

Starwood Association Board Meeting Minutes

April 16, 2019

On May 16th, 2019, at 7:05pm, the Starwood Association regular board meeting was called to order. Present were Vice President Tina Galloway, Treasurer Deb Garley, Member at Large Aaron Loukonen and President Jim Porter. Secretary Robert Curzon was excused and not present. It was agreed that Jim Porter would take notes of the meeting.

- President's report. Jim Porter reported the following:
 - The meeting minutes from the March, 2019 had already been approved and posted to the Starwood website.
 - The meeting with the Association's attorney to clarify some issues had to be postponed due to scheduling conflicts.
 - Discussion was had over the President having access to the Association's Quickbook records/billing management software. It was determined he would have read-only access.
- Vice President's report
 - Tina Galloway waived presenting, stating her report would be covered in the special committee reports later.
- Treasurer's Report by Deb Garley:
 - The Treasurer reported on bank accounts, CD and money market status, income and billings. Please see the attached notes prepared by the treasurer marked attachment **04162019-01** and is hereby incorporated into these minutes.
 - *****MOTION***:**
 - The Treasurer made a motion to allow her to contract with Schwindt & Company to complete the 2018 annual financial review for tax purposes with an estimated cost of up to \$3,275. Debate was held and closed, with the Board members and those members present participating. A vote of the board on the proposal was held. Members Garley, Porter, Galloway, and Loukenon vote to support the motion, thus passing.
 - The Treasurer explained the reserve funding was in an account providing a return of less than a .005% return. She presented the attached chart, labeled **04162019-02**, and is hereby incorporated into these minutes, reflecting investment options developed by the finance committee.

- ***MOTION***:
 - Jim Porter made a motion that the Treasurer be given the authority to invest \$150,000 in reserve funds, in the Certificates of Deposit, which she and her committee felt would provide the best return for the reserve fund.
 - Debate was held and closed on the motion, with the Board members and those association members present participating. A vote of the board on the proposal was held. Members Garley, Porter, Galloway, and Loukonen all vote to support the motion, thus passing.
- Snow removal.
 - The cost of snow removal this year was \$3,786, while we had only budgeted \$3,000. More likely than not we could be pushed further over budget if we receive significant snow fall in November or December.
 - The process to secure a credit card for the landscaping crew is still moving forward.
- Member at Large Report. Aaron Luokonen report:
 - He is still progressing on his proposal to establish a neighborhood garden and is moving towards forming a committee.
 - He does not anticipate being able to bring the proposal to a full plan until later in the year.
 - Aaron agreed to place the Request for Proposal drafted and executed by Tina Galloway's committee for the new property manager on the Starwood website and is attached is marked **04162019- 03** and hereby incorporated into these minutes.
 - It was discussed and agreed the community garden project should be moved forward by a separate committee, under Aaron, but will liaison back with Tina when a plan is closer to being completes and before coming back to the board for approval.
- Special Committee Reports:
 - Property Manager Committee:
 - Tina Galloway report that upon completion of her committee's work the Request for Proposal was sent out to eight management companies and three have already responded with interest.
 - The proposed strategic reserve study was listed as a separate item for bidding purposes on the RFP.
 - She anticipates having the field narrowed by May 1st to allow the Board to begin interviews.

- ARC report. Presented by Deb Coss.
 - She had no activity to report.
- Landscape report.
 - Tina Galloway provided the landscapers' report that is labeled **04162019-04** and is hereby incorporated into these minutes.
- Common Area and Facilities report.
 - Tina Galloway reported she is still working on the options for the fields.
 - Jim Porter reported that after discussions with Secretary Robert Curzon, who in the past had been the Board's contact to the landscaping crew, would in the future be reporting to Tina Galloway based upon the nexus with the landscaping maintenance and the common areas, facilities, and irrigation that Tina is already coordinating.
- Security and Safety Committee;
 - Jim Porter reported he was not aware of any issues in the last 30 days other than unknown individuals parking vehicles long term and overnight on Starwood property around the parks.
 - Jim Porter requested clarification from the Board on a previous discussion by the board in 2018, to enact parking restrictions and vehicle tow warning signs in areas owned by Starwood Association.
 - A discussion was held on the issue by the Board and members present, reviewing past criminal activity in Starwood, in which suspects parked in these areas as they committed their crimes in Starwood, the proliferation of cigarette butts in these areas where drivers are parking near the front mailboxes and the threat that posed to igniting wildfires, the fact the CC&R's ensure every resident has sufficient parking spaces for their vehicles at their residence. While the Board led the conversation, nearly all present expressed support to identify areas to restrict overnight parking areas on common ground.
 - ***Motion***
 - Jim Porter made a motion as the lead for the Safety Committee to give him the authority to:
 - Engage in negotiations with local tow companies to secure a contract with a local towing company to remove unlawfully parked vehicles from common grounds
 - Secure signage to post in the areas of common ground restricting overnight parking, in the areas to include:

- Common area parking locations located on the West and East sides of Galaxy park.
 - The area directly across the Starwood Drive from the northern mailbox stands.
 - The motion was opened up for discussion and Member at-Large Aaron Loukonen asked that the cul-de-sac at the west end of North Star Drive also be included as an area to be posted due to past issues with cars being parked there overnight.
 - Jim Porter asked those homeowners present if there were objections or additions to the proposed restrictions of overnight parking on the east and west sides of Galaxy Park, near the north mailbox stand, and at the end of North Star Way. No objections were raised.
 - Jim Porter restated his prior motion, but added Aaron's modification. This proposal was modified to reflect:
 - Porter be given the authority to engage in negotiations with local tow companies to secure a contract to remove unlawfully parked vehicles from common grounds which park overnight, then bring back the proposed contract to the full Board for a vote.
 - Secure signage to post in the areas of common ground restricting overnight parking, to include:
 - Common area parking locations located on the west and east sides of Galaxy park.
 - The area on Starwood Drive east of the northern mailbox stands.
 - In the cul-de-sac at the west end of North Star Way.
 - The new proposal was opened up for discussion. With no suggestions or additions, the discussion was closed.
 - Board members Loukonen, Garley, Porter and Galloway all voted in favor of the motion, thus passing.
- RV Storage Report.
 - Treasurer Garley reported that the RV storage had (has now been? Not sure how to read this sentence, Jim.) been incorporated into the Starwood

Association budget. She and Jim Porter were the only authorized signatories on the bank accounts linked to the storage bank accounts.

- There was some concern on the north fence of the RV Park being in need of repair, but it is being addressed.
- An open discussion was held on how the RV facility would be administered in the future. Jim Porter suggested the managers of the facility should draft a budget, to include establishing a long-term strategic reserve. Other suggestions were made, but no direct action was agreed upon and it was agreed upon the management for the storage would resume in its status quo, for all present on the board and members agreed the Park was being managed in a responsible manner.
- Attached and hereby incorporated into these minutes is a report by Jeannie Malbon of the RV committee, labeled attachment **04162019-05**.

○ Finance Committee by the Treasurer:

- Noteworthy was the near completion of the work on the conversion of the finance data received from Brickhouse into a Quickbook system.
- There are still issues with recording who and what amounts were paid by members for their assessments in the final quarter of 2018.

● Unfinished Business:

○ ARC or Architecture Review Committee

- ARC open positions. Deb Coss confirmed that she and her husband, Joe, are the only members of the committee living in Starwood. Nick Jeffries is presently living out of the area.
- This was discussed by the board and it was agreed by all present the Coss' need assistance and an email would be sent out to the membership asking for volunteers.
- Discussion was held on the number of volunteers who can be appointed to the ARC board. This discussion included Steve Mulkey and Barry Garley, two past Board members. It was recognized the original CC&R's state the committee shall be 3 members; the ARC committee can change their rules with a unanimous vote; and in 2015, ARC committee rules were updated by a vote of the Starwood Board, as submitted by the ARC committee and in this update the ARC committee was expanded from 3 members to 5 members. This update is filed with the Deschutes County Clerk.

- It was later noted that the Board had appointed Deb & Joe Coss, Nick Jeffries and Bert Swift to the ARC, as reflected in the minutes from the March 17, 2015 Starwood Board meeting.
- Roadways
 - Jim Porter commented on the condition of the roads, pointing out they were not sealed or upgraded last year. There has been additional damage over the winter.
 - A discussion was held and all Board members agreed that Porter may begin seeking bids to repair the roads.
 - Once the bids are secured, Porter would bring the bids back to the Board for consideration.
- Bonding and liability coverage for the Board
 - A discussion, led by Deb Garley, on the need and costs of providing liability coverage for members of the board.
 - It was agreed upon that Garley would seek quotes on the costs and policy documentation.
 - Jim Porter believed the policy should be reviewed by the Association's attorney before taking any action.
 - Garley agreed to provide Porter with the policy to allow him to present it to the Attorney.
- With all agenda items covered, Porter asked the Board members and the residents present if there were any further issues in need of attention. With no further items to discuss the meeting was adjourned.

