

STAR VALLEY HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

DATE: July 16, 2009
TIME: 6:30 p.m.
PLACE: Santa Cruz Lutheran Church

ROLL CALL:

Board of Directors Present: Jim Williamson
Jill Chamberlain
Pat Linn

Board of Directors Absent: Bernard McHenry

Management Representation: Cindy Borquez, Community Association Manager
Minute Taker: Linda Evans

HOMEOWNER INPUT:

- A few comments were made regarding Pigeons.
- Marc Borom stated to the Board, in his opinion under Arizona State Law, Star Valley Association is not a valid association.
- Polly Bradway commented that homes in the community that have recently been painted looked nice.
- There was a concern expressed about where the monsoon rain puddles in the community.
- There was a discussion regarding the break-in in the community. Dr. Borom suggested homeowners put a lock on the boxes that have the power and phone lines, because security alarm systems rely on the phone and power for emergency notifications.
- There was a robbery in the neighborhood where a front door was actually battered in. One of the crime scene investigators had a recommendation to deter break-ins such as this. The installation of security doors will not eliminate the problem, but it is a deterrent.

CALL TO ORDER:

The meeting was called to order at 6:43 PM by the Association President, Jim Williamson.

QUORUM

A quorum was established to conduct an official meeting.

APPROVAL OF MINUTES

The minutes of the June 18, 2009 Board of Directors Meeting were approved through an action-in-lieu, with a correction date of July 02, 2009. See Attachment 1.

OFFICER REPORTS:

- **President**
No report was given at this meeting.
- **Treasurer**
Ms. Chamberlain summarized a written report which is attached to the minutes as Attachment 2.

MOTION: To accept the Treasurer's report. Motion was seconded and passed unanimously.

MANAGER'S REPORT

Mrs. Borquez submitted a written report of which a portion is attached to the minutes as Attachment 3.

COMMITTEE REPORTS:

➤ **ACC**

There was no report available for this meeting. Marc Borom requested a signed copy of the ACC submittal be sent out as the approval letter for proof. Add to the agenda for August; that the chairmen of the ACC committee sign the approved ACC forms.

➤ **Welcome**

New Homeowners in Lot 96 were welcomed and received a \$25.00 gift card for Safeway and a bottle of wine.

There was a discussion on adding an e-mail address form to the welcome packet.

The Board is considering having an incentive of a \$5.00 gift certificate for those who provide their e-mail addresses. Having a complete email list for the community will allow the Board to utilize the internet for mailings and notifications, saving the HOA money. The cost of sending out two newsletters per household far exceeds the \$5.00 cost per household.

➤ **Yard/Garage Sale**

No report this month. The September newsletter should have the information regarding the yard sale. Please let the Chairman know if you have Big Ticket items so she can advertise them in advance. The Chairperson can be contacted through the web page at starvalleyestates.org.

➤ **Basin**

Marc Borom stated he had submitted a request to the Board as to how they would like him to proceed, 48 day ago. He has heard no response from the Board to date.

Polly Bradway stated that she would like to see some information in the newsletter regarding the Basin project, as homeowners have asked her several questions.

Jill Chamberlain has written an official dispute regarding the invoice from Psomas.

A discussion ensued. Marc Borom stated he had an appointment with Cesare and that he did not need the Board's approval to do this. For the record, the Board made it clear that he will not be speaking on behalf of the Board of Directors at that meeting.

OLD BUSINESS:

• Vacant Board Position

The Board is soliciting nominations for the vacant board position. Those individuals interested in filling the vacant position should be aware that all the officer positions have been filled at this time. We are seeking a Director at Large that can dedicate 2.5 hours per month for attending the monthly Board meetings. It also requires reading and responding to emails, at your convenience, for approximately 30 minutes per week. The purpose of the emails is to help expedite the agenda or follow-up items of the Board meetings. All final decisions are made at the Board meeting, except for actions in lieu, which are ratified at the next session of the Board. This position expires March, 2010. The requirements to fill the vacant board position can be found in the Association governing documents

• Nominating committee and Chairperson

The Board is soliciting a chairperson and members to form a nominating committee, as specified in the governing documents. The term of the committee expires March of 2010. The purpose of the nominating committee is to solicit individuals that may be interested in being a Board candidate in

the next election. It is the Board's intention to comply with the requirements of our governing documents, so we request that you contact the Board through the website or the management company.

