



## STAR VALLEY RANCH ASSOCIATION

### BOARD OF DIRECTORS MEETING

JULY 17, 2010

9 a.m. Town Hall

#### **Attendance:**

Curtis Cheshier: Chairman  
Jere Kovach: Vice Chairman  
Ron Meeks: Sec/Treas  
George Toolson: Director  
Gary Braun: Director  
Kathy Daulton: Director  
Paul Weber: Director

#### **Call to Order – 9 a.m. – Statement of Quorum**

#### **Pledge of Allegiance**

#### **Recognition (Invited and Special Guests)**

#### **1. Adopt Agenda\***

Vice Chairman Kovach made a motion to approve the agenda as Amended  
Director Braun seconded the motion.  
Motion carried unanimously.

#### **2. Approval of Minutes for May 2010 Board Meeting**

Sec/Treas Weeks made a motion to approve the May 2010 Board Meeting Minutes as written.  
Director Weber seconded the motion.  
Motion carried unanimously.

#### **3. Standing & Special Committee Reports**

- A. Architectural Control Report:** There have been two houses and two fences approved and two more fences are coming before the board for approval.

Because the Association has taken on a limited role in approving architectural design (mostly determining compliance with DCCRs) the board has discussed waiving the “non-refundable building approval fee of \$150.00” pending review of this policy.

**Director Weber moved that the Board of Directors add line “F” under line “2E” of the Policy and Procedures Manual the following; “As of July 7, 2010 the aforementioned \$150.00 fee will be waived pending review of this policy.”**

**Sec/Treas Meeks seconded the motion.**

The Association will continue to work with the Town to make sure they have the same idea as to the restrictions associated with buildings. The Association will continue to have an Architectural Committee that will still make sure that new structures meet DCCR requirements and also work to approve fences that are going to be built.

**Motion carried unanimously.**

- B. Chairman's Report:** Chairman Cheshier gave his report as follows: "As you all know, last month's meeting was held in conjunction with the elections and we have elected two new board members.

We would like to welcome Kathy Daulton and George Toolson to the board. They were elected to fill the position of Jan Jonson and Gayland Archibald whose terms each expired last month. Again, we would like to thank Jan and Arch for their service to the board. I hope each of you will join me and others in praying for Arch's health. For those who do not know, Arch has been having considerable health problems from a lung infection he got earlier this summer. He continues to fight this and we continue to pray.

As is the board's custom following the election, we elect or assign new offices and responsibilities. What we have here is a chart of organization showing what director is responsible for each of our standing committees and departments. (See Appendix A)"

John Daulton asked who was responsible for facilities. Director Cheshier mentioned that it automatically fell under the direction of Utilities and asked that it be added as such to the Chart of Organization.

Chairman Cheshier continued "We recently received the final payment of \$144,000.00 from the Town for the maintenance building and I would entertain a motion we remove Lot 56 of Plat 10 from the Association rolls for assessments and voting."

**Vice Chairman Kovach made a motion as such.**

**Director Toolson seconded the motion.**

**Motion Carried unanimously.**

Chairman Cheshier continued, "We have also received a check for \$420,000.00 from the Town for the purchase of the Green Canyon tank. I therefore would entertain a motion we remove Lot 15 of Plat 11 from the association rolls for assessment and voting."

**Director Weber made a motion as such.**

**Sec/Treas Meeks seconded the motion.**

**Motion carried unanimously.**

- C. Utilities Report:** Chairman Cheshier gave his report as follows:

As most of you know, the Board decided some time ago to go forward with what is termed as an alternate point of conveyance in the green canyon area as a means to supplement our irrigation ability for our two golf courses. We contracted with Steve Wonacot of Jackson to get everything researched, make the necessary drawings and start the paperwork with the State to petition the water board.

Mr. Wonacot did some preliminary meetings, made two investigative trips up Green Canyon and submitted a drawing for our approval. He then took a job in Montana and informed us we would

have to get another engineering firm to complete the necessary paperwork. We then entered into an agreement with Scherbel Engineering of Afton to complete the necessary work for the State.

When the response was sent back from the water board, they gave us several points they felt needed to be completed before they would grant our petition. They want us to get a signature of acceptance from the Town of Star Valley Ranch, LVI, and approximately 25 lot owners at the Star Valley Ranch Resort RV Park. Stating that each of these individuals has a shared interest in the water rights from the Stewart pipeline, the pipeline we wish to tap for this added irrigation.

Understand, it was only after several conversations with Steve Wonacot and Jade Henderson of the Wyoming Water Board that we decided to move forward with this petition. It was their feeling we would have no problem getting permission to proceed as we desired.

Now after being handed off to another firm and then given this somewhat road block from the State, we are wondering if our problem is best solved by involving another engineer from the same firm or perhaps changing firms. I have requested we set a meeting with Jade Henderson and our current engineering firm to determine our next steps. I have attempted to contact Steve Wonacot and will ask him for his input and assistance in our best course of action.