TREASURER'S REPORT

Bank Balances

Washington Federal Money Market \$224,017.25 at .15% interest, need to move to CD's, FDIC only insures up to \$250,000 per single account. Get help with quotes (Finance Committee?), area banks, credit unions. Amt should be \$50, \$100, \$150 for 3 to 5 years. Motion to allow DG to move money (total \$150,000) without separate Board meeting approval. Once done I will share, then move the money because rates change fast. MOTION

Wells Fargo: RV Account \$21,516.17. RV is not illegal or slush fund. Issues will be discussed at a later meeting

Wells Fargo: Operating Account \$39,728.35. December bills sent out by Brick House about \$26,000, but only about \$10,000 was collected. The 2018 pass-thru to Reserves was not made before year end and those funds currently reside in the operating fund, therefore creating a de facto loan from reserves to operations until cash balances are reconciled.

First Interstate CD's. \$30,517 matures November 16th, 2019 at .45%; second CD \$9,335 locked up at .45% until 2022.

Close out 2017 reviewed books, not totally clean report because of the adjusting entries.

Schwindt retained for 2018 review and taxes. Motion will be repeated tonight because of how it was recorded. MOTION

Books have been transferred from Brick House, transcription errors to the extent that they must be rebuilt in a Quick Books format for the entire time BH had the books. Geri believes the records Brick House gave us are the best they have, due to the transfer to App Folio. BH initiated a new chart of accounts for existing accounts making consolidating the first half of the year with the second half more difficult.

So, I have no treasurer's report to give on receipts or disbursements, or other ledgers available, no current interim financials. 2019 Books have to be initiated like a new company and then tied in when financials are available. Balances will then be transferred.

Second Quarter Bills are out. No past balance shown, no reflection of amounts paid in advance. AR reconciliation on hold until BB reconciles what we have back into Quick Books.

Payments to Reserves: Balance at year end, was \$4,594 due in interfund balances, payable by operating into reserves. That amount will now will be \$29,455.75 because the reserve payment was not made before year end. When we can resolve 2018 financials and back out inappropriate receipts, we will complete 2018 pass through as funds allow. We have passed through the first quarterly reserve fund installment for 2019.

Motion to retain the services of Schwindt & Co. for the 2018 Annual Financial Review and preparation of Taxes due. Cost is estimated at \$2,500 to \$3,000 for the Financial Review and \$\$275 for the Tax Preparation.

Result of a positive vote on this motion is to designate an individual to oversee the financial statement preparation (signed by Treasurer Deborah Garley) and to provide a signature to accept the engagement.

StarWood CD Rates

Bank	3YR	5YR	Best Rate	Best rate term	Guarantee length	Early withdrawal penalty
SELCO	2.85%	3.30%	3.30%	5-7 yrs	length of term	240 days of dividends
Mid Oregon CU						
On point CU	2.30%	2.33%	2.33%	3-5 yrs	length of term	
B of A	2.10%	NA	2.10%	37 Mo	length of term	180 Days of interest
Summit Bank						
Chase Bank	1.06%	1.21%	2.00%	21-23 Mo	length of term	2 percent of amount withdrawn
Columbia Bank						
First interstate						
Wells Fargo	2.00%	2.00%	2.15%	24 Mo step rate	length of term	12 Months interest
Washington Federal	1.20%	2.05%	2.60%	19 Mo	length of term	120 days of interest

Board:

Please review these CD rates. Our current interest on our Money Market at Washington Federal is .15%
 Our current balance in the money market is \$224,017.25
 Before the end of 2019 we will be putting another \$25,235 in for 2019 reserves and about \$23,000 for last year
 No planned expenditures from Reserves for 2019 or 2020 according to the Reserve study but we know we will have some
 We also have a CD maturing at First Interstate for \$30,517 on 11/16/2019
 Tim Elmore has been working on these rates and they are not complete, but I would like for you to look this over and bring suggestions to the meeting. Rates sometimes change rapidly so I would like to see at least a motion to pursue investing the money, and an approximate approved plan, even though we don't have all the specifics.
 The difference between what we are earning on \$100,000 is: new rate 5 yrs at Selco is \$3,300 instead of \$150 per year.
 My suggestion would be to move \$150,000 to CD's, 3 and 5 year combos
 Also: our Washington Federal Money Market is only FDIC insured for a max \$250,000 so we have to move some money
 Washington Federal rates also look good but a single account holder still cannot exceed the \$250,000 I think.

