

# STARLIGHT PINES HOMEOWNERS ASSOCIATION

## Minutes of the Regular Meeting of the Board of Directors

Saturday, March 13, 2021

Starlight Pines Community Center

### 1. Call to Order /Determine a Quorum

President Dave Janecke called the meeting to order at 9:00 a.m. Board Members present in person were: President Dave Janecke, and Directors at Large Dan Knox, Gary Hanson, and Bill Cross. Treasurer Sue Davis, Secretary Connie Kiser, and Kim Traver (call in), appeared via Zoom. Vice-President Bill Patterson was unable to attend. The President announced that there was a quorum present to conduct business. Others present were Steve Yearly in person and Members who had signed on to participate through Zoom. Due to the Corona Virus, social distancing and masks were used by Board Members who appeared in person. The Community Manager was also in attendance to co-ordinate Zoom participation from the Members.

### 2. Pledge of Allegiance

The President led all in the Pledge of Allegiance.

### 3. Minutes from Previous Meetings:

February 13, 2021 Regular Board of Directors Meeting – Connie Kiser Secretary

**Motion: Bill Cross moved and Dan Knox seconded a Motion to approve the February 13, 2021 Board of Directors Regular Meeting Minutes as presented.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

February 13, 2021 Executive Board of Directors Meeting – Connie Kiser Secretary

**Motion: Dan Knox moved and Bill Cross seconded a Motion to approve the February 13, 2021 Board of Directors Executive Meeting Minutes as presented.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

### 4. February 28, 2021 Treasurer's Report:

#### 4.1 Documents distributed to the Board

- Account Balances for all funds as of February 28, 2021
- Income-Expense Statements for HOA Funds Only and All Funds as of February 28, 2021, compared to the 2020-2021 Budget
- February 28, 2021, Transaction Report sent by electronic transmission for Board only
- February 28, 2021, Starlighters Auxiliary Transaction Report sent by electronic transmission to Board and Starlighters Leaders
- All SPHOA funds are held in six (6) FDIC-insured accounts at four (4) banks, reconciled as of the last day of the month and filed in the Office for review by Members. Two (2) of the seven (7) bank accounts earn interest at diminished rates due to the economy.

#### 4.2 Year-to-Date Income/Expense Statements as of February 28, 2021

	All Funds	HOA Funds Only	Starlighters Funds
Income:	\$186,122.42	\$177,124.51	\$8,997.91
Expenses:	<u>(\$133,529.02)</u>	<u>(\$124,531.11)</u>	<u>(\$8,886.82)</u>
Income Less Expenses:	\$52,593.40	\$52,593.40	\$111.09

#### **Income Highlights for HOA Funds Only**

- Fiscal year is 75% over. Income received is 100% of Budget projections: \$177,124.51.
- Line 4062 - 52 New Member Initial Contributions: \$10,920.00
- Line 4065 - 61 Lot Disclosure Statement fees at time of sale
- Line 4067 - We collected \$9,175.00 for 7 Firewise Fines.
- Line 4075 - 607 Members (98%) have paid their 2020-2021 Assessment, \$127,568.34

#### **Expense Highlights for HOA Funds Only**

- Fiscal year is 75% over. Paid expenses are at 70% of Budget projections: \$124,531.11.
- Line 5010 Capital Improvement – HVAC, Mailboxes: \$9,848.36, 492% of Budget projection
- Line 6040 Common Properties Maintenance: \$18,270.29 is 270% of Budget projection.
- Line 6055 Management Payroll: \$27,330.75 is 72% of Budget projection
- Line 6055.1 Workers Comp Ins: \$1,496.00 is 66% of Budget projection
- Line 7030 Refuse Collection: \$30,716.22 is 143% of Budget projection
- Line 7040 Compactor maintenance: \$6,800.55 is 87% of Budget Projection.

#### **4.3 Account Balances**

- \$237,503.23 - Cash on hand or in six (6) bank accounts, On February 8, 2021, I transferred \$58,848.82 from BBVA -1042 to Bank of the West Checking
- \$66,274.89 - Current Liabilities
- \$126,789.03 - Replacement Reserves
- \$193,063.92 - Total Liabilities and Replacement Reserves
- \$45,030.29 - Undesignated/Equity Funds
- The SPHOA is in a sound financial condition but must continue to find sources of member income to support required HOA expenses while building future financial and replacement reserves.