In the mean time, we intend to pursue the necessary signatures as requested by the State and see if there is any other course we need to look into. Please understand this board is committed to seeing this through to completion as we see this as a very useful tool to help us continue to supply water to our courses. We do not intend to simply walk away and leave this as some projects have been done by previous boards. We feel we need this or we would not have started this process in the beginning.

**D. Finance & Legal Report:** Vice Chairman Kovach gave his report as follows:

The Finance and Legal committee currently consists of Ray Hanck, Tom Hensel, Jere Kovach, Gene Root, Ron Stucki, and Jim Vandel. According to Article IX, Section 12 of the By-Laws of SVRA, the Chairman appoints the four standing committees. At this time I request Chairman Cheshier to appoint these six members as the duly constituted Finance and Legal Committee.

The Finance and Legal Committee meets the first and third Monday of each month during the season that SVRA is operating its businesses. Our meetings are held in the library and the public is welcome to attend any session. Jim Vandel is our secretary and he provides us with excellent minutes that are given to the office to be published on the SVRA web site.

At our July 12, 2010 meeting we met with both Kirk Sessions, GM, and Kathy Schooner, bookkeeper to review the reconciliation of some of the cash accounts. It is the intention of the committee to review all our bank account reconciliations on a quarterly basis.

We discussed how the BOD was pointed towards reserving all funds received from the sale of Capital Assets for future Capital Expenditures. At this time, **I move that the \$420,000 received from the sale of the Green Canyon water tank and the \$144,000 received as the final payment from the sale of the maintenance barn be designated as reserved funds for future capital projects as determined by the SVRA Board of Directors.**

**Director Braun seconded the motion.**

Director Daulton asked if the Legal & Finance committee would designate what capital funds would be used for.

Vice Chairman Kovach answered that he would like to see everybody work together to decide on what we should use these funds for.

Director Meeks stated that he would like to see the Legal & Finance committee, the Board and Long Range Planning committee get together and define what these funds will be used for and get a capital budget approved and put on record.

Director Weber asked how much the Association has in reserve.

Vice Chairman Kovach answered that the Association has 1.2 million dollars. However, we do not know how much the water installation will cost.

Director Weber asked how much we are allowed to carry forward as a non-profit.

Vice Chairman Kovach answered that he has talked to the auditors. Their answer was that it is virtually unlimited as long as the Board reserves it for capital projects.

**The motion carried. Director Weber abstained.**

The committee is spending considerable time analyzing the financial statements. It is our goal to make recommendations to the General Manager and the accounting department on changes that will make these reports more functional.

We discussed the shortfall uncovered in the audit of the 2009 SVRA operations. I would like to take time now to discuss with all of you the sequence of events involved with this audit and the time since the Annual Meeting.

I met with the auditors—Wade Hirschi and Dave DiCoria—the week before the Annual Meeting. At that time they informed me that when they closed out the suspense accounts that we had used to reconcile the SVRA books to the bank account statements, a shortfall of more than \$60,000 existed. They said the Balance Sheet was in good shape and would be given an unqualified opinion of accuracy. They also told me about the shortfall and said this was a material discrepancy and they could not give an unqualified opinion of the Profit and Loss portion of the financial statements. They posed the question of whether or not SVRA wanted to authorize further auditing to try and determine where the shortfall existed. They explained that the shortfall could be anywhere in the past several years as easily as it might have been in 2009. We discussed the potential cost of further auditing and it was determined that the cost of auditing could potentially be more than the shortfall with no guarantee of finding the source of the discrepancy. I called Curtis to discuss this situation. We jointly decided to not authorize further auditing at that particular time. I asked the auditors to present the audit as it existed to our annual meeting. This was done.

Jim Sanderson, the SVRA attorney, was in attendance at the next Board workshop. We explained the situation to Jim and asked for his opinion on any further action we should take.

Jim was aware of the potential for further auditing to be conducted through the Lincoln County Sheriff without cost being incurred by the SVRA. Jim agreed to contact the appropriate people on our behalf.

Within three days of the workshop, I was contacted by Jody Gardner, a detective with the Sheriff's department, to discuss the situation. We met and I gave him my interpretation of where we were and recommended we meet together with the auditors. This meeting was arranged and Wade Hirschi met with us five days later.

Jody explained to us that finding the shortfall created "reasonable suspicion" that an illegal act could have taken place. He asked Wade if he had any idea of the "probable cause" of the shortfall. Probable cause would be necessary if the department was going to consider committing funds to hire an outside auditor to do further research.

Wade stated that very poor bookkeeping and accounting were evident in abundance. He stated that no obvious signs of anything illegal had been found and said he could offer no opinion on whether or not further auditing could ever find the cause of the shortfall. He emphasized the problems caused by frequent turnover of staff and the lack of well organized files. At this time I would have thought the opportunity for further auditing had just closed except for an e-mail I had received two days earlier.

