

Starwood Association Board Meeting Minutes

Sept 15, 2020

- 1) The meeting was called to order at 6:05pm by President Jim Porter. Board members present included Vice President Tina Galloway, Secretary Geri Wildenberg, Treasurer Deb Garley and Member at Large Cheryl Pierce. The meeting was held online as a video/audio conference using the Zoom platform.
- 2) A motion was made by Jim Porter to enter into executive session to discuss a third party contract related to legal representation. Deb Garley seconded the motion. There was no discussion; the motion passed unanimously. Jim confirmed that the board would return to the meeting at 7pm. The board moved into executive session at 6:15.
- 3) The General Meeting was reconvened at 7:00pm.
- 4) Jim summarized the executive session, explaining that the board had discussed retaining a legal firm with specific expertise in homeowner association issues. Jim moved that Starwood hire Harker Lepore LLC. Cheryl seconded. There was no discussion. The motion passed with 4 board members voting yes and one voting no.
- 5) Approval of the July 2020 minutes: All board members had reviewed the minutes. Deb moved that the minutes be approved, Jim seconded. No discussion. The minutes were approved unanimously.
- 6) President's Report: Nothing to report
- 7) Vice President's Report: The front fields came in well. The barley has been harvested, the wheat is still drying. Thanks to Tim and Thane for all their help during the growing season, especially moving and setting pipe and assisting the farmer.
- 8) Treasurer's Report: See spreadsheet pasted below. The total balance in all banks at the end of July was \$349,237.48. The balance in all banks at the end of August 2020 was 349,371.16. The full treasurer's report will be posted on the Starwood website each month.

The Starwood Handbook says that there should be a policy for collection of accounts receivable. Jeri Garner would administer it. Deb will draft a policy for board review. Jim thanked Deb for handling recent requests for information from realtors and providing information in a timely manner.

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TREASURER'S REPORT					
AT AUGUST 31, 2020	REF	THIS MONTH	PRIOR MONTH	NOTES	
OPERATING FUNDS:					
WELLS FARGO OPERATING		\$ 79,609.04	\$ 79,762.75		
RESERVE FUNDS:					
TRANSFER FROM WELLS FARGO RV		\$ 21,516.17	\$ 21,516.17		no change, account closed in September
WASHINGTON FEDERAL MONEY MARKET		\$ 157,686.58	\$ 157,666.55		
SELCO COMMUNITY CD RESERVES		\$ 90,425.69	\$ 90,425.69		2 Yr. CD Maturity Date 1/7/2022
TOTAL RESERVE FUNDS:		\$ 269,628.44	\$ 269,608.41		
TOTAL FUNDS IN BANKS		\$ 349,237.48	\$ 349,371.16		
Transactions:					
Transfers out for August:					
From Wells Fargo for monthly expenses		\$ 5,938.68			
Transfers in for August:					
Deposits to Wells Fargo		\$ 5,784.97			
Washington Federal Interest		\$ 20.03			
Transfers between Accounts for August:					
None		\$ -			
INTERFUND BALANCE PAYABLE FROM OPERATING		\$ 4,594.00	\$ 4,594.00		

- 9) Secretary's report: nothing to report.
- 10) Member at Large's report: Kudos to Alyssa who had teams of kids pulling more weeds around Starwood! Also, someone was shooting off flares or fireworks in the common area near the RV park. Be aware in case a fire is started.
- 11) Committee reports:
 - a) RV Park Committee – Report given by Deb Garley. RV Park money has been moved, see formal notice in minutes and notice sent to Schwindt. Need for documentation, not a motion because we do not need a vote. The transfer of indirect costs to RV operation will have to be part of Business Manager's duties going forward and will need to be done annually. The allocation of costs can be flexible. The purpose is to move some of the HOA expenses for road maintenance, insurance, legal, and bookkeeping to the RV park. The RV park is managed by volunteers. A portion of the fees paid to operate the RV park will be allocated to Reserves so you will see a change in the Budgeting Process going forward. This change was not a decision made by the 2020 Board. We were assessed taxes in our original tax return of \$1,700 for 2019 operations because RV revenue exceeded direct expenses. Concept of non-profit v. profit making in setting rates and fees.

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Expansion of the RV Park: The RV Park is at capacity, there is no money set aside for expansion of the park and there never was. The money set aside was always for repairs, maintenance, and replacement and it is still there for that purpose. Any planned expansion would need to be submitted to the Board for approval along with specific written quotes of costs and a planned funding approach. There is no money on the operating budget for an RV expansion. Don't know how the first funding was accomplished but things are too complicated to allow for some extra money to happen now. Funding would have to happen through a special assessment, a budgeted capital improvement, or a loan from the Reserves to be paid back over time. There may be other creative methods I haven't considered.

