STARLIGHT PINES HOMEOWNERS ASSOCIATION
Minutes of the Regular Meeting of the Board of Directors
Saturday, October 8, 2022
Starlight Pines Community Center

1. Call to Order /Determine a Quorum

President Gary Hanson called the meeting to order at 9:00 a.m. Board Members present in person were: President Gary Hanson, Vice President Dan Knox, Secretary Peter Kuhl, Treasurer Sue Davis, and Directors at Large Frank Pettit, Bill Patterson, and Rosemary Johnson. Director John Motley was excused from the meeting. Connie Kiser, Assistant to Board Secretary Peter Kuhl, attended by phone to take Minutes. A quorum to conduct business was established. Others present were those Members listed on the attached sign-in sheet.

2. Pledge of Allegiance

Gary Hanson led all in the Pledge of Allegiance.

3. Minutes from Previous Meetings:

September 10, 2022 Regular Board of Directors Meeting – Connie Kiser Assistant to the Secretary

Motion: Dan Knox moved and Frank Pettit seconded a Motion to approve the September 10, 2022 Board of Directors Regular Meeting Minutes as presented.

No Members asked questions or expressed comments.

The Motion passed unanimously.

September 10, 2022 Executive Board of Directors Meeting – Connie Kiser, Assistant to the Secretary

Motion: Dan Knox moved and Frank Pettit seconded a Motion to approve the September 10, 2022 Executive Board of Directors Meeting Minutes as presented.

No Members asked questions or expressed comments.

The Motion passed unanimously.

4. September 30, 2022 Treasurer's Report:

4.1. Documents distributed to the Board in advance

- 2022-2023 FY Account Balances as of September 30, 2022
- Income-Expense Statement for All Funds compared to the 2022-2023 Budget as of September 30, 2022
- Income-Expense Statement for HOA Funds only compared to the 2022-2023 Budget as of September 30, 2022
- SPHOA Transaction Report for September 2022 sent by electronic transmission for Board only
- Starlighters Auxiliary Transaction Report for June through September 2022 sent electronically to the Board and Starlighters Leaders
- All SPHOA funds are held in five (5) FDIC-insured accounts at two (2) banks, reconciled on the last day of the month, and filed in the Office for review by Members.

4.2. Year-to-Date Income and Expenses as of September 30, 2022

	HOA Funds Only	Starlighters Funds	All Funds
Income:	$213,532.37	$18,089.77	$231,622.14
Expenses:	($164,930.85)	($7,475.52)	($183,020.62)
Income Less Expenses:	$ 48,601.52	$10,614.25	$ 48,601.52

4.3. Four (4) months of HOA income is over budget projections at 117%.

Line 4062 13 New Member Contributions
Line 4065 14 Escrow Disclosure Statements
Line 4067 Collected one Bark Beetle Fine and two Firewise fines
Line 4071 $147.63 in Bank interest from 3 accounts increased slightly. at .35%, 30%, and .07%. Reinvested two CD's at 1.73% and 1.98% interest in October.
Line 4073 17 AC Plan Review fees
Line 4078 567 (93%) Members have paid Assessments and are in good standing. 44 reminder invoices mailed to those who had forgotten.
Line 4091 Community Center use - an HOA meeting and a deposit for a wedding reception
Line 4092 YTD received $52,143.12 from USDA Forestry for EQIP Reimbursement for 40 CIN#1 lots thinned. Eight Owners paid a co-pay to SPHOA for thinning because they have an excessive number of trees on their lots. We are holding co-pays until those lots are thinned. Three co-pays - $1,526 - were deposited in October.

