

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
OCTOBER 16, 2014**

APPROVED MINUTES

PRESENT: Edward Katz, President
Don Levitt, Vice President
Nancy Ford, Treasurer
David Allen, Secretary
Jean-Claude Moreau, Director
Leroy Rhein, Director
Cary Weissman, Director

STAFF: Larry Paprocki, Director
Stephanie Castiglia, AV

CALL TO ORDER

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

MINUTES

September 23, 2014 Board Meeting

Ms. Ford reviewed her corrections to the minutes.

Dr. Levitt moved the Board approve the September 23, 2014, Board of Directors meeting minutes as amended. Seconded by Mr. Moreau. *The motion passed unanimously.*

TREASURER'S REPORT

September Financials

Ms. Ford reviewed the Association financial statements, as prepared by staff, for the period ending September 30, 2014. She advised that she reviewed the bank statements and the Association books reconciled to the bank statements. She responded to questions and comments from the Board members regarding the financials.

Mr. Paprocki provided an update on the delinquent accounts. He responded to questions and comments from the Board members regarding the delinquent accounts.

Dr. Levitt moved the Board accept the Treasurer's Report. Seconded by Mr. Moreau. *The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported that he contacted the Scottsdale Police Department to provide off-duty police officers to monitor activities within the community on Halloween. He further reported two officers would be in one patrol car assigned to the Retreat and one officer in another patrol car to cover the community and to provide back up if necessary. Their shifts begin at 5:00 p.m. He advised Safeguard would provide three officers. One officer will be assigned to the Main Gate. The remaining two officers will be assigned to the East Gate and to the Retreat Gate. He further advised the Retreat Gate would be closed from 4:30 to 9:00 p.m.

Mr. Paprocki provided an update on the enforcement actions. He advised he sent 10-Day non-compliance notice letters from Stonegate Community Association to three homeowners. He further advised that there has been no written or verbal response to the letters from the homeowners. He reported that two letters were regarding landscape maintenance and one letter regarding on-street parking. He further reported that the on-street parking appears to have been corrected, however, this has gone on for a number of years and he would request the Board rule this as a violation if it starts up again. The two properties that have failed to maintain their landscape, he would request the Board rule these properties as violations and authorize Stonegate Community Association Maintenance to enter the front-yards and perform the necessary work. The Association will invoice each homeowner for the work performed.

Mr. Paprocki responded to questions and comments from the Board members regarding the enforcement actions.

In response to a question from Mr. Allen, Mr. Paprocki stated that in the CC&Rs Section 7.5 Improper Maintenance and Use of Lots, addresses this issue and authorize Stonegate Community Association Maintenance to enter the front-yards and perform the necessary work. He read the section that addressed this issue and provided Mr. Allen with a copy. A discussion ensued regarding this request.

Mr. Allen moved to impose fines on the two lots in violation because they have created a nuisance by failure to properly maintain their properties per the CC&Rs. The Board authorizes the Executive Director to provide a 15-Day Notice letter for the homeowners to cure the violation and if the homeowners do not cure the violation within 15 days then the Executive Director has the authority to take action to cure the violation at the expense of the homeowner. Seconded by Ms. Ford. *The motion passed unanimously.*

Mr. Paprocki reported that two homeowners have requested the Association to upgrade the telephone tennis reservation system to one that uses the Internet. He further reported that the Social/Recreational Committee has reviewed this matter and he has discussed this matter with several tennis players for their input. He advised that he has also contacted Scottsdale Ranch Park regarding their reservation system and learned they use a one-day

telephone system. He further advised it was suggested that the Association post the reservations in the morning instead of at 5:00 p.m. to allow tennis players to make other arrangements. He stated after discussing this matter with staff, he would like to post reservations by 11:00 a.m. The Social/ Recreational Committee is in agreement.

Mr. Paprocki reported the CAI 2015 Legal Seminar will be held in San Francisco and early registration is in January. He requested Board approval to attend.

Dr. Levitt moved that the Board authorize Mr. Paprocki to attend the CAI 2015 Legal Seminar. Seconded by Mr. Weissman. *The motion passed unanimously.*

Mr. Paprocki provided information on the power loss that occurred in the Vintage subdivision. He reported that he has spoken with three Vintage homeowners regarding their experience regarding the APS power loss and he was advised that power loss has occurred multiple times with various sections within the subdivision being effected. The last occurrence resulted in power loss for 28 hours. He advised that he has contacted APS regarding this issue and will follow up with a letter requesting they review the matter and replace the transformers.