Starwood Association
64915 Starwood Drive
Bend, OR 97703

April 7, 2019

Management Company Name
Street Address
City, State Zip

Dear Sir or Madam,

Starwood Association is a non-profit corporation and operates as a “homeowners association”. Our community was established in 1983, and we now have 175 homes and three vacant lots in the Tumalo area.

Our community is in need of overall management services to support the volunteer Board. We are requesting that you review our needs and develop a proposal for how your company may meet these needs. Please see the enclosed Request for Proposal for more details.

If you have questions or need further information, please feel free to contact us. You may reach Tina Galloway at (541) 610-6020, or via email at vicepres@starwoodassociation.org, or Aaron Loukonen via email at memberatlarge@starwoodassociation.org.

Sincerely,

Tina Galloway
Vice President
Starwood Association

REQUEST FOR PROPOSAL

Homeowner Association Management Services Starwood Association

Contact

Tina Galloway, Vice President
(541) 610-6020
vicepres@starwoodassociation.org
Starwood Association
64915 Starwood Dr.
Bend, OR 97703

Aaron Loukonen, Member-at-large
memberatlarge@starwoodassociation.org

Background

Starwood Association is a non-profit corporation, totaling approximately 235 acres, of which 185 acres is common area, and operates as a “homeowners association”. Our community was established in 1983, and we now have 175 homes and three remaining vacant lots. Our neighborhood is located south of Tumalo Road between Old Bend Redmond Highway and Highway 97 in Bend, Oregon. We have a volunteer Board, and many active homeowners who volunteer their time to serve on committees and complete other necessary work to support the community.

Our neighborhood includes a community park, agricultural fields with 35 acres of irrigation rights, trails and a great deal of common greenspace. Other organizations currently provide our bookkeeping/accounting, legal services and insurance. We have a three-person landscaping crew who completes most of the community landscaping. Outside contractors have been used for road maintenance, seeding, spraying, complicated arborist work, among other services.

Our community is in a management transition and we have identified key areas where a third-party management company is needed.

Goals & Scope of Service

Our community needs a third-party management company to support the Board and provide services to all members. Management activities will include the following:

- Become familiar with the Covenants, Conditions and Restrictions (CC & Rs) and ARC guidelines of Starwood.
- At least twice each month, drive through the neighborhood to identify any violations or issues. At least quarterly, this inspection should be done at night to ensure lighting requirements are met. Once per year, the perimeter of the property must be inspected.
- Receive, evaluate and respond to members’ comments/requests/complaints.
- Issue reminders and/or warning letters as needed to members regarding CC & R or ARC violations.
 - Determine and administer follow-up correspondence or fines if required.

- Support Board members and others in all areas of financial management, including creating and managing budgets and financial reporting. Please share if you would be able to coordinate with other entities for financial management and share what software program(s) you use. We use a web-version of Quickbooks and would like all financial management tools to be compatible.
- Provide guidance as needed regarding organizational structure, reserves, adherence to CC & Rs and Planned Communities Act guidelines, Oregon State laws, etc.
- Provide expert assistance for cost effective selection of vendors/resources (ie snowplowing, tree trimming, road maintenance, record storage, etc.). Act as a primary point of contact for all vendors and contract services.
- Provide assistance, support and expertise to Board and committees when reviewing/revising CCR's and by-laws language.
- Provide technical expertise and management, including website management, email communications, etc.
- Facilitate the development and handle communication of all Starwood meeting documents, including agendas, minutes, etc. Act as a point of contact for all Starwood members.
- Attend all monthly Starwood Board meetings, record notes to facilitate the Secretary's creation of the minutes for the review by the Board and present a monthly Manager's report.
- Attend the annual Starwood Members meeting, record notes to facilitate the Secretary's creation of the minutes and present a Manager's report.
- Oversee annual elections, to specifically include the development of a nominating committee, ensure compliance with required timelines, communicate with homeowners, send and receive ballots, and count votes.

Other Contract Details

We prefer a contract term of one year, with either party requiring at least 30-days notice for termination. After a positive relationship is developed, the contract term may be extended to a multi-year contract. Please provide proof of accreditation as an Accredited Association Management Company, or equivalent. We would appreciate a separate quote to support the completion of a Reserve Study, including an assessment of community roads and other infrastructure. Please also provide a per hour rate for other support and services that may be needed by Starwood.