4.4. Four (4) months of SPHOA Member expenses are at 90% of budget projections.

Line 5024 Greenbelt Committee installed additional signage in the Greenbelt.
Line 5060 ACC Annual Report filed
Line 5080 Renewed Acuity property ins., a one-time expense, Budget projection at 151%
Line 6000 Paid Sacks Tierney for legal representation in the 40-foot easement issue. Legal is 375% over Budget. We have a $4,000 Legal Reserve Fund and a $20,000 trust deposit at Sacks.
Line 6040 Common Properties maintenance and repair is at 65% of Budget.
Line 6042 YTD EQIP Expense -- $67,705 -- payments to contractors for thinning 50 lots including 4 Owners who were paid to thin their own lots.
Line 6055 Payroll is at 35% of budget projection
Line 6080 Website expense is over budget projection due to special announcements
Line 6090 Office supplies at 30% of projection
Line 7010 Postage at 63% of projection, mailing for Assessment reminders, Firewise and Bark Beetle Notices and Lot Inspection Forms
Line 7030 Refuse collection is over Budget at 44% of projection due to the season
Line 7040 Compactor maintenance is right on Budget at 33% of projection.
Line 7050 Perimeter Fence Maintenance at 27% of Budget projection
Line 7090 Telephone under Budget projection. We're using another conference call vendor.
Line 8010 Utilities at 71% of Budget projections due to one-time LPG pre-buy

4.5. Account Balances for fiscal year 2022-2023 as of September 30, 2022

Cash on hand and in five (5) accounts at two (2) banks - $261,757.76
Current Liabilities - $64,125.70
Replacement Reserves - $148,504.93
Undesignated/Equity Funds - $49,127.13
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 operating funds and replacement reserves.

4.6. Bank Account Signers

New signers on accounts at Bank of the West and AmTrust New York Community Bank have been finalized.

4.7. Liquid CD Matured and Refunded

New York Community Bank Liquid CDs matured on 9-9-2022 and 9-30-2022. Funds reinvested in 12-month non-liquid CDs at an annual rate of 1.73%. and 1.98%, Partial withdrawals of principal are allowed with a very low penalty. Our interest earnings will increase.

4.8. Accounts Receivable as of 9-30-2022

a. USDA for EQIP	$14,035.00
b. Unpaid Assessments – 44 Members	17,740.12
c. Unpaid CC&R Violation Fines	37,975.00
d. 3rd Qtr. 2022 Newsletter advertisers	1,915.00
e. Compactor Mis-use Fees – 2 Members	100.00
f. Default judgment – One Member	7,450.58
	$79,216.58

Bill Patterson asked for clarification on Income line item 4092 which indicates that we have received the sum of $52,143.12 from the USDA Forestry, and then Expense line item 6042 showing the sum of $67,705. He wanted to know if that expense is being offset by the $14,035.00 listed under Receivables. Sue said under Receivables she is trying to estimate what we are due for reimbursement under EQIP if we pass inspections. We have paid out $67,705 to contractors, but some of that has already been reimbursed in October but not reflected in the September 30, 2022 Treasurer's report.

Bill Patterson asked for additional clarification of Income line item 4092 where it indicates we are holding co-pays until the lots are thinned and 3 co-pays totaling $1,526.00 were deposited in October. Sue explained that the Association is holding co-pay checks until the lot has cleared inspection, and that the owners have been made aware that their checks will be held pending a final lot inspection.

Motion: Sue Davis moved and Bill Patterson seconded a Motion to accept the Treasurer's Report as of September 30, 2022, as presented.
No Members asked questions or expressed comments.
The Motion passed unanimously.

5. Community Managers' Report – Julia Hahn reported:
•Community Development: Cabins built-388; Undeveloped lots-211; Under construction-14; Part-time residents-319; and Full-time residents-69.
•This last month the office sent 695 e-mails, responded to five escrow demands, and assisted the Architectural, Firewise and Property Rules Committees.
•New labels were put on all mailboxes and a new type of label is being used due to fading issues with the previous labels. Members were asked to give the office a call if their labels become faded or damaged so they can be replaced as needed. Also, we now have a new mail carrier.
•Julia announced that sadly this will be her last Board meeting because she is having to move to a lower elevation. She thanked everyone for being so welcoming and fun to work with, and commented that she has met so many nice people and some of the hardest working volunteers.

Julia was thanked for all of her help. Gary commented that both Community Managers had a big job to tackle when they were hired to take over the office tasks. They have done a wonderful job with the help of Sue Davis's training. Sue Davis indicated that Julia may be interested in doing some remote contract work for the Association in the future, but that is not a done deal yet.