- **Web-link**
Similar to what is in place for the Board, but for committees. It seems at this time our webmaster, Jim Lamb can provide a process which will allow committee members and Board members to respond to the community without revealing their personal email addresses, similar to blocking your phone number from caller-ID.
- **Negotiation with Cesare**
How should the HOA proceed with the upkeep of the basin and what is expected from SVA/Cesare? What is required to formalize the deed to reflect who is responsible for which lots, from the county perspective?
Polly Bradway suggested that a small committee be formed with member(s) of the Basin Committee and Board to conduct a working session to plan the negotiation. The Board will consider alternatives and this will be an agenda item for August.
- **Downed fence:**
How should the HOA proceed with maintenance of the irrigation and the existing fence that encircles the basin? Based on the feedback we have received from the county, two of the 3 lots that presently make up the design of the current basin are no longer required for rainwater retention/detention.
The downed fence at the basin has been removed. There will be no further repair at this time.
- **Email directory**
The Board would like to create a list of all individuals/members in the association with their email addresses so the Board can use this list to notify the community of any updates or issues that affect the community, for example, email reminders of meetings, agendas, newsletter notices, minutes updates, and important information to the community such as crime in the neighborhood. The goal of the email list is to have 100% participation.

NEW BUSINESS:

- **Receptacle tube for Mailboxes,**
This is a proposal from Mr. McHenry on a method to hand-deliver HOA correspondence so that it will not become a litter problem. The HOA would like to hand-deliver correspondence to reduce costs. As many of you noticed, the last time we delivered them (thanks, Mac for delivering the last newsletter), they became a litter problem because they were not secured to the mailbox. If the HOA were to take on a project such as this, the initial cost should come from the HOA operating funds. Considerations which need to be discussed are how much authority the HOA has to install such a tube, what would be the size of such a tube? After the initial cost of installing the tube, who would be responsible for repair and maintenance? Due to the complexity of this subject and the information that needs to be gathered, this topic may span several meetings before it is resolved. This is tabled until the September Board meeting.
- **Documentation of past meetings**
The Board is requesting our management company to have written copies of the previous 12 months minutes, including attachments for regular and executive meetings available at each Board meeting. The purpose of the written copies is for ease and convenience to do an instant review on past decisions if needed.
Cindy Borquez brought copies to the meeting. The Board will review them at a later date. The Board requested at the June meeting that a 3-year lookback be available at the January, 2010 meeting.

- **Rules and Regulations to reflect verification procedures**

Intent is to update the Rules & Regs, Section II, Page 4 Assessment Due Dates to change the topic to read: Assessment Due Dates, Amounts and Verification. To add the following after the 2nd sentence presently written: It is recommended that prior to placing an account in collections, filing a lien, reporting to credit agencies or referring for attorney action, the delinquent account balance should be confirmed by at least one Board member. The motion to amend the Rules & Regs was passed at the last Board meeting. The above wording is a recommendation for satisfying the motion passed at the last meeting.

The Secretary is working on the verbiage to be used in the document, and will present it as a motion at the August meeting.

- **The weed control around the basin**

To maintain the perimeter of the Basin by having it treated with pre and/or post emergent weed control. Now that we are entering the monsoon season the rain stimulates weed growth. If preventive measures are not taken, the weeds will become a nuisance, and will soon be out of control. The last two years we have suspended violations for weeds during the monsoon season. Do we want to suspend weed violations during the monsoon season?

The weed control around the basin has been taken care of.

MOTION: To suspend the Weed violations starting July 16, 2009 to September 30, 2009. If you received a hearing notification or a weed fine prior to July 16th, those have not been forgiven. Motion was seconded and passed unanimously.

- **Budget 2010**

The Board needs to consider next year expenditures. The Budgeting process is at the forefront that includes all expenditures and revenue. We are asking the Management Company to provide us with any cost changes so the Board can take those costs under consideration, both for Cadden and any vendors that service the HOA. This includes but is not limited to the following vendors: insurance, website host, Lantz weed control, printing costs, postal rates, cost of office supplies, storage fees, meeting expenses, increase pay for Board members, tax filing, taxes, and accounting, Alphagraphics, The UPS Store. We are also requesting that individual homeowners make their suggestions known on any revenue or expenditures that the Board needs to consider. The budgeting process in the past has taken several months to complete. The Board needs to complete the budgeting process no later than the October, 2009 meeting. To meet this deadline, the Board needs to hear from any and all homeowners, committee chairpersons and our Management company prior to the September, 2009 Board meeting. The process of setting up the budget for 2010 is in progress. Changes can be made later if needed to address corrections or omissions.