#### **4.4 Accounts Receivable - \$47,771.89**

##### **a. 2020-2021 Unpaid Assessments – 17 Members (3%) - \$12,214.64**

- 11 members have unpaid assessments for this year and previous years. Liens have been placed on their Lots.
- 6 members have unpaid Assessments for this year for late charges and interest and will be notified that liens may be placed. All unpaid balances will be billed to the next year's Assessment.

##### **b. 2020-2021 CC&R Outstanding Violation Fines – 43 Fines, \$35,257.97**

- Ground Fires  
\$2,000.00 – **4 Fines: 4 Members** owe \$500 each in fines for Ground Fires in 2015, 2016, and two in 2020. One will be paid during escrow.
- Firewise Fines  
\$19,942.75 – **15 Fines for 15 Members**, some violations have been abated into compliance. Abatement cost has been billed to Lot Owners. Some fines and abatement costs will be collected during escrow when the lot is sold. The Association has engaged legal counsel to help collect some unpaid violation fines.
- Bark Beetle Fines  
\$7,764.50 – **12 fines for 11 Members**. Some violations have been abated into compliance. Abatement cost has been billed to Lot Owners. Some fines and abatement



costs will be collected during escrow when the lot is sold. The Association has engaged legal counsel to help collect some unpaid violation fines.

- Property Rules Violations accruing  
\$4,150.00 – **10 Fines for 6 Members** in 2018 and 2021
- Architectural Committee Violation  
\$1,400.00 – **2 Fines for 2 Members**. One property is now compliant, and Fines stopped accruing. Other property is still noncompliant for constructing a tree house without AC approval. Fines accruing.

**c. Newsletter advertisers - \$300.00**

**4.5 2021-2022 Budget**

After incorporating Member input, Draft Budget #3 is presented in Agenda Item 8. D. for Board review and approval and for setting the 2021-2022 Regular Annual Assessment pursuant to our CC&Rs.

**Motion: Sue Davis moved and Connie Kiser seconded a Motion to accept the Treasurer's Report as of February 28, 2021 as presented.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

**5. Community Manager's Report – Patricia [Trisha] Birtwistle:**

Trisha reported:

- There are properties still selling in Starlight Pines
- There were some campers on a lot who had set up a couple of tents. The campers were not the owners of the lot but said they were interested in buying it and had been told they could come up and camp on the lot.
- RV permits are available by e-mailing the office your request, which will then be sent to the AC for approval.
- Community Center – They started the flooring a few days ago, the carpet will be installed on Monday, so it should be finished next week.
- The new Coconino County resident Deputy Sheriff is up here now and has been noticed patrolling the areas and parked along the highway.

**6. Committee Reports:**

**6.1 Architectural Committee (AC) – Kim Traver, Chair/Board Liaison; Ken Grode and Gene Traver**

Trisha Birtwistle reported for Kim Traver that the Committee:

- Approved 3 RV Permits
- Approved 1 Deck change
- Approved 1 new fence

She also mentioned that there will be another cabin to approve next week and two new sets of plans just came in for approval.

**6.2 Greenbelt Committee – Don Cacioppo, Chair; Buddy & Sue Peck, Dave Ihns, Dan & Margaret Knox, Paul & Gayle Budrick. -- There was no activity in February**

**6.3 Firewise Education Committee (FEC) – Bill Patterson – Board Liaison; Conrad Davis, Chair;** Brian Birtwistle, Larry Butler, Bob Dahlgren, Dave & Pam Ihns, Paula & Tom Osterday, Dave Lutz, Dan & Margaret Knox, John & Patty Motley.  
Conrad Davis reported that:

One more lot has become Firewise compliant, making a total of 211 out of 213 lots now compliant for 2020. The high number of compliant lots is an indication of how well our Community has bought into the importance of our Firewise program. Three more lots have been found with bark beetle infested trees. They are all still within the thirty-day window and will receive a courtesy call to remind them to call the office as soon as they have the infested tree or trees removed.

Trisha found a couple of articles about the severe damage that the bark beetles have done to the Prescott National Forest. According to one of the articles, aerial detection photos by the U.S. Forest Service show a ten-fold increase in ponderosa pine mortality since August 2020. This mortality is caused by the extreme drought conditions our state has suffered. We have had some good snow but that is probably less than 1 inch of precipitation and we need 20 inches a year to be normal. Starlight could be in for a similar bark beetle outbreak.