Mr. Paprocki provided an update on the CO2 project. He reported the masonry walls and black pipe have been installed. The masonry walls will be painted tomorrow. He further reported that a credit application has been sent to the vendor so the rental tank can be delivered and monthly CO2 product can be purchased. He further reported once delivered, Safeguard will be contacted to install the CO2 monitor system. When this project is completed, Scottsdale Inspections and the Fire Department will conduct their final inspections so the system can be put into operation.

Mr. Paprocki provided information on the Main Gate conflict regarding a resident's permanent guest admit list. He reported a Regent homeowner expressed that several of the permanent admit list guests have experienced difficulties in coming to the resident's home. It was expressed that gate personnel should make a greater effort if they are unable to understand anyone coming to Stonegate who has a heavy accent and not to treat them in a demeaning manner. He further reported that he has apologized to the identified guests. He also suggested to the Regent homeowner to have their guests use their house ID numbers so the homeowner's account can be pulled up instead of using their last name. He added he felt this would eliminate any confusion in pronunciation.

Mr. Paprocki stated that he has spoken with gate personnel regarding this matter, advising any perception of poor treatment to residents' guests will not be tolerated. He further stated that he has requested Melody Joseph, Safeguard Supervisor to monitor the situation and to report back to him on personnel conduct.

BOARD ACTIONS

Approval of 2015 Roadway 10-Year Plan

President Katz stated the Physical Property and Finance Committee recommend accepting the 10-year Roadway plan and the expenses proposed in 2015.

Dr. Levitt moved the Board accept the 10-year Roadway plan and the expenses proposed in 2015. Seconded by Dr. Rhein. *The motion passed unanimously.*

Approval 2015 Operating Budget and the 2015 Operating Assessment

President Katz stated the Finance Committee recommends approval of the 2015 Operating Budget as submitted. The Finance Committee also recommends approval of the 2015 Operating Assessment of \$150.00 per month. He further stated that no assessment increase is recommended.

Ms. Ford moved the Board approve the 2015 Operating Budget as submitted and approval of the 2015 Operating Assessment of \$150.00 per month. Seconded by Dr. Levitt. *The motion passed unanimously.*

Approval 2015 General Reserve Expenses and Reserve Assessment

President Katz stated the Physical Property and Finance Committee recommend approval of the 2015 General Reserve Expenses. The Committees also recommend accepting the 30-year Income/Expense Projection. He further stated each year the Board would review the changes and adjust the Reserve Study accordingly. He reported the 2015 Reserve Assessment is recommended to increase by \$3.00 from \$20.00 per month to \$23.00 per month.

Dr. Levitt moved the Board approve the 2015 General Reserve Expenses and accept the 30-year Income/Expense Projection as outlined above. Seconded by Mr. Moreau. *The motion passed unanimously.*

Ms. Ford expressed her appreciation and thanked the Finance Committee and the Executive Director for all their time and work put into these documents.

Approval of Scottsdale Police Halloween Patrol Contract

President Katz stated the Executive Director requests Board approval of the Scottsdale Police Halloween Patrol contract.

Dr. Levitt moved the Board approve the Scottsdale Police Halloween Patrol contract. Seconded by Dr. Rhein. *The motion passed unanimously.*

Approval of Three-Year Service Agreement with Butler Hansen, Certified Public Accountants

President Katz stated the Finance Committee recommends accepting a three-year service agreement with Butler Hansen, Certified Accountants to conduct the 2014, 2015 and 2016 annual audits. The cost of the Service agreement every year is \$9450.00. This is a \$200.00 increase from the previous service agreement.

Mr. Paprocki stated the Finance Committee has been pleased with the work provided and feels this new agreement is appropriate.

Dr. Levitt moved the Board approve a three-year service agreement with Butler Hansen, Certified Accountants to conduct the 2014, 2015 and 2016 annual audits. The cost of the Service agreement every year is \$9450.00. Seconded by Mr. Weissman. *The motion passed unanimously.*

COMMITTEE REPORTS

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

President Katz stated the next Board of Directors meeting would be held on Tuesday, November 25th.

ADJOURNMENT

Dr. Levitt moved the Board adjourn at 7:00 p.m. Seconded by Dr. Rhein. *The motion passed unanimously.*