- **Insurance renewal**

Traditionally our insurance renewal have occurred late summer/early fall. We need to verify the timing and cost. The amount of the insurance payment needs to be identified on the manager's report, for both the timing and amount due.

Cindy Borquez, our community management agent, reported that the insurance is due in September.

- **Manager's report**

The Board is requesting that certain Items be included in the management report. For example, for the 2010 budget items, they should be presented on the manager's report.

This report can help facilitate the meeting. The manager's report should also include

topics from phone calls and emails, complaints from homeowners, as well as legislative updates.

Cindy Borquez received a compliment on her current manager's report; it shows improvement.

- **Homeowner's input**

The Board would like to inform homeowners that if you can't make it to the meetings, please write or email your topics that may need to be considered. This information can be added to future agendas for discussion and action. The agenda should set the tone for the meeting. The motions expedite the meeting. The Board is utilizing an expanded agenda to help facilitate the meetings. In the future, the Board would like to have the ability to publish agendas in advance, through the use of an email directory.

Agenda Items for Next Meeting:

- Vacant Board Position
- 2010 nominating committee chair position
- Rules & Regs verbiage for verification procedures for colletions/liens
- Guidelines verbiage for waivers versus variances
- 2010 Budget
- Mailbox Receptacle Tube
- Negotiation with Cesare

NEXT MEETING: August 20, 2009

The next Board of Directors Meeting will be held August 20, 2009 at 6:30 PM. The meeting will be held at the Santa Cruz Lutheran Church.

ADJOURNMENT

MOTION: To adjourn at 7:30 pm.

Attachment 1:

Meeting Date: June 18, 2009
Version of Minutes for Approval: V2.1 dated 070209

Please indicate your approval by placing your initials and date on the line provided below. Then forward the approval log to the next name on the list.

Name	Initials	Date
Jim Williamson	JOW	07-09-09
Pat Linn	PAL	07-09-09
Bernard McHenry	BAM	July 7, 2009
Jill Chamberlain	JFC	07-09-09

Attachment 2:

For July 16, 2009
June Month-end Balances

Summary of Financial Report	Balance
Operating Account Balance	10,466.80
Reserve Account Balance	4,609.91
Reserve Investment Account*	20,324.78
Delinquent Balances**	4,209.26
Prepaid	4463.17
Income	4,007.48
Expenses	1,456.16

Observations/Concerns:

- * Statements issued quarterly, not monthly. Total now includes first quarter interest income of \$78. Cadden needs to find a better way to get the interest posted in a timely fashion.
- ** Delinquent Balance amounts no longer include Cadden collections fees. Fees and interest are included in this balance.
- Delinquent balances are down about \$500 from May, 2009.
- The budget is on track.

Observations/Recommendations:

- Until such time as the financials have been running cleanly for 6 months, we need to apply extra oversight and diligence to reviewing the reports.

Attachment 3:

Manager's Report

July 10, 2009

- Site tours completed on June 18th with Mr. McHenry and July 9th alone. Violation letters sent to homeowners
- Correspondence sent per Board of Directors
- Checked on reporting to credit bureaus, the only way a homeowner can be reported to a credit bureau is if a judgment is awarded. That can be done by an attorney. A collection agency will file with a credit bureau but there are no collection agencies that do HOA collections any longer.
- Contacted Mike Engelbrecht to remove fence, fence was removed on June 21st.
- As requested by the President, lock and keys to basin will be brought to the next meeting.
- Schedule Ron Lantz to spray area around basin. This was done on July 1.
- Checked with the insurance company on the basin rates, Agent stated that there would be minimal change in the rate for the basin.
- Contacted Dr. Borom about the Basin report and he forwarded to manager. Printed off the Basin Report. Have one in the files, and one in a binder, President asked for electronic copy to be included with the hard copy.
- Emailed the Avon representative about throwing her advertising in the community. I did let her know that the Sheriff's department was contacted and she is littering in the community.
- Checked with Supervisor, so far not increases for 2010. Postage and office supplies are whatever the market is. Copies and Faxes will remain the same. Management fee will be increased this year.