6. Committee Reports:
6.1 Architectural Committee (AC) – Frank Pettit – Board Chair; Ken Grode and JR Morden. Frank reported that since last month the Committee had:

•Projects in progress-34; New homes under construction-15; New garages-5; New roofs-2; Shed-1; Decks-2; Fences-3; Siding or Exterior Paint-2; Miscellaneous-4; Projects Completed or Retired-5
•In addition to the projects that are approved and underway, there are plans currently being reviewed for a home addition with an added (2) story detached garage and an application for a corral along with several other miscellaneous items that are included in that request.

It was indicated that there is still a need for adding one more person to the Architectural Committee.

6.2 Greenbelt Committee – Don Cacioppo - Chair; Buddy & Sue Peck, Dave Ihns, Paul & Gayle Budrick, Mary Colbert and Lisa Markley.
Dan Knox reported for Don Cacioppo.
•Greenbelt inspections and trash pickups were performed and no new problems found in the Greenbelts. Greenery around the Community Center was trimmed and weeds removed from gravel areas. The Committee is requesting eight standard orange safety vests be ordered for use by the Greenbelt Committee to wear when engaged in maintenance activities. There was discussion about getting green or yellow so as not to conflict with the color of the Firewise vests.

Motion: Sue Davis moved and Rosemary Johnson seconded a Motion to purchase eight standard size vests in either green or yellow for the Greenbelt Committee.
No Members asked questions or expressed comments.
The Motion passed unanimously

Julia indicated that she will take care of ordering the vests.

6.3 Firewise Education Committee (FEC) – Bill Patterson - Board Liaison; Conrad Davis, Chair; Tom and Maria Braddick, Larry Butler, Bob Dahlgren, Dan Knox, Dave Lutz, Pat Macholtz, John and Patty Motley, Berdie Nally, Tom & Paula Osterday, Doug & Cindy Sparks, Paul & Faith Tuszynski

Conrad reported that re-inspections are going very well. As of last Thursday, approximately 100 lots have been re-inspected, and 88 have passed. That leaves 26 lots that still need to come into compliance by the 23rd of October to avoid the $250 initial violation fine. If past years are any indication, almost all of those lots will become compliant by the deadline. In addition to the Firewise re-inspections, Firewise Inspectors have performed 59 Bark Beetle inspections since the first of June. The Community owes our Firewise volunteers a major debt of gratitude for performing those 159 inspections in addition to the initial 200 inspections performed in June. The Association has a great group of volunteers and we couldn't have Firewise without those volunteers. Dan Knox asked if the number of Bark Beetle trees was down this year and Conrad indicated that the number is down a little because we have had 15 ½ inches of rain, which has helped, but there is still plenty of Bark Beetle activity within the Community. It was explained that there is also a new type of beetle called a Pine Bark Beetle that are tiny and when they attack a tree all the outer bark falls off.

As for the status of our EQIP program, when CIN#1 was completed we were cleared for the first year of the program. We have now finished marking CIN#2, except for one lot where the homeowner reduced the number of trees to be removed by 10%, which is allowed. Also, contractors have determined that some trees should not be cut due to safety and liability issues. Jonathan Chee with NRCS did not pass that one CIN#2 lot and we will not receive our

reimbursement for CIN#2 until we come to a solution. Conrad said he will meet with the lot owner next Saturday and with the contractor on the following Monday, and he has asked Jonathan Chee to give us until after next week before doing his re-inspection. He is confident that the situation can be resolved since the homeowner is sensible and Jonathan Chee is a reasonable person. After that lot passes reinspection, the Association can request its reimbursement payment for CIN#2.

Conrad reported that CIN#3 was finished being marked this week and hopes to start the thinning soon, but first we need to have all the Thinning Agreements signed and returned and the basil area data determined on four more lots. CIN#3 has fewer small trees and more large trees. We have 9 of the thinning agreements signed from the 29 lots and the basil area is huge because it is heavy with trees. Conrad explained that the CIN#3 area is on Roundup from the north Starlight Dr. to the south Starlight Dr., including cul-de-sacs. Obtaining the remaining lot thinning data is essential because we need to know the number of trees to cut and their average diameter in order to know how much to pay the contractor for thinning a particular lot. There are four lot owners who want to be their own contractor and do the thinning themselves, but first we need to make sure those lot owners understand the amount of labor and the necessary equipment needed to cut down and haul 80 sizable trees to Bly Pit.

