

STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MAY 26, 2011

PRESENT: Doug Schoenfeld, Treasurer
Ed Katz, Secretary
Lori Condon, Director
Gary Friedman, Director
Chuck Murphy, Director

ABSENT: Mike Flamer, President
Jim Murphy, Vice-President

STAFF: Larry Paprocki, Director
Javier Alejandro, Supervisor

CALL TO ORDER

Mr. Schoenfeld called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENT FORUM

No residents came forward to speak.

MINUTES

April 28, 2011

Mr. Chuck Murphy moved that the board approve the April 28, 2011 meeting minutes as presented. Seconded by Mr. Katz. *The motion passed unanimously by a vote of five (5) to zero (0).*

TREASURER'S REPORT

Mr. Schoenfeld presented the Treasurer's Report, per the board packet. He reviewed the association's financial statements, as prepared by association staff for the period ending April 30, 2011.

Mr. Schoenfeld reported that the balance sheet and the investment schedule were included in the board packet along with the updated Reserve Study. The Finance Committee and Physical Property Committee will hold a joint meeting to go over the Reserve Study.

Mr. Schoenfeld responded to questions and comments from the board members regarding the financials.

In response to a question from Mr. Friedman, Mr. Schoenfeld discussed the Investment Policy adopted by a previous board, and talked about individual investment performance. Mr. Friedman asked whether the Investment Policy was satisfactory as stated. Mr. Schoenfeld explained that there was no indication of a need to change, but the Finance Committee would welcome any recommendations.

Mr. Friedman moved to accept the financial as presented and the Treasurer's Report as submitted. Seconded by Mr. Katz. *The motion passed unanimously by a vote of five (5) to zero (0).*

Mr. Paprocki provided updates on the following topics:

- Delinquent Assessments
- Financial effects of bankruptcies and short sales
- Costs of abandoned property

Mr. Paprocki reported that typically, delinquent residents respond when access devices are shut off. However, some of the residents who are not paying assessments are part-timers. Shutting off devices is not a problem to them until they're back to town. At the last meeting, the board authorized him to accelerate the remaining year's assessment on 13 homeowners' accounts, and to file for legal judgments as needed. He is in the process of drafting 11 complaints. Two homeowners have come in and set payment schedules.

EXECUTIVE DIRECTOR'S REPORT

Equestrian trail

Mr. Paprocki reported that the work to improve Stonegate's section of the trail by renting a tractor with a Gannon is complete.

Mr. Paprocki reported the Finance Committee recommends that we not accept the city's offer of salvaged trees. The costs would be more than the value of the trees.

Timarron landscaping

Mr. Paprocki stated there has been much discussion by the board and Finance Committee regarding the Timarron landscaping contract. There have been too many complaints to

continue with the current landscaping company. Two companies have presented identical bids.

Timarron's tract declaration requires the Stonegate Community Association to provide landscape service. To amend the tract declaration, homeowners must hold another election with 67% of the 53 homes endorsing the change. In past elections, not all properties voted, so the required number of votes was not reached.

The Board discussed a letter from a Timarron resident, asking that they be allowed to choose their own landscapers. The Board agreed that another election would be in order, but it must be handled by the Timarron residents.

Events update

Mr. Paprocki reported that the Spring Fling was a successful event. Sponsors covered more than half of the cost.

Mr. Paprocki reported 140 to 150 people attended the Health and Wellness Fair held on May 14th. A second Health and Wellness Fair is scheduled for June 12.

On May 20, the Family Games and Movie under the Stars drew an enthusiastic crowd. The sponsor, Fitness Experience, provided hot dogs, icees, soft drinks, chips, an inflatable waterslide, karate lessons, a DJ, and trainers to run the games.

Mr. Paprocki reported on the teen behavior problems at the pool that resulted in calling the Scottsdale Police Department.

Changes in law

Mr. Paprocki reported that there have been changes by the state legislature to laws impacting homeowners associations. His overview included:

- Open meeting laws
- Rules regarding homeowners in violation
- Political signs
- For sale signs
- Flag displays
- Property transfer fees
- Door-to-door solicitation (cannot be restricted)

Mr. Paprocki responded to questions and comments from the board regarding the legislative developments.

Mr. Friedman wanted to know whether the board packet is open to the public. Mr. Paprocki replied that information (such as minutes) is public only after being approved by the board.

Mr. Chuck Murphy noted that the architectural guidelines and CC&Rs need to be amended to reflect the legislative changes.

COMMITTEE REPORTS

Mr. Schoenfeld noted that the committee reports were included in the board packet for review and comment. The board returned to discussion of legislative changes, particularly those relating to committee reports.

DISCUSSION/NEW BUSINESS

Mr. Katz asked that the July Board of Directors meeting be held on the fourth Wednesday (July 27). Mr. Chuck Murphy requested that before the decision is made, staff should poll all board members to determine availability.

ADJOURNMENT

It being duly moved and seconded, the board meeting adjourned at approximately 7:45 p.m.