According to the U.S. Drought Monitor, as of March 2nd, 31% of the state is in Extreme Drought and 54% is in Exceptional Drought – with Exceptional being more severe.

Continuing with the “Phase 3” Firewise Inspection rotation plan, this June we will be inspecting Lots 1-200. Later this month, Firewise will be sending out the letter which explains the process, a sample inspection form, a list of contractors, and an educational article, *The Why Behind Firewise*. Except for changes in dates these documents should remain unchanged. The Committee will probably decide to wait another year to reinstate the thinning requirement since thinning will intensify a bark beetle outbreak, as it did for us in 2018, due to the release of pheromones the thinning process causes.

**6.4 Property Rules Committee (PRC) – Bill Cross, Board Liaison, Brian Birtwistle, Chair,** Rosemary Johnson; Stacy Frederick

Bill Cross reported that he resigned as the Chair for the Property Rules Committee but will remain as the Board Liaison. Brian Birtwistle has volunteered to serve as the new Chair and Rosemary Johnson and Stacy Fredrick are the other two members of that Committee. Bill Cross is also requesting the Board appoint Lee Ann McCoy, who is a fulltime resident, as a much-needed additional Member of the Property Rules Committee.

Bill also reported that currently there are three lots that have not responded to violations and are being assessed fines and one lot just recently passed.

**Motion: Dave Janecke moved and Dan Knox seconded a Motion to appoint Lee Ann McCoy to serve on the Property Rules Committee.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

**6.5 Newsletter**

Trisha Birtwistle announced that Alma Seward has been working on the Newsletter and is doing a great job. Alma doesn't anticipate any problems getting the Newsletter out to the Members on time. Bonnie Steel's was kind enough to help and gave Alma all of her templates to use. The SPOHA Board of Directors Regular Meeting Minutes 3/13/2021



Community gave Bonnie a big thank you for the great job she did for many years as the Editor of the Newsletter.

#### **6.6 Starlighters – Bonnie Steele**

Trisha Birtwistle read the report for the Starlighters:

- The Starlighters Auxiliary Fund has a balance of \$1,076.70 as of Feb. 28, 2021.
- Naila Erwin has composed a summary report of the responses to the survey letter sent out to the Starlighters asking for their thoughts on whether they should continue or discontinue the Starlighters Auxiliary and the Starshine Quilting Group. A copy of the results of the survey is in the Board's packet for review. There were 13 responses and it was agreed that the Starlighters would continue for the remainder of this year. They are still lacking in volunteers to work at events, even though the number of volunteers increases when the summer residents are here. The Starlighters may need to hold events only from May through September if more volunteers can't be recruited. There were suggestions on how to get more volunteers, such as posting their need both on the Starlight Pines HOA website and in the Newsletter, going door-to-door to recruit new members, and personally inviting neighbors to attend events. Still under consideration is whether or not to raise the prices for breakfast because the cost of supplies has increased.
- Janet Pendell has volunteered to be their secretary for next year, Bonnie Steele will continue as the Chair, and Naila will continue as Treasurer.
- If the Community Center opens in time for the Annual Information Forum, the Starlighters plan to serve a BBQ sandwich lunch as they have in the past.
- Any suggestions/comments from the Board regarding the Starlighters will be greatly appreciated.

#### **7. Community Comment:**

Dave Janecke opened the meeting to Members.

Sue Davis: Lots 352/353 Sue reported on the status of the BRDWID and is speaking not a Member of the SPHOA Board, but as a Member of the Board of the BRDWID. Thanks was given to Trisha for facilitating the zoom meeting and the District now has its own Zoom account. Sue reported that a counter offer has been made to the Starlight Water Company but the BRDWID has not received a response. The Water District Board has submitted a loan application to WIFA which will be reviewed at the WIFA April 30<sup>th</sup> meeting.

#### **8. Old Business:**

##### **A. Receive Nominating Committee Report**

Lori Davis, Chair of the Nominating Committee, reported that it was her honor to bring to the Board a slate of Board candidates for the 2021-2022 year. She indicated that all current Board Members have expressed their willingness to serve another year, therefore, the official slate of Nominees being presented to the Board for acceptance is: Dave Janecke, Connie Kiser, Sue Davis, Dan Knox, Bill Patterson, Bill Cross, Gary Hanson, and Kim Traver. The nominees were thanked for their willingness to serve.