Conrad commented that the EQIP grant has many challenges, but we are well ahead of schedule. The first year's requirement was to finish CIN#1, which has been done, and CIN#2 has now been finished, and we could possibly finish CIN#3 if we get lucky with the weather.

6.4 Property Rules Committee (PRC) – Rosemary Johnson, Chair, Le Ann McCoy and Sally Butler

Rosemary reported that things have been pretty quiet for the Property Rules Committee with only two official letters of non-compliance being sent to homeowners. One was for a fire pit that had wood in it ready to light and the other property has already been brought into compliance. Sue Davis asked about the firepit – was it a newly constructed one or one that had been there for a while? Rosemary indicated that it is one of the portable ones and not built in and it was reported to Property Rules by Firewise. Sue indicated there is a lot of history with the issue of ground level firepits.

6.5 Newsletter - Alma Seward

Alma reported:

The 4th Quarter 2022 issue of the SPHOA Newsletter is in process and will be printed on October 11th or 12th, and hopefully transport will be available to Happy Jack. She is seeking volunteers for labeling and sorting once the Newsletters are received from the printer. She is hoping to do the labeling on either Thursday, Oct. 13th, or Friday the 14th, and with five or six volunteers it will only take about an hour. Copies of the 4th Quarter Newsletter will be available in color on the website as early as Oct. 10th and Members were reminded to notify the office if they want to receive their Newsletter electronically instead of by mail.

Alma also indicated that she is stepping down as the Newsletter Editor due to her declining vision and expressed her appreciation to all those she has worked with. She will be available to assist the new Editor as needed for the transition. Alma was thanked for the great work she has done with getting the Newsletters out to the Members. Sue also mentioned that this is one of the contracts Julia may be interested in taking on going forward.

6.6 Starlighters – Bonnie Steele

Bonnie Steele reported:

- The Starlighters currently have $13,390.38 in their account -- hard work by all the dedicated volunteers pays off!
- At 11:00 am today, the Starlighters will be recognized by ADOT for 32 continuous years of highway cleanup. Certificates and lapel pins will be awarded, with cake and coffee to be served afterwards.
- The chili and chocolate cook-off will be held from 5:00-8:00 pm this evening. There will also be specialty baskets for a silent auction and three games of bingo following the food service at 6:00 pm. There are currently reservations for 57 people.
- Kudos to Naila Erwin! As the kitchen Food Manager, she had to take a two-hour test to renew her license. The test is extremely difficult and she passed it with a score of 92%. Without a Food Manager the Starlighters could not serve any community breakfasts or serve food at their Boutique and other special events.
- The Community breakfast featuring baked French toast and sausages held on September 24th was served to 71 people for a profit of $152.17. The bake sale of Starlighters' favorites had a profit of $204, merchandise sales netted $260, and the net income earned for September was $797.10.
- The next and last Community breakfast and bake sale will be held on October 29th. The menu is leftovers plus ham and eggs. The bake sale will consist of cookies and Happy Jack merchandise will again be for sale.
- Starshine quilting group will meet again on October 25th.
- The Starlighters voted yesterday to move the Christmas luncheon at La Posada one week forward to December 9th because NAU is having an event on December 2nd.
- The Starlighters would like to remind any groups who use the Community Center meeting room and kitchen that they are responsible for doing a clean-up afterwards, including emptying the trash following their gathering. Leftover food in trash becomes smelly very fast.
- The Starlighters will be reorganizing their group leaders for 2023 and several ladies may be interested in serving as assistants for the Treasurer and Chairperson.

Bill Patterson added a comment that he read some of the questions for the Food Manager's test and he had not appreciated how very difficult it was and the vast amount of very technical knowledge Naila was required to know. He also mentioned that it is now a State test instead of a County test.

7. Community Comment:

Gary Hanson opened the meeting to Members for any Community comment, discussion or concerns. Members were invited to comment and when recognized, to identify themselves and their lot number.