Alycyn Culbertson, a name, but not a person, I knew from a year ago made contact with Kirk and then sent the two of us an e-mail volunteering her services to help with accounting or to serve on the Legal and Finance Committee. She attached her resume: I quote three bullet points from the resume:

1. 25+ years as federal law enforcement officer, series 1811, for IRS Criminal Investigation Division with particular experience in financial investigations; retired 12/08
2. Career focus in forensic accounting, investigation and prosecution of criminal violations of the Internal Revenue code and related offenses including money laundering and financial crimes.
3. Specialized experience in reviewing criminal cases for evidentiary sufficiency.

I called Alycyn to plead for help, but she was out of town for a few days and I did not make contact. I did share the resume with Jody and he said he would contact Alycyn and see if she would help him in an investigation. He said he would call her on the 15<sup>th</sup>.

Last Thursday, the 14<sup>th</sup>, I went to Town Hall to pay my annual water bill. A woman already at the counter was discussing voter registration with Brenda. Yolanda came to the counter to help me and said "Hi Jere". The woman looked up and said "Jere who?" I said "Jere Kovach." She said "I just came from the SVRA office where I was looking for you. I am Alycyn."

We talked for a few minutes. Alycyn agreed to volunteer her time to work on some forensic auditing. We went back to the office and met with Kirk. We tried to call Jody, but he was unavailable.

I don't know where all this will lead, but I do know we will do a great deal of work. I hope everyone appreciates the fortunate circumstance that allows us to investigate and close this chapter in the saga of SVRA.

Chuck Hewins asked if we needed to do anything as far bonding or certification so that Alycyn could legally do this work for us.

Vice Chairman Kovach stated that Alycyn will be working gratis through the Sherriff's department and not through the Association. Therefore, she will have the authority to ask for anything she needs.

Don Azevedo asked if the Board found evidence of wrongdoing would they be willing to prosecute.

Chairman Cheshier stated that he would be willing to prosecute if wrongdoing is found.

Vice Chairman Kovach reminded everyone that it is the Sherriff's office doing the investigation. If they find sufficient evidence, they will be the ones to make the decision where or not to prosecute.

Joe Angelovich asked what was meant by "material deficiency."

Vice Chairman Kovach answered that if you had \$100 dollars in a \$1,000,000 account not show up, that is not a material deficiency. \$60,000 is a material deficiency.

Joe Angelovich also asked for more specifics regarding when the fact that this may have been a cumulative mistake.

Vice Chairman Kovach stated that it could have happened in one accounting error or could be cumulative through years worth of accounting errors. It is common knowledge that the records of the Association are not as accurate as one would hope, and this is due in part to the turn around in staff that deal with these records.

Chuck Hewins asked about whether auditors in the past have any responsibility for the discrepancy.

Chairman Cheshier answered that they can only audit the numbers we hand them. He stated that the Finance & Legal Committee is going to start reconciling bank statements, which surprisingly is hard to find from previous years.

Sec/Treas Meeks added that auditors had been switched many times which makes accurate auditing difficult. The Board has tried to solve this by signing a three year agreement with the current auditing firm.

More discussion about current and future accounting procedures ensued.

Director Weber asked the audience if they looked at the financial statements and if they were satisfied with them.

Audience members stated that they were not sure where to find them.

Kirk Sessions General Manager stated that they are available upon request at the office.

Vice Chairman Kovach stated that simplified reports are available that make it easy to understand and see whether the Association makes money or loses money in a given month.

Director Weber again asked the audience if they were satisfied with the accounting information that was available to them.

More discussion about the desire of the board to be transparent in the financials ensued.

**Vice Chairman Kovach moved that the Association place the simplified monthly Profits and Loss report on website**

**Director Braun seconded the motion.**

**The motion carried unanimously.**

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

It has been nearly 15 years since we had a combined Golf and Greens report. This new Board has combined the Golf Committee and Greens Committee under one Director with two committees, Golf and Greens. Both the Greens and Golf Committees met this week.

The overall condition of both courses is good. We are still working on the water system and adjusting the over 2,000 sprinkler heads so they don't water empty lots, wooded areas and give extra sprinkle time to poor soil areas. We also still have some vole damage to clean up and are spraying for weeds. With help from the Men's Golf Association we have had several work projects to pick up limbs from wind damage and downed trees along with several work projects to remove an aggressive noxious weed called Dyers Woad. This year's last Dyers Woad work project is at the air strip as we speak working this morning. Our 5 year mowing equipment lease runs out this year. Kurt Richmond, our course superintendent and his staff, are field testing several different manufacturers mowers. We received three bids for the 2010 golf cart paths and have now awarded that contract. The new concrete paths will be built East of the Cedar Creek number two green, and on Cedar Creek number 18 tee box from the road to the new ladies tee box and also East of the number 18 green. A cart path will also be built on Aspen Hills from the end of last year's cart path North of the number 9 green running along the South of the cook shack.