**Motion: Connie Kiser moved and Sue Davis seconded a Motion to accept the slate of candidates to run for the 2021-2022 Board of Directors of Starlight Pines Homeowners Association as follows: Dave Janecke, Connie Kiser, Sue Davis, Dan Knox, Bill Patterson, Bill Cross, Gary Hanson, and Kim Traver**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

SPHOA Board of Directors Regular Meeting Minutes 3/13/2021



#### **B. Appointment of the Election Committee**

President Dave Janecke indicated that it is time to again appoint the Election Committee who will oversee the mailing and counting of the election Ballots. Dave reported that the current Nomination Committee members have agreed to serve on the Election Committee.

**Motion: Dave Janecke moved and Dan Knox seconded a Motion appointing Lori Davis, Don Cacciopo and Bruce Wetherby to serve on the Election Committee, with Lori Davis to serve as the Chair.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

#### **C. Approve Corrected Election Timeline**

Sue Davis reported that in the Board's packet there is a corrected Election Timeline. She said that last year we changed our meeting date in March because of the Easter Holiday and that threw off the calendar this year. The new Election Timeline corrected March's Board meeting to today instead of next week and she moved the date when Nominating Petitions will be available for pickup in the office to March 16, 2021

**Motion: Sue Davis moved and Connie Kiser seconded a Motion to accept the Corrected SPHOA 2021 Election Timeline as presented.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

#### **D. Approve 2021-2022 Budget and Set 2021-2022 Annual Member Assessment**

Sue indicated that in the Board packet there is a copy of the proposed 2021-2022 Budget and the current status of our replacement reserve funds as of February 28, 2021. She noted that the documents were sent out last week electronically to the Board for review. She is presenting this Budget as a roadmap to show that we can pay all of next year's fiscal year's expenses without increasing our Annual Assessment amount. She is recommending that the Annual Assessment remain at \$210 per lot for the fiscal year 2021-2022. In the draft Budget document provided to the Board, she has 6 columns of information. The first column is the year-to-date figures for all of our income and expenses through 2/28/21, which is 9 months of expenses. The second column contains the current 2020-2021 Budget and the third column is the year-to-date performance for this year which is 75% over. The highlighted areas are where we have overspent, largely due to capital improvements. She reminded everyone that a Budget is simply a road map to show we can be successful in how we spend the Annual Assessments being billed to the Association Members. Line item #6040 in the expense column is one of the line items we exceeded, but that is because we had a lot of repairs in our common properties. The fourth column is Budget Draft #1, before she sent out a request to the community seeking input. The fifth column is Budget #2, which is her final suggested Budget which keeps the assessment at \$210 per lot. Sue Davis said she is also including a new expense line item in order to contract with an outside accounting service to convert our accounting system from Quicken to Quick Books and then take over a portion of our Association's financial bookkeeping tasks. She has estimated the Accounting Services and Software line item for the next fiscal year at \$7,000. Sue also reported that Steve Yeary has suggested that we might need to do something about installing a gate at Dogie Tank Road. A gate would allow us to close road access to the forest when the Coconino County Forest is officially closed due to fire danger. She also noted that we are probably going to need new mailboxes to be available for our increasing residents building in Starlight Pines. She has also increased the Management line item to \$36,974.00 She

SPHOA Board of Directors Regular Meeting Minutes 3/13/2021



pointed out all expenses, including a transfer to our Replacement Reserves, in the proposed 2021-2022 Budget allows us to keep next year's assessment at \$210.

Dan Knox wondered what other neighborhoods are charging for assessments and Sue indicated she doesn't know, but her only job is to prepare a Budget for our Association based on anticipated income and expenses. Also, some of the other neighborhoods own and have to maintain their streets so it is hard to do any type of comparison.

Connie Kiser asked how much we still owed on the internal trash compactor loan from the Reserve funds? Sue answered that there isn't an actual line item for that because it is a matter of replacing the amounts borrowed from the Reserves, but she would estimate it is about \$30,000. She also mentioned that this year we are waiting until the end of the fiscal year to see how much we can transfer to our reserve funds.

There was a question about how much the Dogie Tank gate is estimated to cost and Sue replied about \$4,800, but that is an old estimate given last year by a local contractor and if we decide to move forward with that project we would have to plan again and get a current estimate. It was noted that the gate is a positive because it would prohibit people from using our access along Dogie Tank road to get to the forest when it is closed.

