

Rimrock Meadows Association

Board Meeting Agenda

June 20th 2020 7:00am – 12:00pm

4177 Tumbleweed Way

Palisades WA 98845

Board Officers & Directors Present:

Rob Edinger, Chairman; **BJ Cunningham**; Vice President; **Julie Lindgren**, Treasurer; **Leah Turner**, Secretary; **Stan Marsh**, **Pete Savage**

Others Present:

Jose Ortiz, President; **Ralph Saint Romain**, Office Administrator; **Michael Wyman**, Attorney

Not Present:

Josh MackKenzie

Call to order at: 7:13am

Rob Edinger, Chairman's opening statement & reminder of code of conduct – *"I would like to thank everybody here today for helping to keep our environment safe and distant. I would also like to thank the general members who are observing today as well. Your rapid communication with the Board allowed Rimrock Staff to stage the Clubhouse more effectively.*

Our meeting today showcases safety & production. The Board is bringing new value to the members of this Association by enacting a more convenient and transparent meeting location. I do not remember the last time a Board meeting was held in the Clubhouse. However, I am sure there is a member out there that knows the exact answer."

Finance Committee:

1. Financial Reporting - Julie mentioned the need for creating an actual committee, not just one person responsible for reviewing the finances. We have a fiduciary responsibility to Rimrock and it's important we regularly review the finances.
 - a. Accounts Receivable (including delinquencies) – There was extensive discussion about members with past due balances and the strategy of how to resolve them, early on, and at what point do we start making collection efforts? Jose said they take the opportunity when a member calls into the office, for varying reasons, to ask them to take care of their balance. Ralph discussed a collection practice he has implemented. He sends 3 letters (friendly, firm & final). If an account is not resolved or a payment arrangement made after his three letters, he refers the account to the Board to get further direction. We also discussed utilizing a collection agency to assist with our efforts, although there would be a cost to that. After extensive discussion, it was decided we will make a policy to enact collection efforts for dues accounts that are past due beyond \$1000. We will further discuss how we plan to move forward with people who do not pay for their storage or RV rental spaces.

Recognition was given to Jose & Ralph for their collection efforts recently to resolve past due accounts.
 - b. Balance sheet - Ralph explained the YTD balance sheet & stated he has been unable to find depreciation and amortization of assets & believes this to be inaccurate. Jose &

Ralph explained there are a lot of accounting practices that appear to not have been documented properly in prior years so they are trying to update and implement procedures that are more in line with standard accounting practices.

- c. Lot sales year to date – Showing on track & ahead of plan for budget for 2020 & a significant amount of those lot sales have been paid in cash. Most of the new sales are coming from people finding Rimrock by seeing resale lots for sale on Zillow & then calling the office.

Ralph raised the concern, stating the board should be conscious that increased & continuous lot sales, will naturally increase the demand on the facilities and infrastructure. There was conversation that we may get to a point of needing to add to the facilities, as we continue to increase lot owners and the number of people using Rimrock facilities. There was conversation around the need to consider dues increases as it is not sustainable to continue business as such or to grow facilities without increasing dues. There has only been one increase to dues in 10+ years, despite the cost of living, cost of goods and cost of wages increasing year over year.

2. Strategic Planning –

- a. Capital Expense Budget – Historically, money has been spent on Capital Expenses outside the regular budget process. There is no concerns with the money that has been spent in the past, there is simply a more formal member review & ratification process should be followed.

3. Action Items:

- a. Capital Expense budget and Member ratification process needs to be implemented

Break – 8:47am

Reconvene – 8:57am

Old Business:

1. A motion was made by BJ and seconded by Pete to approve 3/26/20, 4/11/20, 5/6/20 & 6/8/20 meeting minutes
2. New Rimrock Policies & updates -
 - i. Anti-Nepotism – A motion was made by Stan and seconded by BJ to approve the Anti-Nepotism policy
 - ii. Financial – Julie will complete a draft of this policy and Board will review at a later date
 - iii. Surplus equipment – A policy was read by Rob for consideration to vote. This policy is effective June 20th, 2020. A motion was made by Julie and seconded by Stan to approve the policy as written, with the discussed edits.