The Greens Sub Committee is also working with the superintendent and General Manager on prioritization of the remaining 2010 course projects, reviving the tee box sign program and reworking existing greens policies for inclusion in the overall golf policies documents.

**Gary Braun asked that the Chairman of the Board appoint the following to the 2010/2011 Greens Committee: Mike Blackman, Jim Chumley, Scott Johnson, Barry Kendall, Bob Lujan (Co-Chair), Vern Madsen, Kathleen McKinley, Ken McNeal, Kurt Richmond (Co-Chair), Robie Robinson, Kirk Sessions, and Director Gary Braun.**

**Chairman Cheshier appointed above mentioned individuals to the 2010 / 2011 Greens Committee.**

Director Braun continued with his report:

Through July 15<sup>th</sup> we have had 6,552 rounds played on Cedar Creek and Aspen Hills which is an 18% reduction over this time last year. The six weeks of rain and snow in May and June inflicted most of the damage. We are also not seeing the larger groups this year, reflecting the harder economic conditions and with the reduced number of rounds, the "prime time" charge for season pass holders on weekends and holidays has not worked. With many golf events still remaining this season, the Golf Committee remains optimistic with the next major event being the Member Guest and Open Invitational Tournament the end of July.

This year's Golf Committee has agreed on several goals including updating the existing golf policies, and establishing a marketing sub committee to explore future opportunities to market not only golf, but all of the Star Valley Ranch Association's recreational and social activities. Our PGA Golf Professional staff continues to give group lessons and individual lessons. Both the Men and Women's Golf Associations have about 75 players and the Tuesday afternoon mixer continues to have large turnouts.

**Director Braun asked the Chairman of the Board to appoint the following individuals to the 2010 / 2011 Golf Committee: Myrna Archibald, Gayle Brice, Rolf Burmeister, Sharon Chumley, Kathy Dietz, Bonnie Johnson, Randy King (Co-Chair), Bob Manning, Kirk Sessions General Manager, Donna Thompson, Korry Wheeler, Terry Wilson and Director Gary Braun (Co-Chair).**

**Chairman Cheshier appointed the above mentioned individuals to the 2010 / 2011 Golf Committee.**

**F. House & Entertainment Committee Report:** Sec/Treas Meeks gave the following report:

The House and Entertainment Committee hosted a wonderful dinner on Saturday, June 26 and provided breakfast for the Property Owner's Tournament and election also. The dinner was a perfect way to end a fun filled day of events. Shauna Crittenden, Carolyn Koch, Trisha Blackman and many other volunteers worked hard to get food and beverages together in order to provide an enjoyable time.

They are now ramping up for the Craft Fair that is scheduled to happen Saturday, July 31. If you would like to volunteer or participate in the Craft Fair please get in touch with office or Shauna.

**Sec/Treas Meeks asked the Chairman of the Board to appoint Shauna Crittenden, Carolyn Koch and Trisha Blackman to the House and Entertainment Committee with Shauna Crittenden as the Chair. (Note: 9/17/10 Director Meeks made correction that Shauna Crittenden appointed co-chair not Chair.)**

**Chairman Cheshier appointed the above mentioned individuals to the House and Entertainment Committee.**

**G. DCC&R Committee Report:** Joe Angelovich asked that the report give at the Annual Meeting in June be used as the report for the July meeting as well. That report is as follows:

The DCC&R Revision Committee appreciates this opportunity to report on the task it has been charged with that is extremely important to the Association and its members. In June of 2008 the Board of Directors established the Committee and charged it with the following mission: *"to develop a plan for determining what changes in the DCC&Rs can receive 70% of the members' approval by July 1, 2011, and to develop a system for approval: to create the document, distribute it by Jan. 1, 2011, record results and report to the Board and the membership"*. Members of the committee are Don Baille, Kathy Daulton (Co-Chair), Larry Olsen, Carolyn Thacker and George Toolson. The job has been difficult and I want to thank them all for the dedication and perseverance they have shown to the project and their yeoman like work.

You may recognize much of what I am about to say as something you have heard or read previously but, if you will indulge me, I would like to take this opportunity to reiterate why this task is important, where we are to date, how we got there, what happens next and why we need your assistance.