- b) Landscape Committee: Trees have been limbed up and trimmed. Will be gathering debris into piles for either burning or chipping or hauling. Fire season seems to be coming sooner and ending later, this year it started in April and may go until November so we need to continue the focus on our fuels reduction efforts.
 - c) ARC Committee: Nine actions approved since last report, one action pending. 3 Repainting, one garage addition, one re-roofing and deck replacement, one deck replacement, one landscaping and fencing, one tree removal and replacement, and one privacy fence and gate. Pending is one deck modification/replacement.
 - d) Safety Committee: Nothing to report.
- 12) RV Storage Facility Funds Transfer (Treasurer): The money (\$21,516.17) that was in the Wells Fargo checking account for the RV Park has been moved to the Starwood Money Market Reserve Account ending in **9970 at Washington Federal per instructions from our auditors Schwindt and Co. The RV account at Wells Fargo has been closed. Starwood does still have their HOA operating funds in an account at Wells Fargo. See Attached documentation. The purpose of the original account was to set aside funds specifically to be used by the RV Park committee to pay for maintenance and replacement of the components of the RV Park. This money was generated by funds collected for RV space rentals in excess of direct costs. The HOA has paid all indirect costs for the RV Park historically but the transactions have never been formalized. The beginning balance of the RV components in the

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Reserve Study has been adjusted to reflect this transfer. The RV Park will pay contributions from Revenues to the Reserves going forward. In order to avoid the appearance that the RV Park is a profit generating enterprise instead of its correct purpose, which is to supply an amenity available to all residents and supported by the HOA. Going forward the HOA will assign the indirect costs to the RV park annually in order to avoid questions of the RV Park being a separate entity.

- 13) Reserve Study Update (Treasurer): The Reserve Study was very complicated but it is finally done. Roads make up 2/3rds of the study. With this 30 year plan we should be able to avoid special assessments. The Reserve Study will be posted on the Starwood Website. Kudos to Deb and Jim for getting this done.
- 14) Old Business
 - a) Fields and common ground (VP) (already covered in VP report earlier)
 - b) Roadways: (Pres) Road Shoulders urgently need to be re-graveled in order to prevent further road cracking. This is more urgent than joint repairs. 3 bids were requested, two bidders did not respond, probably because the job is too small. Knife River bid \$41,262 but suggested that since it is a small job and relatively uncomplicated we should do it ourselves. Jim proposed that Scott can do it. He would need to clear back the sagebrush from 18-24 inches of shoulder, buy and drop gravel, spread it, and rent a roller to compact it. Cost estimate for Scott to do it is \$15,100. We can pay for it out of 2020 Reserves. Jim made a motion that Scott do the job and Jim will manage it. Deb seconded. No discussion. The motion was passed unanimously.
 - c) Green Recycling area (Pres): Kudos to the Starwood Community for adapting to the dumpster method for non-burnables, we are now at 100% compliance. We have emptied the dumpsters 6 times. Will reduce back to 1 dumpster for the fall.
- 15) Galaxy Park Hours and Signage (Pres): A community member asked if Galaxy Park usage could be limited to certain hours and signage posted. This is as a result of several instances this summer of people being in the park and making noise around midnight and into the early morning hours. Discussion covered sign wording, placement, and number. Everyone wanted to make sure that joggers, etc, could still use the park when it is dark in the winter and that signs would not be unsightly. Jim proposed that small adjunct signs be installed at the 3 entrances to Galaxy, he estimated they would cost \$500.

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Deb seconded the motion. No further discussion, the board voted to install signs.

- 16) There was no new business or discussion from the Board.
- 17) The floor was opened to residents for questions and discussion
 - a) One resident expressed a desire that the Galaxy Park hours should be adjusted as the daylight hours change. Jim suggested that 5am to 10pm should be sufficient as it aligns with the County noise ordinances. It was mentioned that the Starwood CCRs say Galaxy Park is open from dawn to dusk. Jim said the Board has the authority to make a rule interpreting the CCRs. It was agreed that any Starwood rules made by the board need to be sent to the residents.
 - b) Ray complimented the fire fuels reductions efforts, as long as the piles are moved away from the residences before being burned. Another resident agreed, and said they were very happy to have Starwood trees and brush removed from their property line.
- 18) There being no further discussion, Geri moved to adjourn the meeting, Jim seconded it. The meeting was adjourned at 8:45.