

Starwood Association Board

Meeting Minutes for August 20, 2019

1. It was recognized that Vice President Tina Galloway, Treasurer Deb Garley, Member at Large Arron Loukonen and President Jim Porter were present. Secretary Scott Kirksey was absent.
2. It was recognized the Board minutes from the July 16th, 2019, meeting had been approved and posted.
3. President's report:
 - a. Jim Porter yielded a portion of his time to Hanna and Mark Mattson, residents of Starwood Drive, who wished to propose placing a book lending box adjacent to Galaxy park for children to use.
 - i. She proposed the lending library be constructed of material and paint in a manner consistent with Starwood CC&R's.
 - ii. Placed near the bus stop and bike rack on the west side of Galaxy park.
 - iii. Mark and Hanna agreed to maintain the library as needed.
 - iv. Hanna provided a to scale cardboard replica of the proposed box and added it would be mounted on a 4"x 4" post, set in a gravel enforced hole to allow for removal if it deemed necessary.
 - b. **Motion:** The Vice-president proposed the Mattson's be allowed to place the lending library at the location selected and this motion was seconded by Arron.
 - i. Further discussion was held and it was agreed/directed that the Mattson's would be required to coordinate the placement of the library with the ground maintenance crew.
 - ii. The discussion was closed and a vote was held. The proposal passed with unanimous approval.
4. Vice President's report:
 - a. It was reported there had been the first successful harvesting of alfalfa from the front pastures in the past 24 months. It was possible one last cutting would take place.
 - b. Tina was negotiating with the farmer who had completed the cutting in hopes of entering an agreement for him to take over the field management in the summer of 2020.
 - c. She believed one additional application of weed controlling agents was necessary to insure the health of the current alfalfa.
 - d. The current years activities in the fields would qualify as active farming use, thus protecting the Association's water rights.
5. The Treasurer's report:
 - a. Deb Garley was coordinating with Schwindt to finalize the 2018 taxes. These had to be extended as a result of the complicated state of the Associations financial records resulting from the transfer of the property management responsibility from Jim Anderson to Brickhouse and back to the Association. The Treasurer had no reason to believe the filling would not be completed on time.
 - b. There was a brief discussion on the comparison of the actual spending and revenue as compared to the projected spending and revenue. In summary:
 - i. Basic Books has been trending at a cost of between \$1,000 and \$1,100 per month as projected and should stay in this range for the remainder of 2019.
 - ii. The 2018 Board authorized the borrowing of \$15,000 from the reserve fund to cover the projected costs of hiring a property management firm to replace Jim Anderson.
 - iii. It was projected there would be a possible \$9,000 surplus in the budget line for a property manager at the end of 2019, due to the fact a management company had not been selected.
 - iv. Revenues from the RV park are not meeting projections. The Treasurer will be meeting with the RV committee to explore the issue.
 - v. Expenditures for the use of the Three Sisters School hall to meet are \$60 per meeting, while only \$20 per meeting had been budgeted.
 - vi. The remainder of the details may be viewed on the attached Treasurer's report.
6. Member at Large Report

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- a. Aaron inquired if there was support to host a community yard sale. After discussions, the issue was tabled until spring.
7. Landscape report.
 - a. Grass was growing at an enhanced rate, Helena agriculture company had been engaged to fertilize the common areas, two yellow jacket nests had been found and dealt with in Galaxy park. The full report is attached.
 - b. The sewer line work across the common ground is nearly completed in the area of the main mailboxes.
8. RV report.
 - a. There is an 84% occupancy rate. See attached report.
9. Schwindt Seminar
 - a. The Deb Garley and Jim Porter reported they had attended a seminar hosted by David Schwindt on hot topic issues for homeowner's associations. The below items directly applied to the Starwood Association.

No homeowner's association work should be transacted on a personal computer. Every Association should have a stand-alone computer. This is to protect against virus, unauthorized access to accounts, and protect the board member from liability from claims of criminals gaining access to Starwood accounts via the members' personal computer.

- i. All board members should be insured for protection during their term A
 - ii. Policy protecting the funds accounts against computer fraud should be secured at a level to cover the associations capital asset levels.
 - iii. Reserve accounts should be general accounts
 1. Should not be directly dedicated to specific line items at a fiscal level, IE; \$100,000 for roads, \$50,000 for common ground upkeep, \$20,000 for mailbox upkeep (as is the current practice).
 2. But rather, reserve funds should be held in an account open to withdrawal for the general betterment of all listed assets under the Associations control at a level dictated by the reserve fund study.
 3. for and not divided or dedicated by funding amounts to specific needs. IE: there should not be a reserve fund that has been broken down into specific line items such as . The best practice is to have one reserve fund to draw on dedicated to the common needs of the association, listing the areas of need such as roads, common grounds, irrigation, etc.
 - iv. As a reserve study is undertaken it should have two schedules with associated budgets: 1) a maintenance schedule and 2) a replacement schedule for items that wear out.
10. **Motion:** Jim Porter made a motion that the Board authorize the expenditure of up to \$800 to purchase a laptop computer for the use of the Board. The proposal was seconded by Deb Garley. With no further discussion the motion was passed unanimously.
 11. There was discussion on the Board joining a homeowner's association to give access to model documents and best practices. No decision was confirmed on who would join.
 12. Property Management Selection:
 - a. Tina Galloway presented the following: The search had been narrowed to two companies: Mile High management and Cascadia. A break down of costs and services was presented in a handout which is attached.
 - b. Discussion was held with board members and attendees providing input.

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- c. The significant issue was identified by Deb Garley. It was her understanding that Mile High management uses the same proprietary software management program as Brickhouse, that can result in significant challenges when reports are required.
 - d. It was generally agreed upon the Starwood Association would be best served by a hybrid system of property management broken down into the following areas of responsibility with some functions being handled by volunteers, but other areas would need to be covered by retained professionals: 1) Financial 2) CC&R enforcement and 3) business management.
 - e. **MOTION: Jim Porter proposed**
 - i. Board members would meet with CASCADIA to determine if they were willing to contract to manage the Associations CC&R enforcement, conduct a Reserve study and what the associated costs would be. The Vice-president would lead on scheduling this meeting.
 - ii. A board group led by the Treasurer would attempt to determine if a CPA would be willing to manage our business practices and what that cost would be to include a cost for managing our financials.
 - iii. After no further discussion was held and the proposal passed unanimously.
13. Cheatgrass control.
- a. Jim Porter led a discussion aided by Geri Wildenburg on the need to control the cheatgrass which had significantly expanded over the past year, presenting an increased threat to pets and fuel for wildfires.
 - b. There was unanimous agreement to be retained a contractor to make application of control agents on Starwood property and along the trail system.
 - c. Geri explained her research determined that an expedited decision was needed to ensure a vender could be secured in time to address the cheat grass growing and germination cycles. It was her belief that after speaking with a contractor the majority of application costs would be under \$1,000.
 - d. Motion: Tina Galloway proposed the Board authorize up to \$1,000 in funding to secure a contractor apply control agents to reduce the cheatgrass in Starwood. Aaron Loukenon second the motion and without any further discussion the proposal passed unanimously.
14. With no new business or floor discussions brought forth, Tina Galloway proposed we close the meeting, with Aaron Loukenon second the motion.
- a. **The MOTION** passed unanimously.