**Why is this task important?** Once every 20 years the Star Valley Ranch Association has the opportunity to revise the DCC&Rs that were established to maintain the beauty, integrity and value of the properties at SVRA. The only attempt to revise them was unsuccessful 20 years ago. As a result, for the past 40 years, we have labored under some restrictions that have become outdated or irrelevant due to the changing demographics and lifestyle of our community. The opportunity to revise the DCC&Rs will be at hand again in 2011 and, while success can be achieved, it can only happen if everyone participates. ***We urge the entire membership to participate in this current endeavor because, should the attempt fail in 2011, the Star Valley Ranch Association will remain under the existing sets of DCC&Rs for another 20 years. The next opportunity to modify the current DCC&Rs would be 2031.***

**Where are we now and how did we get here?** The first thing the Committee did was to solicit input from the community through open meetings, email and written comments. The comments and suggestions were used to develop a survey that was sent to all members in the fall of 2008. The survey noted sections of the DCC&Rs that had been recommended for change and listed options that had been suggested.

Nearly 600 survey responses were returned to the Committee. There was great interest in the process and a high consensus for change in some items; however, there was a range of opinion as to what the revisions should be. Some items on which there was marginal consensus remained important because comments indicated confusion about the DCC&R's meaning. ***After analyzing the returns and factoring in both the written and verbal comments, the Committee developed another survey in 2009 to further refine members' opinions and determine changes in the DCC&Rs that could receive 70% of the member's approval in 2011.***

The results of the 2009 DCC&R survey with 728 lots responding indicate that a 70% vote can be achieved on the following items:

- A uniform version of the DCC&Rs – 96% YES
- The size of vans and trucks – 90% YES
- Garages that meet modern needs – 89% YES
- Allowing auxiliary buildings - 87% YES
- Allowing a space on each lot for recreational vehicles – 78% YES

The results of two other important questions indicated a strong desire for change, but our community remained divided on the means so a final survey to resolve these two remaining issues was sent out this month. You should be receiving it soon if you have not already.

The deadline for the Committee's final decision-making is August, so please send your post card response today. You can return it through the mail or by fax to the SVRA Office or by emailing it to the DCC&R Revisions Committee's new email, [dccrwork@gmail.com](mailto:dccrwork@gmail.com).

**What happens next?** Once we compile all the data from your input, the final documents will be developed and sent to all members on January 1, 2011. They will contain the uniform version of the DCC&Rs showing all recommended revisions and a request for your approval that will be filed with the County prior to June 30, 2011 if a 70% approval is reached.

The DCC&R Revisions Committee appreciates that members have taken the time to seriously consider the need to update the DCC&Rs. Everyone's input will continue to be critical if we are to succeed. The Committee hopes that, for the sake of making progress, members will recognize that they may need to compromise on some issues in order to attain more important revisions. ***An essential element to bear in mind is that when a final revised version of the DCC&Rs is sent for approval in 2011 it must be approved in its entirety. It is not possible to select individual revisions. Either the entire document is approved or it is rejected.***

**Why we need your assistance.** Although the response to the surveys has been encouraging we will need almost double that number of approvals to revise the DCC&Rs. The largest hurdle we face is to get enough members to respond. A major part of this problem is keeping the database current so that each member can be contacted. Please let the office know your latest address, phone or cell phone number or email address so that you can be contacted. Unfortunately each lot that doesn't respond is the same as a vote to keep the outdated DCC&Rs we now have for another 20 years. It will take a concerted effort by the entire community to achieve the goal of updating the DCC&Rs.

We are going to need a lot of assistance if this endeavor is to succeed. From a random phone survey of members who didn't respond to the last survey the committee found that a follow-up call or notification would be a useful tool. Many who meant to reply had simply forgotten or misplaced the documents. This means that, after the January 1 mailing of the final documents and request for approval, we need to follow up with phone calls or personal visits to encourage members to respond. So, if you believe it is important to revise the DCC&Rs and if you can contribute a little time, please volunteer to assist.

Joe went on to add that they are into the third survey and hopes that all will respond. Each survey we have done has had a better and better response. There was an information meeting last Thursday night and a lot of good information was collected. Another information meeting will be held August 19. By the end of August the committee has to come up with a final decision as to what will be included in the packet that will be sent out to all members. Legal council advised the committee that packets that are sent back in must have identical information as to the member as the deeds that are in the office. The change to the DCCRs will mostly be those items that people have already expressed opinions on in the surveys. Other items will include removing the developer LVI from much of the wording and to change some wording that makes the DCCRs more consistent.

Joe also pointed out that in revising the DCCRs there is necessarily much compromise that must be given by all involved. The hope is that we can come up with new DCCRs that will be acceptable to all.

**H. Election Committee:** Sec/Treas Meeks gave the following report:

Another successful election has passed and thanks to Ron Mueller, Jim Vandel, Ray Hanck, Myrna Archibald, Russ Storbo, Janet Storbo, Marge Robinson, Ron Boulter, Bob Gwyn, Bob Lavery, Peggy Zimmer Gouvisis, and Sandy Wohrman. For those who don't know, this is a complicated process and the timeline is governed by the bylaws and DCCR's. The committee is generally formed in March or early April. While they don't have a lot of scheduled meetings like most other committees, they have packets to assemble and mail to the membership. They also play a valuable role in putting the candidate packet together and verifying the validity of the nominations. Once everything is mailed out, two members or more meet weekly for a trip to the

post office to begin picking up proxy's and ballots. They are carefully registered and locked up in the office to ensure there is no tampering until they are counted after the annual meeting. This year, Ron Mueller served as the Chair of this committee and did a wonderful job keeping the process organized and on task from day one. He deserves a special thanks as do the other volunteers on this committee.