There was discussion about the Fire Truck that is for sale & the limited interest that has been received, at the current asking price. A motion was made by Pete and seconded by BJ to allow Stan to lower the price of the fire truck that is for sale, until it can be sold.

- iv. Credit Card Fees – There was discussion of the cost to the association of running credit card transactions. There was consensus of assessing a transaction fee of a flat rate per credit/debit card for a transaction fee to help balance the cost that

Rimrock is currently charged to allow credit/debit card transactions. The specific fees and policy will be developed and reviewed at a later date.

- v. Spending Cap –Historically there has been somewhat limited Board supervision of spending or spending policies. It is our fiduciary responsibility to ensure spending guidelines are in place. There was discussion about the necessity and guidelines of setting spending limits. Jose made note of common expenses that come up and what limits he would recommend based on standard purchases the association makes as part of normal business. Jose made the recommendation of a \$5000 spending limit excluding standard operating expenses. The consensus was to enact a spending limit of \$5000 immediately with Rob & Leah to work together on developing a Spending Cap policy.

Manager Report:

1. Fencing and Horse at Manager's House – Jose said he has taken this project as his own personal project so he hasn't enlisted help from Ivan or Bryan yet. The project was going smooth until he hit rock in the ground and is now having to jack hammer into the rock to ensure the fencing is stable. Jose was encouraged by the Board to get help from Ivan or Bryan to complete the fence, as this is Rimrock property and a Rimrock asset. The importance of a completion date was discussed and Jose agreed to have it completed by July 30, 2020.
2. Horse update – Jose is enlisting other boarding options for his horse and has put moving the horse to the Manager property on hold. Jose will look into Renter's Insurance as there was concern that his horse being on somebody else's property could still be a liability.
3. Staining Clubhouse exterior – Clubhouse staining is complete. Jose agreed to have the shower building and outbuildings completed by July 30, 2020.

Break – 10:22am

Reconvene – 10:34am

New Business & Workflow Delegation:

1. Pending 2020 Proposed Projects – last item from this list that is needed to complete is for more sheds to be purchased for rental. Different shed style and sizes were discussed. Jose will revise his shed proposal and acquire and submit to the board at least 3 bids for consideration with at least one bid being from an outside organization, all of which should include a warranty. This is to be completed and submitted to the board for further discussion
2. Rental contract – a rental contract will be implemented for RV spaces and sheds. It will be reviewed by all of the board for the opportunity to provide any feedback. It needs to be implemented asap and distributed to all current renters of RV spaces and storage sheds.
3. Hold Harmless Addenda – There was general discussion about this topic and brainstorming occurred about potential risks and if we need to enlist Hold Harmless Agreements. Michael recommended that the Insurer be consulted about potential hazards, insurance coverage and other considerations in regards to Hold Harmless Agreements.
4. Board communication to Membership – There was extensive conversation regarding our need to communicate more rapidly and in multiple ways to our members. There was discussion regarding board members communicating via social media. A consensus was reached that we will take steps to utilize Facebook, under a Board created profile, to communicate to membership. Multiple Board members will have access to and be responsible for this form of communication.

5. Human Resources Manual – We have a great need for a Human Resources Manual. Leah, Julie & Rob will be the Team to tackle this project.
6. Spending Cap / Policy – Rob, Julie, Rob & BJ will be the Team to tackle this project.

A Member raised a concern about potential future dues increases and to consider what members may be getting back in exchange for dues.

Rob asked for Executive Session to discuss personnel matters: A motion was made by Stan and seconded by Pete to enter Executive Session to discuss personnel matters for a half hour @ 12:05
Re-adjourn 12:33pm

There was discussion about Jose's upcoming one year anniversary in August and the need to complete his annual review.

Next Meeting Scheduled For; August 8th @ 7:00am at Rimrock firehouse

**Due to potential capacity regulations and continued social distancing requirements, attendance at the next board meeting will be by reservation only and seating will be very limited. You must reserve a seat by writing the Board (rimrockmeadowsboard@gmail.com) if you plan on attending. You will be required to follow all applicable sanitation and physical distancing requirements. It is encouraged that you bring your own Personal Protective Equipment to this meeting.*

Motion to Adjourn made by Leah & seconded by Stan, motion is carried.

Adjourn at 12:47pm