were non-compliant. Of those, the majority were RVs parked incorrectly and without pads.

Correct placement requires the RVs be situated on a single space with an area up to 40' x 13' within the lot lines and beside or behind an existing structure. The Board thanks all members whose RVs are properly situated and requests that those situated incorrectly be remedied before winter. If members have questions, please call the SVRA office at 307-883-2669. The Board will continue compliance tours through the fall.

Chairman Kovach stated that the Board of Directors is actively working on this particular target and will continue to do so and accept input from the membership.

5. 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: 23 Lots (1.1%) have not paid in full (3 are making payments, 2 declared bankruptcy, 3 foreclosures). One SVRA foreclosure resulted in

a judgment and one is still pending service to owners. More foreclosure proceedings should be pursued to bring the larger balances up to date.

2010 Assessment Status: 40 Lots (2%) have not paid in full (includes 23 from above). Finance charges (12%) are added to past due accounts. We continue to pursue with assertive action to get additional payments on accounts.

2011 Assessments: Of the 2015 Lots that were assessed, 112 (5.6%) have not paid in full compared to 92 (4.6%) for the same period last year. Some additional partial payments have also been received. The last statement distribution was in August and it brought minimal results with another planned for October.

Business Practices: We have finalized an agreement with American Collection Systems, Inc. to in handle returned checks for SVRA. Returned check charges will cover the cost of the service therefore having no negative impact on revenues. The first batch of checks has been provided to ACS and we look forward to evaluating their success. We are also exploring with this company the possible opportunities/costs associated with using them to track down members and collect past due assessments in select circumstances as needed (i.e. members with no accurate address or phone # known).

The office staff and I participated in a webinar, "How to collect more money", last week and picked up some new ideas that we will be implementing to see if we can have a positive impact on collecting late payments.

Budget 2012: The Operating and Capital Budget for 2012 have been reviewed with the Finance and Legal Committee and the BOD. Suggested modifications have been addressed and the budgets will be finalized in the coming days. The approval of the 2012 Operating Budget, Capital Budget and Annual Assessment will be completed at the November 2011 BOD Meeting.

Duffer's: Duffer's will have a costume party Saturday 10/22 starting at 6:00 followed by a final day closeout Sunday 10/23 starting at 1:00 with closeout a sale on all remaining inventory.

Facilities: With cooler temperatures coming, our restroom facilities will remain open as long as possible but will close as freezing temps occur. We have been stacking some dirt piles west of the pool building to use in the modifications to the basketball, volleyball and horseshoe areas and to cover the septic system which froze up last winter due to lack of cover. The planned changes should make these areas nicer and more user friendly. This winter we are going to try using the basketball court as the ice rink in hopes of getting a good layer of ice to set up.

Golf: Through September our rounds are down over 2010 by .8%. In comparing our results to the recently published results from the National Golf Foundation through August we are very pleased with our achievements; the Rocky Mountain States rounds are down 3.5% YTD and Utah is down 8.6% while SVRA is up 1%. Our fall rates have again been successful in keeping the golfers coming to our courses even if the weather has not been very cooperative! The courses will remain open as long as it makes sense and the weather cooperates. Watch our emails for closing notifications.

Golf Course Maintenance: Work has been completed on the concrete cart paths # 1 & 2 at Cedar and # 7 to 8 at Aspen Hills. Around #8 T Box has been delayed until the path from the ladies T Box through the trees is done next year; allowing the large cement trucks to pass through the area. In addition to the preparations to make the course winter ready the grounds crew has begun the work on the extension to the driving range with the expectation that the project would be completed and ready for use by early to mid-summer next year. (Refer to Golf and Greens Committee Reports for addition information.)

Water Projects Update: Alternate Point of Diversion: The State Water Board has rescheduled a decision on our petition for the November meeting due to the lack of responses from the property owners from LVI developments. We fully expect that the matter will be referred to the regional Water Superintendent for a local hearing and resolution.

Barn/Silo Replacement: MTI will be conducting 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 we will also be conducting a soil test as part of this assessment. The results of this assessment will help shape future decisions as to use of the existing structure. If we are able to use only the existing foundation with a new building built on it, approximately 20-25% of construction costs can be saved.