This year our quorum number was 552. We had 2030 lots to vote, 192 of which were ineligible due to assessments not being paid or being paid after the June 15<sup>th</sup> deadline. We had two candidates, George Toolson and Kathy Daulton, which were running and elected to a three year term to fill the two vacancies left by Jan Jonson and Gayland Archibald. The results were:

George Toolson – 609  
Kathy Daulton – 605  
Abstain – 84  
Write In – 16

Star Valley Ranch Association voted to abstain on 11 lots this year. In 2011, that number will be reduced to nine since we just removed two off the rolls.

I want to acknowledge and thank Jan for her hard work over the past three years. Arch also deserves a big thanks for his time over the past year. I personally enjoyed working with them and though we did not always agree, we work to come to the best compromise based on the membership. Thank you to the both of them.

Last but not least, I would like to welcome Kathy and George to the board, if you haven't already, please take a minute to congratulate them and get to know them.

**4. General Manager's Report:** General Manager Kirk Sessions gave the following report:

**Account Statements:** Once again I'm pleased to report that all bank statements are balanced for the month of June with no discrepancies.

Kirk also restated that he and Kathy have tried to implement more sound accounting principles than what has been used in the past, including reconciling monthly bank statements.

**Assessments:** 2009 Lawsuit Collection Status: Initially referred to Attorney – 95: paid in full 48, making payments 9, paid but fighting attorney fees 3, bankruptcy 2 and not paid 33.  
2010 Assessment Status: Of 2016 assessments invoiced, 1874 assessments have been collected for 2010 (93%) and 142 assessments have not been paid yet (7%) (Note: Of 2030, 14 lots are not assessed). Past due notices are sent to all delinquent accounts monthly and finance charges (12%) are added to past due accounts.

**Office Computers/Network:** The office computers and software are outdated and failures are occurring resulting in serious negative impact on productivity and limiting enhanced capabilities. I will be completing a proposal and budget to address these deficiencies for the BOD approval.

**Tennis Court:** The fence has been repaired, our thanks to Lee Saenger for a job well done. We are striving to get the surface repairs done on the east court as soon as we can get the vendor to SVR.

**Pool:** The new heater has been installed and gas supply line modifications are completed. Rebecca Hutchinson is continuing swim lessons. She anticipates as many as 200 children attending over the summer which should be better than budgeted. We are selling swim diapers (required under 3 years old), goggles and noodles on a test basis. Some concrete and fence repairs are being addressed as they are safety issues.

**Golf:** Randy has golf clinics weekly throughout the summer on Saturday morning for \$10 per person. Give Randy at Cedar Creek a call to participate. Korry Wheeler is continuing evening golf clinics on Thursday evening for women who would like to take up the game. The first session was well attended and a lot of fun was had. He is continuing junior golf clinics on Tuesday and Thursday and they will go throughout the summer. Call Korry at Aspen Hills to participate in either of the golf activities. The Tournament season is in full gear with a very successful Property Owners Tournament last month. *Our thanks to the ladies from H & E for their help with the election decorations and excellent meals!* The SVRA Member/Guest and Open Invitational is scheduled 7/29-31. We are looking forward to a full field with the addition of the Open Invitational Division.

**Greens:** Kurt is continuing to get the 2009 new cart paths cleaned up and ready for sod to complete the project. The 9<sup>th</sup> green at Aspen has been completed with significant help from the *Men's Golf Association and we are very appreciative of their assistance!* The irrigation system continues to present unplanned emergencies; Cedar Creek #13 being the latest. The repairs are done for the course and the parts are on order to replace the restroom area grounds. The Cedar Creek Park area has also presented many repair/replacement challenges which are being addressed. During the interim hand watering is necessary. The grounds crew has begun evaluating new demo mowers in anticipation of the replacement of the current equipment lease which expires this fall.

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**Bar Operations:** We have worked out an ongoing schedule of dinner at the barn on Tuesdays and Fridays with Chad. Tuesdays will feature a variety of entrees (Please RSVP to the Pro Shop at Cedar Creek) and Fridays will always be a fish fry and steaks. Jackie Marie has rejoined us for Sunday Karaoke night from 4:00 pm to close. The first Sunday was a booming success and we appreciate the wonderful turnout and support. Duffer's will be open daily from 1:00 pm and will close as business warrants.

**Water Projects Update:** Alternate Point of Diversion: The DEQ permit has been approved and received 6/22. Scherbel has identified all property owners requested by the state and is proceeding to get the necessary approvals. Now that irrigation has begun we have set up appropriate reading schedules/logs to monitor water supply.