Lot 85 - Lisa Markley She is concerned with how fast people are driving within Starlight Pines. They live on Horseshoe and the Greenbelt and there are a lot of people out walking, walking their dogs or on horses and people are driving way to fast. She said that if there is some type of sign that can be put up, she is willing to buy them. Dan Knox indicated he is presenting the issue to the Board in executive session and that he spoke to the Sheriff and requested to have the County's digital speed control signs put back up. Dan also mentioned that he knows there is someone in a silver truck that drives about 65 miles per hour through the neighborhood. The digital speed control signs the County put up before actually recorded the number of violations for people speeding. He also mentioned that the County required 2,000 registered speed violators to justify assigning two Sheriff Deputies to sit in our neighborhood for the day with

radar in order to catch the speeders. Unfortunately, we only had 586 violators, which is still a lot for our neighborhood. It was noted that speeding in the neighborhood is a major problem, not only for people, but also because there are deer and elk roaming within the neighborhood. The County's digital speed control signs worked and people slowed down, and we may need to request that stop signs be put up at some intersections.

Lot 405 - Lori Davis: Lori asked the Treasurer, Sue Davis, for clarification on the Treasurer's Report, "Accounts Receivable as of 9-30-2022, items b. [Assessments] and c. [Violations]. Lori wanted to know the aging of the figures for both assessments and violations – how old are those accounts? Sue said as far as the assessments go, we keep those forever and the same goes for the violations. Sue also noted that those accounts can be on there for years, but we still collect them when the lot is sold, and in fact we recently collected over $10,000 for older assessments and fines when a lot sold.

Lori also asked for clarification on the September 30, 2022 Treasurer's Report that identifies a Reserve line item for paving. She wanted to know if that is for the Community Center parking lot and the common areas. Sue explained that the County paves the streets, but we pave the parking lot and aprons. Lori also asked if anyone had contacted the County about having our roads slurry sealed. There was discussion that several years ago the County did come through and repair the roads but there are always issues with the State Legislature underfunding the Counties.

Lori mentioned she has noticed that after thinning, a few lots still have tape on some of the trees and wanted to know if those can be removed by the homeowners. Conrad, the Firewise Chair, responded that if the lot has been approved with a reinspection by Jonathan Chee, then yes, the homeowner should be able to remove the tape, however, all trees with tape should have been cut down and removed. Bill Patterson recommended that perhaps the lot numbers with tape still on trees could be written down so that Conrad can double check to make sure it is a lot that has a reinspection approval or is within CIN#1 that has been finalized. Conrad requested that people let him know about lots that still have blue tape on trees after thinning and he will remove the tape after verifying that the lot has cleared its final thinning inspection.

Lots 352 & 353 - Sue Davis. Sue said she would like to introduce an applicant for the position of Community Manager, Jacqueline Lusson, who is in attendance at today's meeting with her husband. Sue mentioned that Jacqueline and her husband are residents of Starlight Pines and Jacqueline will be interviewing for the position with the Board this afternoon.

8. Old Business:

8.1 40' Easement

Connie reported that we are still trying to get the settlement criteria down to something the Association can live with and all of that will be discussed by the Board this afternoon in Executive Session.

8.2 Pending Action Items:

Gary reported that he would address the items he is familiar with:

A. Flagpole Light - Thanks to Dan Knox and crew for getting that done.
B. Community Center Repairs – Dan Knox, Don Cacciopo and Dave Lutz took care of that.
C. Trash Compactor Area – steel plates, water bib, and railing.

Naila was asked to give the update on the water bib. She indicated that the Board has been provided with a copy of the cost proposal for a water bib. Naila provided a history on the renovation of the compactor area during 2017 through 2019. She noted that the original proposal included running a water line to the site to allow for cleaning of the equipment and the site. However, there were complications that would have created long delays due to special paperwork and permits required by the County because the compactor area is considered a commercial site, so the renovation project moved forward without the water line.

Naila indicated she has worked with Lee Thompson, the contact person for Starlight Water Company, Steve Yeary, and Ray Weimer, to come up with a proposal for construction of a water line to the trash site. That proposal is for a cost of $4,233.80 which is being presented to the Board for approval today. Naila went on to explain that Lee Thompson has a Coconino County Construction Permit and now he can be our general contractor to install a water line running from the nearest water source over to the compactor site. Lee submitted a proposal of $3,500 for backhoe, valves, concrete boxes, and parts and labor. The Association would need to provide a water meter deposit and establish a water account at a cost of $633.80 and the Committee is also asking for an extra $100 for a lock for the hose bib and hoses, etc. Naila also said that Lee Thompson wants to get started on this before the ground freezes because there is some hand digging that needs to be done. Gary asked about putting a metal cage around the water hookup, similar to wire cages you see in Phoenix around various utility boxes. He said this would help keep people from damaging the water hookup or from cutting off the padlock and taking water or the copper piping. Steve Yeary mentioned that there is only a limited amount of space between the water hookup and the concrete wall of the compactor site to accommodate a cage.

