



## HOMEOWNERS ASSOCIATION

Minutes for 2015 Annual Meeting  
October 3, 2015 at 9:00 MDT at the Ranch Headquarters

---

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

Dave Conine, 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.

Dave 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, 2014 Annual Meeting**

Motion to adopt the minutes of the Annual Meeting on October 4, 2014.  
M/S/U.

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

**A. Voting Procedures** – Dave Conine 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 (2 Board Members)**

The two seats up for election in 2015 are those currently held by Dave Conine and Bob Pisano. Nominations were received and distributed in advance for the two incumbents.

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

### **C. Architectural Committee**

#### **1. Election (2 AC Members)**

The two seats up for election in 2015 are those currently held by Florence Lemle and Kent Van Riper. Nominations were received and distributed in advance for Florence and Kent.

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

#### **2. Confirmations (1 AC Member)**

Tom Taylor was elected at the 2014 Annual Meeting to a 2-year term on the AC, where the 2<sup>nd</sup> year of the term is, according to the Association's bylaws, subject to confirmation. Tom has indicated his willingness to serve the 2<sup>nd</sup> year of his term.

Motion to confirm Tom for the 2<sup>nd</sup> year of his term on the Architectural Committee. M/S/U

## **IV. Committee and Other Reports**

### **A. Finance Committee**

#### **1. Treasurer's and Investment Reports**

Bob Pisano, the Association's Treasurer, introduced and thanked the members of the Finance Committee. They are Abe Suydam, Donna Falk, Derek Goodson (ex officio), Ron Harris (SCISD liaison), and Adam Maberly. He then summarized the Treasurer's report. Highlights included:

- Overall, the financial condition of the Association continues to be strong.

- 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.
- 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 2015 overall are tracking close to 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 to property insurance increases. D&O liability coverage premiums appear to be holding steady. The current level of premium reflects prior litigation; the Board hopes that within a few years this premium will drop if there is not any more litigation.

## 2. Audit Report for December 31, 2014

Bob Pisano reported that, at the direction of the Board, a full audit was conducted this year of the SCHOA's financial statements as of December 31, 2014. 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 two homes are currently under construction, and one approved application for a new home is on hold. In addition, ongoing projects include two single family home remodels, two landscaping projects, and two townhome renovations.

Tom noted that the issues of tree pruning to help preserve the views of other homeowners continues to be an issue. He and the Board

strongly encourage homeowners to work cooperatively with their neighbors when view obstruction matters arise. If necessary, concerns may be taken to the SCHOA Board.

**C. Amendment to CC&R's regarding HO Dispute Resolution**

Bob Pisano reported that the proposed amendment to the Spring Creek Ranch CC&Rs regarding dispute resolution was adopted by the necessary super-majority vote of the homeowners. In brief, this amendment provides that any disputes involving the Association must proceed first to mandatory mediation. If mediation fails to resolve the problem and the homeowner decides to pursue legal action against the HOA, it must be arbitrated by a neutral arbitrator, not in the courts. If the homeowner who initiates the action does not prevail, the homeowner must pay the Association's legal costs, including attorney's fees. Bob reiterated that it is the Board's highest hope that these provisions will never be used, as we encourage all of our neighbors to talk through problems that arise on this beautiful butte.

**D. Legal Report – None.**

**E. 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 water, sewer, and road infrastructure is all functioning well. A new electronic well pump control system is in place and functioning. We have 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 the time may come that 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 water consumption over time.
- 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.

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

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

**H. SCHOA Manager's Report**

Stephen Price gave the SCHOA Manager's report, covering changes and developments since the last Annual Meeting. Highlights included improvement and enhancement to SCR such as repainting of the pool and purchase of new pool furniture, tennis court resurfacing, purchase and installation of a tent at the Western Riding Center (a SCRM project), cutting down and replanting trees, installation of new signage at the SCR entrance, and development of a new resort map. Other improvements scheduled for the upcoming year include the sealing of parking lots in Harvest Dance and Spirit Dance, new signage, and extension of the fire strip to run along the upper west side of the butte. There were several questions and comments from homeowners, to which Stephen responded.

**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**

Ted Dawson 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. 2016 Annual Meeting Date**

The Annual Meeting date is scheduled for October 8, 2016, which is the second Saturday in October. We are moving it as Rosh Hashanah falls on the first weekend.

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

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