



**HOMEOWNERS ASSOCIATION
DRAFT**

Minutes for 2017 Annual Meeting
October 7, 2017 at 1:30 MDT at the Ranch Headquarters

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 8, 2016 Annual Meeting

Motion to adopt the minutes of the Annual Meeting on October 8, 2016.
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. Ballots were handed out to each attending homeowner to vote for the positions on SCHOA Board, Architectural Committee and reappointment of an AC Member.

B. Board of Directors (2 Board Members)

The two seats up for election in 2017, currently held by Robert Pisano and David Conine. Prior to the meeting. David Conine, Robert

Pisano and Dan Grasseti had submitted nomination forms to become a Board Member, which were distributed prior to the meeting

The floor was opened to additional nominations; none were made. Ballots were collected and counted by Virginia Nowicki and Frank Hess after the meeting. Robert Pisano and David Conine were re-elected.

C. Architectural Committee

1. Election (2 AC Members)

There were two seats up for election in 2017 which are currently held by Kent Van Riper and Florence Lemle. Kent Van Riper and Paul Frantz had submitted nomination forms to become a AC Member prior to the meeting. Florence Lemle had previously indicated she would not stand for election.

The floor was opened to additional nominations; none were made. Ballots were collected and counted by Virginia Nowicki and Frank Hess after the meeting. Kent Van Riper and Paul Frantz were elected to the AC.

2. Confirmations (1 AC Member)

Tom Taylor was elected at the 2016 Annual Meeting to a 2-year term on the AC. The 2nd year of the term is, according to the Association's bylaws, subject to confirmation.

Ballots were collected and counted by Virginia Nowicki and Frank Hess after the meeting. Tom Taylor was reconfirmed for his 2nd year.

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 Goldie-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 \$2.7 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).
- Year-to-date operating results for 2017 overall are tracking near budget.
- An increase of about 15% in the overall budget level is expected for the next year. Three items which are causing the increase:
 - Liability Insurance costs were 40% higher than anticipated for 2017. Although the 2017 policy expires in December, the Board decided to seek an early renewal to lock in a rate for 2018 and to eliminate the year end rush. As a result, the Association has liability insurance in place until September 2018 at 2017 rates. As part of the renewal process the underwriters requested modifications to Spirit Dance and Harvest Dance townhomes. The modifications include the installation of smoke and CO2 detectors, banning of grills on decks, and upgrades to the outdoor deck railing to conform to current safety codes. These improvements will be funded through the reserves but will require Spirit Dance and Harvest Dance owners' dues to increase to replenish the funds.
 - Wage increases - The labor market in Teton County continues to be very tight, leading to both recruitment and pay issues. In 2018, it is estimated that labor costs will increase at 7%, or possibly higher.
 - Snow Removal: The winter of 2017, while not a record, was very close to one resulting in significant increases in expenditures for snow plowing of roads and removal of snow from pathways, decks and roofs.

- Bob Wood presented on the management of the HOA portfolio at Merrill Lynch. Bob is beginning a program to rebalance the investments between equities and fixed income securities to a 60/40 allocation. Bob will consult the Finance Committee as he begins to move the equity portfolio into indexed funds rather than individual stocks.

2. SCHOA Accountant's Review Report for December 31, 2016

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, 2016. 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. One home under construction has been halted and will not complete construction within the 2-year initial period. The owner will be contacted to determine a timeline and will be requested to clean up the construction site before winter.

Homeowners contemplating interior renovations are urged to contact the AC regarding the "staging" of construction. While interior modifications are not subject to AC review, staging plans are.

Karen Van Riper discussed additional landscaping plans for next spring. Phase one encompassed removing dead, diseased and dangerous trees, as well as trees on Project or Site Common land blocking views.

Next spring the project will include shrub and flower work in common areas, especially the cul-de-sac at the end of the Choate units. All new plantings will be designed to minimize water usage.

C. Legal Report – Frank Hess, SCHOA legal counsel, reported that there are no current or pending litigation against the HOA.

D. Spring Creek Improvement and Service District

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 District sent out RFP's for bids to start drilling Well #3. Only one bid was received and it was about \$35,000 below the estimate. Work will start immediately and hopefully completed by June 2018.
- The District is upgrading the SCADA system that electronically links the wells, the pumps the pipelines and the water tank. This upgrade will allow our water operator, our maintenance managers and Stephen Price to monitor the system remotely.
- The agreement with the Town of Jackson and the Jackson Hole Airport Board to take the responsibility to upgrade the main sewer lift station on Spring Gulch Road was finalized. The construction of that new facility is under way. Hopefully the Town will have control of operation by summer.
- Individual homeowners will be assessed water charges next year which will be based on usage. The District urges all owners to practice conservation, especially in timer settings for automatic irrigation systems.

