



## HOMEOWNERS ASSOCIATION

Minutes for 2016 Annual Meeting  
October 8, 2016 at 9:00 MDT at the Ranch Headquarters

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### **I. Call to Order, Establishment of Quorum, Welcome, and Introductions**

Bob Pisano, President of the SCHOA, called the meeting to order. Virginia Nowicki reported that a quorum was present, including those present in person and by proxy.

Bob opened the meeting by welcoming all of the homeowners that made the time and effort to come to the homeowners' weekend. He introduced the members of the Board of Directors of the Association, then all of the individuals in attendance introduced themselves to others at the meeting.

### **II. Approval of Minutes for October 4, 2015 Annual Meeting**

Motion to adopt the minutes of the Annual Meeting on October 4, 2015.  
M/S/U.

### **III. Elections and Confirmations**

**A. Voting Procedures** – Bob Pisano outlined the voting procedures, as described in the Elections and Voting Procedures document that was distributed to all homeowners in advance of the meeting.

#### **B. Board of Directors (3 Board Members)**

The three seats up for election in 2016 and two of those are currently held by Stephen Price and Stuart Lang. George Kallop had submitted his nomination form to become a Board Member prior to the meeting. Nominations were received and distributed in advance for the three candidates.

The floor was opened to additional nominations. Hearing none, a motion was made to elect Stephen, Stuart and George to the SCHOA Board by acclamation. M/S/U.

**C. Architectural Committee**

1. Election (1 AC Members)

The one seat up for election in 2016 is currently held by Tom Taylor. Nominations were received and distributed in advance for Tom.

The floor was opened to additional nominations. Hearing none, a motion was made to elect Tom to the Architectural Committee by acclamation. M/S/U

2. Confirmations (2 AC Member)

Florence Lemle and Kent Van Riper were elected at the 2015 Annual Meeting to a 2-year term on the AC. The 2<sup>nd</sup> year of the term is, according to the Association's bylaws, subject to confirmation.

Motion to confirm Florence and Kent for the 2<sup>nd</sup> year of their terms on the Architectural Committee. M/S/U

**IV. Committee and Other Reports**

**A. Finance Committee**

1. Treasurer's and Investment Reports

Dave Conine, the Association's Treasurer, introduced and thanked the members of the Finance Committee. They are Donna Falk, Derek Goodson (ex officio), Ron Harris (SCISD liaison), Duncan Golde-Morrison, and Adam Maberly. Derek then summarized the Treasurer's report. Highlights included:

- Overall, the financial condition of the Association continues to be healthy.
- The Association had approximately \$2.6 million in reserve funds as of the end of August, slightly under

30% of which is for the Project Common reserve and the remainder is for the two separate site common reserves (Spirit Dance and Harvest Dance). Most of the investments are in equities.

Commented [VN1]: Need percentage

- The Finance Committee meets quarterly, or as needed. Key responsibilities include review of each year's budget, insurance coverages maintained, and annual audits or accounting reviews.
- Year-to-date operating results for 2016 overall are tracking near budget.
- An increase of about 8% in the overall budget level is expected for next year. Insurance policies are to be renewed with premium rate changes mainly due higher building replacement costs. D&O liability coverage premiums remained high due to the past history of claims.
- Bob Pisano praised the work and dedication of the late Abe Suydam in managing the Merrill Lynch Reserve Funds account. Bob Wood will take on this position.

## 2. Audit Report for December 31, 2015

Derek Goodson reported that, at the direction of the Board, a full review was conducted this year of the SCHOA's financial statements as of December 31, 2015. This audit has been accepted by the Board and is posted on the HOA website.

## B. Architectural Committee

Tom Taylor, Chairman of the AC, introduced and thanked the members of the Architectural Committee. They are Donna Falk, Florence Lemle, Kent Van Riper, and Peter Warshaw. Tom then gave a brief update on the activities of the Committee. He indicated that three homes are currently under construction. Tom also stressed that all homeowners need to be user friendly when doing landscaping or remodels. As we build out, there are more interior renovations and the AC needs to know the staging areas of your contractors. Please contact Tom Taylor or Jackson Brandenburg with questions or concerns.

**C. Legal Report** – Frank Hess, SCHOA legal counsel, reported on three matters.

- The first was about dogs on the Butte. Over the last year, there have been numerous complaints about dogs on the Butte. While the CC&R's prohibit dogs, federal law in certain circumstances mandate certain exceptions for service dogs and emotional support animals. A comprehensive policy statement will be adopted by the Board and presented to all Homeowners.
- 2015 lawsuit was favorable settled in February. The Homeowner paid up through May but is currently delinquent six months
- Lower Valley Energy has been accumulating rebates for Harvest Dance, Spirit Dance, and Common Area Lots. These rebates will be allocated appropriately and checks will be mailed out.