Evaluation Criteria and Estimated Selection Schedule

We intend to make a decision as soon as is feasible. We have set a deadline of May 1, 2019, to receive the completed proposals. The Starwood Board of Directors will review and evaluate proposals in order to determine who we choose to interview in person. The Board will evaluate proposals based on the following criteria:

CRITERIA	RANKING
Firm's introduction and background: Provide a brief narrative description of your firm's capabilities, background and organizational structure (org chart).	10 points
Experience: What number of clients your company has served, and how many years have you been in the homeowner association management business.	20 points
Financial: A brief description of firm's financial experience and accounting services offered.	15 points
Neutral 3rd party: Describe how your firm mediates home-owner complaints or claims and handles education about and enforcement of CC&Rs.	20 points
HOA Management Agreement: Please provide a sample copy of the Agreement your company uses for management services.	15 points
Cost: Please provide a cost proposal to include a fee schedule for additional services	20 points

Submitting Proposals

Please submit your complete proposal to the contact listed above. Your proposal should include:

- A description of how you would meet the listed goals.
- A cost quote for providing the management services.
- Information verifying your company's viability and ability to provide the services long-term.
- At least three references directly relating to your association management expertise.
- Include a description of any other services you believe should be provided to the members.

Starwood Landscape Report 3/19 – 4/16/19

The following is an overview of work completed during Mar./Apr. 2018.

Mowing of green space

- The mowers were sent into Pape' for yearly maintenance.
- Repaired flat tire on large mower.
- Contacted Helena for fertilizer to be applied later this month.
- Cutting of grass will begin within the week.

Irrigation system

- First day of water provided from Swalley was on April 1st. Current rate at 30%
- Met with Breck, Swalley's new ditch runner, regarding managing flow rates to ponds and piping of canals
- Installed intake pipes for both ponds
 - Replaced front pond pipe. It was leaking and causing low pressure to the system.
 - Repaired damage to the intake pipe at the main pond.
- Both systems functioning well. Sprinklers all functioning with no apparent damage.
- Main pond feed line cleanout work completed last fall was successful.
- Front pond feed canal cleaned and burned.
- Ponds are full and inflow is excellent.
- Water will be provided to the recently installed sand filter for seeded vegetation through a tap in the sprinkler system.

Green disposal site

- Increasing amount of debris from winter storm damage showing up in the pit.
- Burn planned for later this month or early May
- Require new signs and update to Starwood handbook

Common Area

- Removed three trees and other branches damaged by winter storms.
- Trimmed willows adjacent to pond
- Repaired and shortened rotted signpost at Starwood and South Loop

Galaxy Park

- Installation of pavilion cover planned within next weeks

Selectemp

- Approval of hours now done by treasurer
- Hiring of new crewmember – pending approval

Credit card

- Met with Treasurer regarding monthly limits and issuing one card shared by crew.

The "Wish List"

- Leaf blower for cleaning of mowers and landscaping needs (\$170)
- 100' garden hose – for burning of green disposal site (\$60)
- Concrete for irrigation standpipe improvements – 1 bag (\$5)
- Large bag of grass seed for commons (\$30)
- Signs for green disposal site
- Basketball nets – metal (\$15)

Questions/ concerns

- Should the aging tree in the triangle be removed/replaced?
- Swalley will pipe the Butte Canal within the next three years. We are requesting a direct feed from the new pipe directly into the front pond. This would eliminate the need to maintain the feed ditch on the north side of the west field and result in less mud and debris in the pond.
- FYI - Fencing between the property adjacent to Starwood's west field. The new homeowner may request some monetary assistance in replacing the fence along the shared property line.
- Where do we purchase signs?



**RV CORRAL REPORT
STARWOOD ASSOCIATION MONTHLY MEETING**

04/16/2019

**Jeannie and Rob Malbon & Harry Cardwell,
RV Corral Managers**

- Financials

As of 03/31/20, the checking account balance is:
\$ _____ or (see treasurer's report)

- Corral Status

There are **19**, 20' spaces; **62**, 30' spaces; **30**, 40' spaces in the corral.

As of 4/16/2019

89 out of 111 spaces are currently occupied, or 80%.

0 spaces were vacated in the last 30 days.

Number of spaces currently available to rent:

4 @ 20 Feet, 19 @ 30 Feet, 0 @ 40 Feet

WAITING LIST: None

- Changes/Updates: Harry will spray for weeds when the weather is better for this season and will be repair the leaning north side of the fence this summer.