E. HOA Projects – Stephen Price mentioned the following projects which are in process: researching on a above ground sprinkler system for behind the Aman Villas; working on drainage issues around the Choates 3114-3116; working with the Land Trust on greenstripping above Ridge Lots and along the buckrail fence; landscaping project on Upper Ridge Road to help stop snow drifting; new chairs for pool/hot tub have been ordered; new signage has arrived and will be installed; during Preventive Maintenance Inspections venting in the Harvest Dance and Spirit Dance subdivisions will be checked in the crawl spaces.

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 mentioned that the winter of 2016-2017 presented great challenges with the amount of snow received. We had to utilize 3rd party contractors to help remove snow from decks, roofs and pathways in the Harvest Dance and Spirit Dance townhomes. Clint [last name] and SCR crew did a great job on keeping the roads clean.

Reflective of the long and cold winter, Spring clean-up was difficult because of the damage to the roads, fences, rails, light posts, culverts as well as our equipment. The roads were patched and striped and culverts cleaned. Weed control was delayed this year due to a very wet June. Stephen mentioned there will be an increase in the budget for 2018 to meet the need for more weed control especially in the Elk Dance homes.

SCR has received approval for cutting the cross-country ski trail across Land Trust land. Roof replacement for Lower Harvest Dance will start on October 4 and go through beginning of November. These units are 3130-3165. The Gruens will be stained at the end of the month and Choates next year.

H. Amangani Manager's Report

Stuart Lang reported 2017 summer was robust one, with a record year in occupancy. Summer work included tree removal to protect views and brush cleanup for fire protection. Amangani will be closing October 30 –November 20.

- I. Vision Committee** – Donna Falk reported on the Vision Committee's activities. The current members are Michael Lehman, Eunice Conine, Karen Van Riper, Lydia Porter and Donna Falk. Donna explained that five years ago the HOA Board formed the Vision Committee to propose future enhancements at SCR. The Committee has suggested completed items such as pool landscaping, tennis court repair, stone benches on view sites, upkeep of the cross country and snowshoe trails, tree and ground maintenance Recently, water conservation, reducing light pollution and recycling have been a main focus. There are now recycle bins next to the maintenance building

V. JH Real Estate Market

Jim Byrne of Sotheby's and Ted Dawson of Century 21 reported on the current status of the property market at Spring Creek and in Teton County generally. Inventory at Spring Creek is very low, but in general, values at Spring Creek track the other parts of the Valley. However, the value of the Harvest Dance units has not kept pace with the comparable values in other areas of the Valley, principally because the interiors have not been upgraded by the individual owners. As part of the review to be conducted of the Harvest Dance Subdivision, attention will be paid to the exteriors and the surrounding pathways with an eye to upgrading "curb appeal" while addressing needed interior renovations. Various methods of funding these improvements are being considered.

Harvest Dance and Spirit Dance owners are strongly encouraged to update the interiors of their units if they have not done so in the recent past to remain competitive in the Jackson market.

VI. Old and New Business

A. Preliminary 2018 Budget and Assessment Schedule, and Payment Options

- Derek Goodson covered this in the Finance Committee report

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 2016 toward the 2017 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. 2018 Annual Meeting Date

The Annual Meeting date will be decided at the New Board Meeting.

D. Other Business and Open Discussion –There was an extensive discussion at both the AGM and the Board meetings about the need to increase individual homeowner participation in the affairs of the Spring Creek HOA. In particular, volunteers are needed to participate in the Harvest Dance and Spirit Dance site common subdivision committees. We will be sending out an inquiry to the homeowners in those subdivisions soliciting interest.

The formation of a “recruitment” committee to seek out homeowners for service on the Board of Directors and on the Architectural, Finance and Vision Committees was discussed. Also discussed was whether term limits on board/committee service is desirable and would further Homeowner participation in the affairs of the Association.

Lastly, after discussion at the Annual Meeting, the next Annual Meeting will be structured into two parts. First, the Annual General Meeting for all Homeowners, which will focus on matters common to everyone. Following the AGM, Harvest Dance and Spirit Dance owners will hold a meeting focused exclusively on issues common to those subdivisions, including the Rental Program.

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