

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

DECEMBER 22, 2011

**APPROVED
January 24, 2012**

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

STAFF: Larry Paprocki, Director
Deena Goldstein, Staff

ALSO

PRESENT: Jane Picoult and Myron Picoult, Retreat

CALL TO ORDER

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

RESIDENTS FORUM

President Flamer advised homeowners are permitted to speak once for up to three minutes on each topic being considered, as the meeting progresses. They may participate only until the motion is made.

Jane Picoult, Retreat, stated that she is a member of the film club and current events club. She presented the Board a petition with 109 signatures in support of the Association purchasing a wireless microphone and a dozen bridge chairs. She provided the Board with information on the cost of these purchases. She advised that the purpose of this request is to enhance the interactive experience of Stonegate residents participating in various activities

Ms. Picoult responded to questions and comments from the Board members regarding this request. Discussion was held. The consensus was that a lot of residents would benefit from these purchases. It was determined that purchase of the bridge chairs was within the authority of the Executive Director and did not need Board approval. The Board felt the wireless microphone request should be sent to the Social Recreational Committee to research and ensure the Association purchases a microphone that is compatible with their current equipment and is the best product at the best price.

MINUTES

November 22, 2011 Board Meeting

Mr. Katz moved that the Board approve the November 22, 2011 meeting minutes as presented. Seconded by Mr. Schoenfeld. *The motion passed unanimously by a vote of seven (7) to zero (0).*

TREASURER'S REPORT

Mr. Schoenfeld presented the Treasurer's report as per the Director's packet. He reviewed the Association financial statements, as prepared by Association staff, for the periods ending November 30, 2011. He responded to questions and comments from the Board members regarding the financials.

Mr. Schoenfeld updated the board on the following items:

Delinquency report
Capital Reserve Fund
Overseas Investments

Discussion was held regarding overseas investments. It was determined that Mr. Friedman would attend a Finance Committee meeting and raise their concerns.

Mr. Chuck Murphy moved to accept the financial as presented and the Treasurer's Report as submitted. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of seven (7) to zero (0).*

EXECUTIVE DIRECTORS REPORT

Computer Update

Mr. Paprocki reported a Dell server has been ordered with delivery expected on January 3, 2012. He further reported the estimated life on the server is between five and eight years. Two computers, Apple I-Mac have been purchased. I-Mac computers can also function as PCs with software such as Boot-camp or Parallel. He advised that is searching for the best price on software. Operating system will be Windows 7. All systems will be properly licensed. Conversion to the new system will begin in January. Computer upgrade was scheduled in 2011.

Riding Mower Replacement

Mr. Paprocki reported several bids were received on the riding mower replacement. A&G provided the best price with trade in cash discount in the amount of \$12,564.04, tax included. The equipment being replaced is 16 years old and was purchased used. The "Walker" riding mower being purchased is new. He further reported the Reserve Study provided an estimated replacement cost of \$10,500. He added as discussed, we are taking delivery this year and being invoiced in 2012.

LED Replacement Date

Mr. Paprocki reported the LED lamps have been ordered. The provider has indicated a mid January delivery. Installation is expected to be completed by the end of January.

Community Center Painting

Mr. Paprocki reported Creative Man Painting is scheduling the Community Center window frames painting the second week-end in January, starting Friday the 13th and finishing Sunday the 15th. He further reported the Main Gate and East Gate will be completed prior to work starting at the Community Center. He explained the delay was caused by the recent rains and Holidays.

Holiday Event Recap

Mr. Paprocki acknowledged the Holiday event sponsors. The children's party was sponsored by Christy Mooney, Realty Executives and a Stonegate Preferred Realtor and Melissa Gregg, OnQ Financial Services. The adult party was sponsored by Jackson Financial Advisors, Cox Communications and All in One Home Repairs. Out caterer was AZ Culinary Institute. He reported an estimated 275 guests attended. He provided a brief summary of the event.

General Correspondence

Mr. Paprocki advised two letters were included in the Board packet. Brief discussion was held regarding the letters.

Mr. Paprocki requested the January Board Meeting be held on Tuesday, January 24, 2012 instead of Thursday, January 26th as he is attending the CAI Law Seminar. The Board was in agreement.

BOARD ACTIONS

Riding Mower Replacement

President Flamer stated the Executive Director is requesting Board approval to purchase a riding "Walker" mower in the amount of \$12,564.00 tax included from A&G. Trade-in and cash discount received totaling \$1,500. He further stated that two other bids were received. He advised the existing "Walker" is a 1995 unit and is in need of approximately \$1500 in repairs. The equipment is a Reserve Fund item.

Mr. Jim Murphy moved the Board approve the purchase of a riding "Walker" mower in the amount of \$12,564.00 tax included from A&G. Seconded by Mr. Katz. *The motion passed unanimously by a vote of seven (7) to zero (0).*

2011 Auditor Authorization

President Flamer stated the Finance Committee is requesting Board approval to retain Butler Jones and Hansen to perform the 2011 audit. The cost range is \$8,750 to \$9,750, the same as last year. Tax preparation is \$800.

Mr. Chuck Murphy moved the Board approve retaining Butler Jones and Hansen to perform the 2011 audit. The cost range is \$8,750 to \$9,750. Tax preparation is \$800. Seconded by Mr. Katz.

In response to a question from Ms. Condon, Mr. Schoenfeld outlined the reasons the Finance Committee decided to stay with Butler Jones and Hansen despite the errors that were made last year. He reported Butler Jones and Hansen has conducted past audits and is familiar with the Stonegate Community Association. A meeting is being scheduled to discuss work oversight and expectations. He stated one thing we have going for us that we did not have last year is Joan and she has been here six months and knows our accounts. In the past, we have not had someone as proficient as Joan. He further reported that we do not expect a problem this year. Discussion ensued.

Mr. Katz moved to amend the motion that approval will be subject to the interview with Mr. Schoenfeld and the Executive Director. Seconded by Mr. Jim Murphy. *The motion passed unanimously by a vote of seven (7) to zero (0).*

COMMITTEE REPORTS

President Flamer noted that the Committee reports were included in the Board packet for Board member review and comment.

DISCUSSION/NEW BUSINESS

President Flamer on behalf of the entire Board wished the residents Happy Holidays and a prosperous New Year.

ADJOURNMENT

The Board meeting, being duly moved and seconded, adjourned at approximately 7:30 p.m.