**D. Spring Creek Improvement and Service District**

Commented [VN2]: Needs updating

Stephen Price, President of the SCISD, provided an update on the work of the District over the past year, some of which he covered in the SCHOA Manager's report. Highlights included:

- The water, sewer, and road infrastructure is all functioning well. A new electronic well pump control system is in place and functioning. We continued to have a variety of relatively minor issues with other aspects of the water system, but staff has been able to address them as they arose
- Stephen noted that, with the new equipment and recent expansion at the well house, SCR is prepared when it would be necessary or prudent to add a new third well. There is no projected date for adding a 3<sup>rd</sup> well, as it will depend on present and anticipated levels of water consumption.
- The District is commencing a multi-year project to inspect and clean the SCR sewer lines. The first two phases have been completed.
- Water usage was slightly lower this past summer than the two previous summers. Regular monitoring and reporting to individual homeowners on usage remains a work-in-progress.

- The District made modest adjustments in its assessment schedule to reflect differences in water usage by homeowner category (single family homes, townhomes, and commercial units). Adjustments were not made for the coming year to reflect individual homeowner usage, although this is a distinct possibility in the future.

**E. HOA Projects** – Stephen Price covered this item in the SCHOA Manager's report.

**F. Water Usage Reporting** – Stephen Price covered this item in the SCISD report.

**G. SCHOA Manager's Report**

Stephen Price gave the SCHOA Manager's report, covering changes and developments since the last Annual Meeting. He presented the new homeowners website which is under construction. This site will be user friendly and provide a option of opting in to have your public information accessible to other homeowners.

Other highlights included repair and replacement of buckrail fencing and the extension of the fire strip from The Granary to Lot 1 (Kallop) property line. The Gruen fireplace repairs are completed, Choate sewer lines are being inspected for cracks. SCR sewer main cleaning and inspection will begin October 3 completed.

Other improvements scheduled for the upcoming year include chip sealing of Lower Harvest Dance road and pathways and Spirit Dance parking lots.

**H. Amangani Manager's Report**

Stuart Lang reported that the 2017 budget for Amangani homeowners will be presented in November. Amangani is pacing on par with 2015. Two major capital projects, subject to approval from the Owner are purchasing a new boiler and adding air conditioner to 40 guests' suites.

**I. Vision Committee** – Donna Falk gave a brief overview and summary of the work of the committee and thoughts for future enhancements.

**V. JH Real Estate Market**

Jim Byrne reported on his observations regarding the real estate market in Jackson generally, and at SCR specifically. He indicated that we are currently experiencing a robust market generally.

**VI. Old and New Business**

**A. Preliminary 2016 Budget and Assessment Schedule**

Bob Pisano reported that Teton County property assessments increased generally last year for larger homes throughout the County, including Spring Creek Ranch. The Assessor did not materially change assessed values for the commercial properties at SCR (or for the townhomes). Bob went on to explain that the distribution or allocation of the Association's project common expenses between residential and commercial homeowners, which are included in establishing each year's Association dues, is based on relative total assessment amounts for the residential versus the commercial homeowner categories (per the CC&R's). Since residential assessments by the County increased relative to those for commercial homeowners at SCR, residential units were allocated a larger portion of Project Common expenses. This translates into increased residential HOA dues.

Bob also discussed the replacement of Gruen fireplaces and the impact on those units' dues; and he reported that insurance costs are increasing. He indicated that the Finance Committee and the Board have both reviewed the preliminary budget.

**B. Resolutions**

**1. Resolution regarding Transfer of Excess Funds**

The draft of a proposed Resolution (see attachment) was projected on a screen at the meeting. The nature and importance of the resolution was explained by Derek Godson. It calls for the crediting of any excess operating funds as of the end of 2015 toward the 2016 assessments. This is a routine matter that is addressed at each Annual Meeting.

Motion to adopt the Resolution for Application of Excess Operating Funds. M/S/U.

**2. Resolutions regarding Harvest Dance and Spirit Dance Insurance**

The drafts of two proposed Resolutions (see attachments) were also projected on a screen at the meeting. The nature and importance of these resolutions for the townhouse subdivisions was explained. They are routine actions taken at each Annual Meeting, reflecting efforts of the SCHOA to avoid gaps in Harvest Dance and Spirit Dance townhouse owners' insurance coverage.

Motion to adopt the Resolution for Fire and Extended Coverage for Townhouse Units for the Harvest Dance subdivision. M/S/U.

Motion to adopt the Resolution for Fire and Extended Coverage for Townhouse Units for the Spirit Dance subdivision. M/S/U.

**C. Use of Facilities and Services by Homeowners, Guests, and Renters – Deferred.**

**D. 2017 Annual Meeting Date**

The Annual Meeting date is scheduled for October 7, 2016.

**E. Other Business and Open Discussion – None.**

**VII. Adjournment** – Upon completion of the business at hand, the meeting was adjourned.