**Barn Silo:** Main Street grant approved. This past Tuesday, Curtis Cheshier, George Toolson, Ernie and I met with the Main Street selected architect. We reviewed the buildings and discussed the

future needs of the SVRA members. He will continue his work and provide a report of his assessment as to the potential future use and modifications needed to meet the needs of our members.

**Lot 14:** The seed and hose reel watering system have been received and work is proceeding as time permits.

**Water Meters:** As the town installs water meters we will be faced with our antiquated systems accepting sized down feeds to reduce the overall operating costs to the Association and undue and unnecessary financial burden to the Town. We found a serious leak in the six inch supply line to the Office & Cook Shack that required new lines from the other service line which is two inch. It will cost us up front to run the new lines but save significantly over time. The town has ordered the new 2 inch meter and will install it upon arrival allowing us to close up the hole in the driveway. Warren and Stretch have been excellent partners in resolving this shared water dilemma at the office; our thanks to them.

## **5. Policy: Changing The Designation Of Use Of SVRA Owned Property 7/14/10**

General Manager Kirk Sessions discussed the proposed policy Section: SVRA Origins and Goals Number: 1.3. He explained that the Association needs to get a handle on the various uses of the properties which it owns. The policy allows for the Board of Directors to pursue changing the designation of use for any SVRA owned real property. The policy also provides the public an opportunity to voice their opinion regarding the change in designation.

Chairman Cheshier stated earlier in the year four lots were taken off the roles of SVRA because they were part of the golf course. This policy provides a structured and equitable way for the Association to change the use of its commonly owned lots.

**Sec/Treas Meeks moved that the Board of Directors adopt policy 1.3 under SVRA Origins and Goals as written.**

**Director Toolson seconded the motion.**

**The motion carried unanimously.**

## **6. Old Business**

- **Memorial** Director Braun reported that there has been a lot of interest in finishing the project of the SVRA memorial. At this time the actual location of the memorial needs to be revisited by the original memorial committee. Director Braun will set this final memorial location meeting up and attempt to get a memorial committee consensus prior to the next Board meeting in August.

## **7. New Business**

**A. Master Planning:** Director Daulton gave the following report:

The purpose of the SVRA Facilities and Common Areas Master Plan is first to gather information from our committees and membership to develop a design for program and physical development that will provide well-maintained facilities and affordable recreational and social opportunities for our entire membership; then to outline steps with a timeline to execute the plan which should be distributed to the entire membership in the next year.

1. Current and Future Program and Facilities Data Collection  
July/August
  - a. Written reports, records, etc.
  - b. Committee input including 2008-10 action plans
  - c. Membership input through the Community Assessment, August 23-26 at the Town Hall
2. Needs Based on Data Collection,  
September/October
3. Facilities/ Land Use/Common Area Assessment,  
Fall/Winter
4. Business Management/Financial Assessment,  
Winter
5. Member Communication and Input,  
Spring
6. Facilities and Common Areas Master Plan,  
Annual General Meeting

#### PURPOSE

That the general purposes and objectives of this corporation are as follows: To improve, construct, maintain, operate and care for such parkways, parks, playgrounds, golf course, recreational areas, community club houses and other community buildings... *"Article III.a - General Purposes, Articles of Incorporation of Star Valley Ranch Association, (11/9/70)*

#### VISION

The vision of the SVRA is to provide and promote well maintained facilities and promote affordable recreational and social opportunities for its community under the provisions of the DCCR's.

**B. Community Assessment:** Director Daulton stated that a community assessment is going to be conducted in August. This will be a repeat of a community assessment that was done four years ago by the Wyoming Rural Development.

This year the Association has been invited by the town to be a part of this assessment so that the Association can get a better feel for what the members are looking for.

The Association and the Town came up with a joint resolution that stated what each entity was responsible for. This assessment will help to guide the Town and the Association in the best ways to accomplish the goals of the joint resolution.

A discussion involving the specifics of the agenda of the assessment commenced.

The importance of the joint resolution to help the assessment committee understand the directions the Town and Association are planning to pursue was also discussed.

**Director Braun moved to approve Star Valley Ranch Association's portion of the Joint Resolution.**

**Vice Chairman Kovach seconded the motion.**

John Daulton asked for clarification that the Board was going to vote to approve only the portion of the Resolution that involved Star Valley Ranch Association.

The Board answered in the affirmative.

**The motion carried unanimously.**

### **C. SVRA Tennis Fees\***

Chairman Cheshier stated that the fence of the tennis courts was blown down in a wind storm and as a result of repairing it; the tennis season was cut short. In response the Board of Directors has discussed modifying the tennis fees as part of the fees schedule to better reflect the amount of time remaining in the summer.