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 Trunk-or-Treat and Haunted Barn for Halloween 10/31/11 is in the creation stage!!! Some costumed characters are still needed if there are some "kids at heart" that would be willing to lend a helping hand we would appreciate it!!! No physically strenuous requirements other than standing, hunching over, or just pretending to be dead, and coming back to life! If you feel you have the qualifications for any of these positions, please let Tallia know. (Refer to H & E Committee Report for more information.)

Recreational Activities: Zumba has ended for the season as of Friday 10/14. It sounds like a return trip next year is in order!

DCCR Compliance: I expect to get a final proposal from a Jackson Security firm to provide SVRA with the DCCR compliance officer and conduct the patrols required to implement the DCCR Compliance Initiative in 2012. Combined with the information already obtained regarding alternative methods we should be ready to make an informed decision to finalize budget costs.

Jerry Kittleson about the delinquent assessments. He asked if the 2011 number included the numbers from 2010 & 2009 and prior.

General Manager Sessions answered, for the 2009 and prior balance we credit the most current balance first because we have liens on those properties that are a part of the 2009 lawsuit.

For the most part yes, the 2011 includes those numbers from 2010 & 2009 & prior.

6. Old Business: none stated

7. New Business: none stated

8. For the Good of the Order: Clyde Cazier asked for the amendments. He was not sure what the amendments were for. He mentioned that he had only received 39 amendments out of 127 amendments.

General Manager, Kirk Sessions stated, "I am not exactly sure what you mean by the amendments. Jere and I have spoken about 1- There is a need at the Ranch to gather all of the documents that govern the Association. It is very important to gather this information in an organized fashion. We are starting gathering these documents. 2- Policies and procedures will be organized, re-written and modernized. We will have them approved and signed and dated by the Board of Directors.

Chairman Kovach asked the question, "In 1995 the Board changed the number of Directors from 5-7, was there a vote?"

Jerry Kittleson mentioned, yes there was a vote. The court established that yes it is correct.

Helen Harker mentioned that Gene Root & Ron Muehler would be great help to the association moving forward. They have a lot of knowledge of history on the Ranch.

Marie Cazier stated that she didn't understand why there were so many amendments. She asked, "Why can't the membership get ahold of the amendments to see just what are the policies of the Association."

Chairman Kovach stated, "I'm hopeful that the fact that the new process the election, the new DCCRs surpasses and is the new body of law that needs to be enforced and maybe that's a situation where even if there were a 129 amendments to the old ones maybe they aren't relative to the new ones. I would like to think that we can use policy to provide clarity. I think we are tightening things up here at the Association. I hope that we leave a legacy that is better than the one we inherited.

Marie Cazier asked about the parking of the RVs in lots, how are you informing the owners what the new rules are.

Secretary/Treasurer Daulton answered by saying, "We have delivered packets to all the homes. When we looked at 1/2 the homes on the Ranch we came up with 8% non-compliance. We are working out our next steps. It is an evolving process.

General Manager added, "It's going be new to the Ranch everything that I have heard in the past two years, it has taken a proactive method to enforce the DCCRs.

I think it has been recognized that we will need better communication to encourage DCCR compliance.

Jerry Kittleson mentioned that there are no amendments to the DCCRs. There are amendments to the By-laws. The CCRs are black and white. If you can't understand the DCCRs, have somebody explain them to you.

Director Braun had a recommendation from Ron Boulter. Can we move the trash cans and flowers from the front of the barn? There are many hornets surrounding both of them. Mr. Sessions made a note of this recommendation.

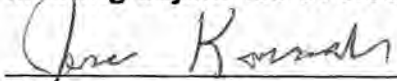
9. Adjournment:

Derk Izatt made a motion to adjourn.

Gary Braun seconded the motion.

Motion passed unanimously.

Meeting adjourned at 9:50 a.m.


Chairman Jere Kovach


Vice Chairman Mike Blackman


Secretary/Treasurer Kathy Daulton

Director Gary Braun

Director George Toolson

Director Alycyn Culbertson



Director Derk Izatt

¹a copy of the winter tournament information was distributed with the distribution of the draft version of these minutes.