

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MARCH 22, 2012**

APPROVED MINUTES

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

ABSENT: Gary Friedman, Director

STAFF: Larry Paprocki, Director

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.

Annual Meeting Minutes, Annual Report & 2012 Annual Meeting Script

Mr. Paprocki advised that the Annual Meeting Minutes, Annual Report and 2012 Annual Meeting Script was included in the Board packet. He provided a brief review of the annual meeting script.

MINUTES

February 23, 2012 Board Meeting

Mr. Katz moved that the Board approve the February 23, 2012 meeting minutes as presented. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

TREASURER'S REPORT

February 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending February 29, 2012. He responded to questions and comments from the Board members regarding the financials.

March 15, 2012 Meeting Report

Mr. Schoenfeld provided an overview of the March 15, 2012 Finance Committee meeting. He reported the February balance sheet was correct and accurate. He further reported the Committee spent considerable time discussing the current investments. The Committee recommends the following changes to Reserve Fund balances:

- Move the balance \$116,372 in the Vanguard Intermediate – Term Investment Grade Bond fund to the Vanguard Short-Term Investment Grade Bond fund.

Mr. Katz moved the Board approve moving the balance \$116,372 in the Vanguard Intermediate – Term Investment Grade Bond fund to the Vanguard Short-Term Investment Grade Bond Fund. Seconded by Mr. Jim Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

2012 Reserve Study Update – plus (3) scenarios

Mr. Schoenfeld reported the 2012 Reserve Study Update included both current cost and useful like/replacement estimates for each of the HOA components; in addition, three different 30-year “What-if” cash flow spread sheets relative to roadway restoration. He further reported the new Board will create a roadway committee to research the best way to fund this project.

Ms. Condon moved the Board accept the Treasurers Report. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

EXECUTIVE DIRECTOR’S REPORT

Mr. Paprocki reported the community association website has been given a face lift and is more user friendly. He encouraged the Board members to take a look at the website improvements.

Mr. Paprocki reported the Health and Wellness Fair was held on March 17, 2012. An estimated 130 people attended the event. He further reported that he received a number of notes from vendors saying how well planned and thought out the event was.

Mr. Paprocki reported that the annual flowers will be planted Wednesday of next week. He further reported that he has received negative comments based on the removal of turf. President Flamer commented on the significant water savings that will result from removing the turf.

Mr. Paprocki commented the LED lights have been installed and they can be seen throughout the community.

Mr. Paprocki provided an update on two new house bills that will go before the legislature. He reported on HB2160 that talks about the procedure for homeowner elections. This bill does not have much support. He further reported the other bill states that the HOA cannot take action on delinquent assessments until the house is sold. He responded to questions and comments regarding the proposed bills reminding the Board that these are bills not law. He added that if any Board members are interested in reading the entire bill he will print it up for them.

Mr. Paprocki provided an update on the progress on the equestrian trail.

Mr. Paprocki advised that he received a phone call from PMIS that the field work has been completed and he expects a draft or copy of the report by next week.

Mr. Paprocki stated that he passed out a letter from Tradewinds resident that was in response to the letter sent from the Association regarding the playing of a boom box on the tennis courts. He further stated as the Board is aware playing music on the tennis court is a violation. His recommendation is to impose a fine but waive the fine under the condition that she ceases playing music on the tennis court. If she fails to do so the fine will be reinstated.

Mr. Chuck Murphy noted that the letter indicates that she will turn the music low but in order to be in compliance she needs to turn it off.

Discussion was held regarding the Executive Directors recommendation and the consensus was it was fair and he should move forward.

BOARD ACTIONS

Palm Trees

President Flamer stated the Finance Committee, Physical Property Committee and Executive Director request the purchase of palm trees to replace two palm trees which were removed along Mountain View Road. Cost of palm trees and installation, including taxes is \$13,668.00. He further stated that this is a reserve expense.

Mr. Paprocki reported the contractor has been a provider of tree service and maintenance for several years.

Mr. Schoenfeld moved the Board approve the purchase of palm trees to replace two palm trees which were removed along Mountain View Road. Cost of palm trees and installation, including taxes is \$13,668.00. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

Community Center Insulation

President Flamer stated the Executive Director requests the Community Center Insulation. The contract included the following work:

- Reseal flex duct system.
- Reseal can lights.
- Reseal top plates on interior walls.
- Remove Batt insulation.
- Blow fiberglass in to an R-38 value.

He further stated the APS rebate is \$1250.00. Total cost including tax after APS rebate is \$4,717.97. This is the best bid received. Cost may be reduced if Stonegate Community Association elects to remove existing insulation.

He advised a better insulated building will result in lower utilities in the summer.

Mr. Schoenfeld moved the Board approve the Community Center Insulation bid as outlined. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

2012 Reserve Study Update

President Flamer stated the Executive Director requests the Board accepts the 2012 Reserve Study update with three financial scenarios. He further stated the 2012 Reserve Expense Budget was reviewed and approved by the Physical Property and Finance committees and updated.

Mr. Paprocki reviewed the three financial scenarios.

Mr. Katz moved the Board accept the 2012 Reserve Study update with three financial scenarios. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

COMMITTEE REPORTS

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

Mr. Chuck Murphy requested that the Cox Committee be listed under committee reports. Mr. Schoenfeld stated when the Roadway Committee is formed it should also be listed under committee reports.

ADJOURNMENT

Mr. Chuck Murphy moved the Board adjourn at 6:55 p.m. Seconded by Mr. Katz.