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## Star Valley Ranch Association's "Feasibility Study"

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### Executive Summary

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#### Executive Summary and How to Use This Information

Hello from your Fellow Members of Star Valley Ranch,

In December 2003, all SVRA members received a letter from the Board of Directors and General Manager that explained the continued financial shortcomings of Star Valley Ranch with a plan to study five Funding Options and present the results to the Membership for their response.

**This folder presents those Funding Options to you and implores you to read, react and respond by May 15, 2004.**

#### **What is the problem?** (SVRA Letter to Membership, Dec. 1, 2003)

Although the annual assessment brings in approximately \$750,000, it is not enough to maintain the 30 miles of roads, provide safe drinking water for over 700 homes and accommodate a growth rate of 110 homes over the last two years. Despite the growth in homes and increased usage of the roads and water system, the assessment revenue remains relatively constant since the Association Membership is fixed and no additional Memberships are available and the annual assessment can only be increased by the July Consumer Price Index (CPI)...

The Association continues to cut costs and improve efficiency but it is not enough to sustain the infrastructure and amenities. To balance the Ranch budget annually, the Association is forced to offer less and less service to the Membership...

Compromises made due to the lack of funds have:

Jeopardized the availability and quality of the drinking water provided by the Association... (See *SVRA Water/Road Improvement and Equipment Needs with Projected Cost Estimates*, attached)

Eroded the quality and safety of the road system... (See *SVRA Water/Road Improvement and Equipment Needs with Projected Cost Estimates*, attached)

Depressed Member property values at the Ranch relative to the rest of the Star Valley area. (SVRA Letter to Membership, Dec. 1, 2003)

### **What is being done to solve the problem?**

The SVRA Board of Directors has taken the initiative to have professional engineers update and assess the 1996 Jorgensen Report to identify SVRA water needs, priorities, and estimated costs. Recognizing that the infrastructure improvement costs will be substantial, the SVRA Board has also entrusted SVRA volunteer committees to investigate Funding Options, obtain Membership input and lead an effort to improve the financial condition of Star Valley Ranch.

In December 2003, a survey was sent to all SVRA Members for the purpose of gauging the understanding of the Association's financial problem and whether Members agreed with the process of investigating Funding Options. Responses were received representing 596 properties or 30% of the voting Membership. Two of the most significant findings were that 90% of the Membership understood the need for the study and 77% believed the process was appropriate. (See *SVRA Annual Newsletter 2004*, pg. 15-16).

### **Where are we in the process today?**

It is time to make some choices and each of us needs to look at the options to protect our investment and our quality of life. We hope that you will recognize the vast amount of dedication, research, and work that the many volunteers, staff, and support persons have put into the study and reports. (See *SVRA Volunteers and Special Resources*, attached). They have made a gallant effort to provide you with factual, accurate, and unbiased information to the best of each committee's abilities. We ask that you review the reports objectively with this in mind and be supportive.

### **What is in this folder?**

Please find the following documents attached to this Executive Summary:

*SVRA Water/Road Improvement and Equipment Needs with Projected Cost Estimates*

Board of Director's letter from the *2004 Annual Newsletter*

*SVRA Volunteers and Special Resources*

*Funding Options Overview*

The folder also includes an SVRA Membership Response Form for each lot owned, a stamped Response Form envelope, and the following Funding Option Reports, in alphabetical order:  
Improvement and Service District (ISD)  
Municipality (Town)  
Reorganization through Chapter 11 Bankruptcy  
Special Assessment  
Status Quo

**What should you do?**  
Read, react and respond!

The Board of Directors and the Membership are facing a formidable task. A strong response from the Membership will provide input and support to the plan of action that the Board of Directors will develop for presentation to the Membership at the annual meeting in June.

1. Read -- Due to the comprehensive nature of the funding studies, there is a good deal of reading to be done. We suggest you begin with the *Funding Options Overview* and *SVRA Water/Road Improvement and Equipment Needs with Projected Cost Estimates*, attached to this Executive Summary. Then read the Summary Statement at the end of each of the Funding Reports. Finally, gain more details by reading the Reports themselves. Keep this Funding Options Folder for future reference.

2. React and Respond -- **It is vital that each lot owner and/or homeowner complete and return the pink SVRA Membership Response Form(s) by May 15<sup>th</sup> or use the response form available on the new SVRA website ([www.svrawy.com](http://www.svrawy.com)).** Make sure you complete one response sheet or one web response for each lot owned. Only completed response sheets returned to SVRA with Plat/Lot numbers included will be tallied. Individual responses will be kept confidential. Result totals will be used by the Board of Directors to help determine a comprehensive plan of action.

If you have any questions about the Funding Options or the Feasibility Study process, please contact SVRA by using the Funding Options toll free number – 1 866 831 5527 – or local phone number – 307 883 2669 – or fax or email SVRA at the number/address listed on the business card inserted in the left-hand side of this folder.

All members of the Funding Options Committees, the Implementation Planning Team and the Board of Directors are "...committed to the Feasibility Study process and will diligently work toward implementing a plan which promises to fairly resolve the financial/infrastructure shortcomings of the Ranch and garners the support of the Membership." (See *SVRA Annual Newsletter 2004*, pg. 14 and attached)

**SVRA needs input from every lot owner and homeowner. Please, take action. Let us hear from you by May 15th!**

Sincerely,  
Your Fellow SVRA Members  
and David Hartnett, General Manager