**Motion: Sue Davis moved and Bill Cross seconded a Motion to accept and approve the 2021-2022 Budget as presented and setting the Annual Member Assessment for the 2021-2022 fiscal year at \$210.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

#### **E. Entry sign Language [No Fires]**

Dave Janecke reported that at the last meeting Dan Knox brought forth a request to have signs that say something about having "No Fires". Gary Hanson recommended the use of pictures like the ones he sent out. Connie indicated that she has no idea about the feasibility of getting picture on an aluminum sign but also thinks it would be a good idea. Connie read the suggested language in the three samples provided and it was the consensus that we use the last suggestion which read:

NO OUTDOOR FIRES  
NO FREESTANDING FIREPLACES/FIREPITS  
Exception: Commercial  
Barbecues used only for  
Cooking with briquettes or propane  
CC&R 3.11.1/PR 3.11.1

Dan Knox also indicated he would like to see this warning language go into the Newsletter. He is extremely concerned because of the extreme fire danger we are facing this year and the number of new residents who do not read the CC&Rs and have firepits on decks. Trisha indicated that there is a current "no open flame" policy that has been in effect for a long time. There was discussion on the size of the signs and it was the consensus that we will first find out if we can get both the wording and pictures on a sign.

### **9. New Business**

#### **A. Community Center Opening**

Dave indicated that the Board needs to decide about the possibility of opening the Community Center and if the Board would like that opening to be in April or May with masks and following SPHOA Board of Directors Regular Meeting Minutes 3/13/2021



the Governor, County and CDC recommendations for social distancing. We also need to decide if we are opening the Community Center to just our Board Meetings or are we going to allow other HOAs to start meeting here. There was discussion that the Community Center renovations should be completed soon and the Governor removed all restrictions this week. Dave recommended opening the Community Center starting April 1<sup>st</sup>, but continue to require face masks and 6 feet for social distancing.

Naila Erwin asked when the Starlighters could get into the kitchen to set it up and Dave suggested that they coordinate with Trisha when the flooring is expected to be completed and they can have access to the Community Center.

**Motion: Dave Janecke moved and Dan Knox seconded a Motion to open the Community Center to events starting April 1, 2021, but to continue with requiring the wearing of masks and 6 feet for social distancing.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

#### **B. Newsletter - electronic options**

Trisha indicated that several months ago she proposed to the Board putting out the newsletter electronically for those who wanted that option. Alma will put something in the Newsletter about having the option of receiving the Newsletter electronically or by mail, but not both. Bill Cross would like to have the wording say that we are going to start sending the Newsletter electronically unless a Member requests otherwise. Connie said that as we are transitioning with a new Editor of the Newsletter, she doesn't think we should be sending something now that indicates we are also changing to an electronic distribution unless you want to be the exception. She thinks there are a lot of people who will want to continue receiving the paper version, but for each member who elects to go electronic the Association would save about \$2. Sue suggested that we send out a notification giving Members the option of receiving only the electronic version, possibly through an e-mail blast. Sue added that when the annual assessment notice goes out on May 1<sup>st</sup>, there is a tear-off stub for the Member to return with the annual assessment payment. It was suggested that we could have a yes or no question about receiving the Newsletter electronically on the stub. If they mark the stub yes for receiving the electronic version then the stub could be put into the lot folder. Bill Cross agreed that would be a good idea. Connie said that our Newsletter is our communication to all Members, and we sometimes don't have updated e-mail addresses and Conrad added that the Association should also check with the advertisers who are paying for the newsletter to see if they are going to be ok with sending it out electronically.

**Motion: Dave Janecke moved and Gary Hanson seconded a Motion that there will be a yes or no option on the tear-off stub when the Annual Assessment notices go out for Members to indicate whether or not they want to receive the Newsletter electronically.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

#### **10. Adjournment:**

There being no further business to come before the Board, the President asked that the meeting be adjourned into Executive Session.

The next Board Meeting will be on April 10, 2021.



**Motion: Dave Janecke moved and Connie Kiser seconded a Motion to adjourn the meeting into Executive Session to discuss legal advice, contemplated litigation, personnel issues, and personal and financial information about individual Association Members and appeals relating to various violations and delinquent and outstanding assessments and fines.**

No Members asked questions or expressed comments.

**The Motion passed unanimously.**

Board Approved On:

5/15/21

Submitted by:

15/  
Connie Kiser, Secretary

Approved:

15/  
Dave Janecke, President