

Spokane RV Resort Owner's Assoc.(SRROA)

Subject: Minutes for the July 28, 2015 SRROA Meeting

Attendees: Dennis Alwine, Steve Corey, Josh Alwine, Jorge Bombel, Guy Heerema, Marny Burdega, Lloyd Roberts, Jim Rowe, Steve & Cathy Odyanski, Sean & Sheila Thomas, John & Lorie Stewart, Tim & Mary Hansen, Dick & Bonnie Green, Gene & Jo Ann Newton, Gerald & Sharon Leary, Don & Christi Morris, Bob & Maxine Wickersham, Bob & Judy Johnson, Wayne & Becky Collier, Pat & Kathy Frantz, Pat Franzen, Jerry & Shirley James and Barbara Stokes.

Call to Order: D. Alwine called the meeting to order at 1 P.M. As part of his welcome to everyone, he introduced all of the Board members, as well as all of the new Owners since the 2014 meeting, as well as.

Minutes Approval: Marny Burdega moved and Pat Frantz seconded the motion to approve the minutes of the 2014 SRROA meeting.

New Business:

Jorge's Retirement: Dennis announced that Jorge was set to retire on 1 November 2015. He indicated that he would be hiring a Bookkeeper to do the administrative chores and that he would assume the role and duties of Manager himself. He assured everyone that he did not intend to make any changes initially since he felt everything was running smoothly. Dennis, responding to a question, assured those in attendance that he would insure adequate coverage at the Resort year-round is and will continue to be a priority with him.

10/10/10: Dennis informed everyone that the Woodalls 5 Star Rating didn't apply anymore because the company was bought by Good Sam. The standard now is to be a 10/10/10 Good Sam Resort, which we recently achieved.

Site Rental Revenues:

Dennis briefed on the decision to raise our camping fees from the current level to \$41 daily and \$245 weekly. Monthly fees will stay the same.

Jorge gave an overview of how our March through July earnings compared between 2014 and 2015. Bottom line was that we are down \$3,335.09 overall compared to last year. This is due to less owned lots being available to the rental pool and a marked decrease in Canadian traffic due to the two currency differences in value.

Purpose of the Association:

Steve provided a detailed explanation of the purposes and goals of the Association-key among these being the enforcement of the Covenants of the Declaration. Doing so should provide a high quality of life to members and protect the value of the members investment and that of the Resort itself. Other functions of the Association are to manage facilities/capital investments maintenance and to provide sound management and prioritization of how our finances will be handled and the money spent. The financial prioritization begins with the yearly budget, used in conjunction with a Reserve Study, that allows for operational (near term) as well as reserve (long term) monies management. This is accomplished by having truly transparent financial accountability and management.

Budget & Financial Report:

Steve discussed the P&L Statement and Balance Sheet for fiscal year 2014, giving a synopsis of what was contained in each report and how it reflected the health of the HOA. He indicated he would entertain detailed questions after the meeting. A question was asked and answered pertaining to clarification of the difference between the functions of the LLC and the HOA. Another question was raised about whether or not the LLC paid in as much in dues as do the Homeowners.

Steve answered by explaining how the Management LLC transfers LLC funds into the HOA in order to pay for all the expenses which can't be covered

through dues alone (remembering the Non-Profit HOA cannot generate revenue other than dues). It was also explained how the Management LLC pays any outstanding Capital Reserve Funds whenever one of their lots is sold. This is done retroactively all the way back to when the Resort was purchased by the Management LLC.

Another question was asked as to whether there were any known or anticipated maintenance issues on the horizon that would require major outlays of capital. It was stated that we fix as we go but that there weren't any known issues now but some have the potential for the future (such as the pool, heaters, air, etc.).

A question pertaining to where wages are paid from was raised and answered. Currently all wages are paid by the LLC. It will be looked into as to whether some of the Manager's time should be paid by the HOA.

Board Member Elections:

Dennis explained the requirement to replace/elect new Board member because of term expiration. Two were identified. The first was aimed at replacing Jorge's vacancy upon his departure. The second was aimed at replacing outgoing Board members to keep the level at 5 trustees. Dennis opened the floor for nominations. Bob Wickersham nominated and Pat Frantz seconded Jerry James to replace Jorge. This was followed by a motion by Steve and a second from Shirley to nominate Josh Alwine as a Board member. There were no other nominations so Dennis called for a vote and both nominees were unanimously elected.

Board Actions:

Dennis described an on-going action with the city where they are wanting to place a prefabricated 2 stall bathroom by the T Box on hole 6. The impact on us would be that it would be tied into our sewer vault and would put discharge into the sewer system in the Resort. The lawyers for the city and for us have

drafted an agreement but some details are currently being worked out. Dennis has been given authority to sign any documents that are required to take this project to fruition.

Sales and Site Improvements:

Since the last HOA meeting, six lots have been sold—three previously sold lots and three not yet sold lots belonging to the Management LLC. Dennis gave an overview of what the lots sold for and he followed it up by stating what the new prices were being listed as.

Dennis discussed how he got into the road improvement business by buying a machine for sealing cracks in the asphalt road. The cracks have been sealed twice in the last 4 years.

The cleaning up, seeding and irrigation system installation of the roundabout was presented. Someone suggested weeding around the road surrounding the roundabout. This will be done.

Alarm systems and special security lighting was accomplished and Dennis encouraged owners toward the end of the Resort to consider putting LED lighting systems as a security precaution. Dick Green has a model system if anyone is interested.

Open Discussion:

Several items of interest came up during the open discussion period. One question that received a lot of interest had to do with signage dealing with selling a lot or selling one's RV. It was generally accepted that the Covenants will remain as written but some leniency on posting a single sign on one's RV that is for sale would be acceptable. Management will look into a standardized sign for everyone to use. Everyone agreed that no signage would be placed on any lots pertaining to the sale of the lot itself. Other items discussed included: sprinkler adjustments; dead trees on the golf course; signs on the edge of the golf course to prevent traffic between the sites; inquiry about a statistical comparison between daily, weekly and monthly rental revenues; impact of

increased use of air conditioning on gross revenue data; and a question pertaining to what is going to happen with the overflow area which is believed by some to be unsecure. Some discussion was had on all these issues and explanations were provided to attempt to answer any concerns. No unresolved issues were left on the table.

Adjournment: There being no further discussion, Marny Burdega moved and Maxine Wickersham seconded a motion to adjourn the meeting.

Jorge Bombel, Secretary/Treasurer