Motion: Bill Patterson moved that we allocate a sum of "not to exceed" $4,500 for the installation of a water bib and line and to cover the expense for the water meter deposit and other miscellaneous expenses.

Sue Davis said that she will second the Motion with an amendment that the funds be taken from the reserve funds for the trash compactor which currently has a balance of $9,600. Bill Patterson was in agreement with that amendment.

Motion as amended: Bill Patterson moved and Sue Davis seconded a Motion that the Board accept the proposal and allocate a sum of "not to exceed" $4,500 for the cost of installing a water bib, line, water meter deposit and other miscellaneous expenses, with said monies to be taken from the Trash Compactor Reserve Fund rather than from the general operating account.
Rosemary asked if the water bib would be inside or outside the enclosure, and it was explained that it will be outside so that drilling through the current cement wall will not be required.
No Members asked additional questions or expressed comments.
The Motion passed unanimously

Gary added that within the Trash Compactor action item was an inquiry by Bill Cross about putting in steel plates to protect the cement underneath the compactor bins. Gary indicated that he has spoken with Ray Weimer and Steve Yeary and they don't feel that we need the steel plates at this time.

There was also a question of putting a railing up in the area between the compactor site and the mail box clusters. There was discussion that to get that done would require a lengthy process getting County approval, but it is a project that could be considered in the future. Steve said there

is an 8' section of asphalt to walk on, which should be plenty of room for people, and that during the winter any railing would create issues with snow buildup.

D. Sending the Newsletter Electronically – John Motley is not in attendance today so this action item will be updated next month.

E. Website Updated - It was reported that some procedures are already in place for getting that done and all of the Newsletters have now been uploaded to the Association's website.

F. Bulletin Board Repairs - Dan Knox said he contacted Lowry's Window and Doors company in Payson. He was told he can either take the glass that is in there now to Payson and they will replace it with plexiglass, or when the owner is up here, he will take the measurements and then replace them with plexiglass. People were encouraged to use the other bulletin board for posting items.

G. Fish and Game Signs - Gary indicated that an article was included in the President's Corner that will appear in the Newsletter. It was announced that today someone shot a cow elk over behind Apache and the carcass was just left back there in the forest. Gary said we also have a call into State Game and Fish regarding signs, but people also need to be more active in reporting issues with poaching. Alma said Gary's article in this Newsletter was very well written and targets what resources people can use when reporting poaching incidents. Bill Patterson recommended that since hunting season has opened, extrapolating that portion out of Gary's article and sending it out as an e-mail blast would also help. There was discussion on whether the Association could just put up its own signs and it was explained that all of that would come under Game and Fish and possibly even the Coconino County Sheriff's office.

9. New Business: None

10. Adjournment:
There being no further business to come before the Board, the President asked that the meeting be adjourned into an Executive Session for reasons allowed by ARS §33-1804, which will commence shortly after the ADOT award ceremony for highway cleanup.

Motion: Dan Knox moved and Frank Pettit seconded a Motion to adjourn the meeting into Executive Session to be held later today in order to discuss legal advice, contemplated litigation, personnel and subcontractor issues, personal and financial information about individual Association Members and appeals relating to various violations and delinquent and outstanding assessments and fines.
There was discussion that the Starlighters are going to need the meeting room at the conclusion of the Regular Board Meeting to set up for the ADOT presentation.
No Members asked additional questions or expressed comments.
The Motion passed unanimously.
The next regular Board Meeting will be held on Saturday, November 12, 2022, at 9:00 am in the Community Center.

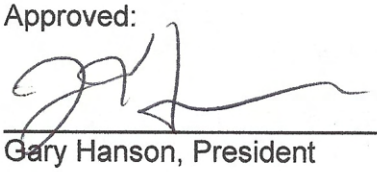
The meeting was adjourned.

Board Approved On: 11/12/22

Submitted by:

Peter Kuhl, Board Secretary

Approved:



Gary Hanson, President