**Director Braun moved that the Star Valley Ranch Board of Directors approve lowering the tennis season pass for the balance of 2010 from \$80 to \$40 as a result of significant wind and weather damage suffered in the spring and shortened tennis season. He also moved that the non member single time play fee be lowered from \$7 to \$5.**

**Director Toolson seconded the motion.**

**The motion carried unanimously.**

### **D. Golf Fee Adjustment**

Director Braun explained that the goal of the golf committee was for the golf courses to pay for themselves. To this end there were policies put in place in hopes of helping to accomplish this.

**Director Braun moved that the Star Valley Ranch Board of Directors approve for the remainder of the 2010 golf season an extension of the twilight play hours for non member golfers to anytime Monday through Friday and after 12:00 pm weekends. The fee will remain \$76.00 for two people including cart. The name of the twilight rate will also be changed to Star Valley Ranch Association Special Stimulus Golf Package. Director Braun also moved that the Board of Directors eliminate the primetime charge for season pass holders.**

**Director Toolson seconded the motion.**

Director Kovach asked whether the special rate is less than what members pay.

Director Braun answered that even at the special rate it is not less than members pay.

Ed Koch asked how a non member differs from a guest.

Director Braun answered that the Board had done away with any guest rates. Therefore individuals were considered either a member or a non member.

Ed Koch asked if it would be possible to extend this special rate to golfers that would play during our ongoing tournaments. He stated that at this time they are being asked to pay close to \$100 for two people and a cart, and we are currently losing some business to Afton.

Director Braun answered that this motion would extend the special rate to anytime during weekdays and after 12:00 pm on weekends.

Discussion ensued about the possibility of extending the special rate to anytime.

John Daulton suggested giving the Pro Shop some discretion as to what price to charge.

Chairman Cheshier answered that the Board of Directors has given Pro Shop employees a fee schedule that they have asked them to abide by.

Don Azevedo suggested that the golf rates be lowered for non members to help fill the course. He stated that there are rounds that are going to be lost to the new course in Afton.

Chairman Cheshier called for a vote.

**The motion passed with Director Meeks opposed.**

## **8. For the Good of the Order**

Don Azevedo thanked the Board and General Manager Kirk Sessions for reinstating the Sunday Night Karaoke with Jackie Marie. He also asked that more effort be given in trying to advertise this event.

Don Azevedo also stated that employees working on the “grassy field” area are working in an extremely dusty environment without proper equipment. He suggested that the Association put some water on the dirt to help eliminate the dust.

Don Azevedo stated that over the 4<sup>th</sup> of July weekend fireworks were being used on Ranch property. He stated that the use of fireworks needs to be stopped and more effort needs to be put in to stop them.

Al Redlin stated that the Town of Star Valley Ranch has put more focus on stopping the use of fireworks on Star Valley Ranch. The Town has invested in signs that it will be putting around town during major weekends which remind residents that it is illegal to use fireworks within town boundaries.

Jerry Kittleson stated that he believes that trying to change the use of lots is against the DCCRs. He states that if the Board continues to pursue changing the use of Association owned lots that there could be the possibility of a lawsuit.

Ed Koch mentioned that on the SVRA website stated that the address was in Thayne, Wyoming instead of Star Valley Ranch. He asked that those be changed.

Marie Cazier stated the importance of communication to members of the Ranch about meetings and where they are being held.

Connie Vouzo stated that there were fireworks that were going off in a house that is vacant at the moment. She stated the desire to have an entity that would be able to respond to calls in a timely fashion to stop occurrences such as this.

Director Daulton stated that she had experience an incidence earlier in the year where she was able to get a hold of the Town’s Special Municipal Officer for help.

9. Adjournment\*

Sec/Treas Meeks Moved that the meeting be adjourned.  
Director Toolson seconded the motion.  
The motion carried unanimously. Meeting Adjourned.

Appendix A

SVRA CHART OF ORGANIZATION

<u>Chairman</u>	<u>Vice Chairman</u>	<u>Secretary / Treasurer</u>	<u>Director</u>	<u>Director</u>	<u>Director</u>	<u>Director</u>
Curtis Cheshier	Jere Kovach	Ron Meeks	Paul Weber	Gary Braun	Kathy Daulton	George Toolson
Utilities (Co-Chair) <ul style="list-style-type: none"><li>• Water</li><li>• Facilities</li></ul> Long Range Planning	Legal & Finance  Bar & Restaurant  Town Liaison	House & Entertainment  Youth Committee  Election	Architectural Control	Golf  Greens  Town Liaison	DCCR Revision  Ranch Communications	Utilities (Co-Chair) <ul style="list-style-type: none"><li>• Water</li><li>• Facilities</li></ul> Recreation

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Chairman Curtis Cheshier

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Vice Chairman Jere Kovach

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Secretary/Treasurer Ron Meeks

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Director George Toolson

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Director Gary Braun

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Director Kathleen Daulton

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Director Paul Weber