

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
JANUARY 22, 2015**

APPROVED MINUTES

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

ABSENT: David Allen, Secretary

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

November 25, 2014 Board Meeting

Ms. Ford and Mr. Weissman reviewed their corrections to the minutes.

Dr. Levitt moved the Board approve the November 25, 2014, Board of Directors meeting minutes as amended. Seconded by Mr. Weissman. *The motion passed unanimously.*

TREASURER'S REPORT

Pre-Audit December 2014 Financials

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending December 31, 2014. She advised that she reviewed the bank statements and they are in order. 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. Rhein moved the Board accept the Treasurer's Report. Seconded by Mr. Weissman. *The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported Butler and Hansen, CPA firm was contracted to conduct the 2014 audit. The December 31, 2014, financials are marked pre-audit. The firm will begin the audit on Wednesday, January 21, 2015. He further reported that the 2014 findings will be presented in a joint meeting of the Board of Directors and the Finance Committee on Thursday, February 12, 2015 at 4:00 PM. He stated that on acceptance of the 2014 audit, the pre-audit December financials will be updated with auditor's adjustments to coincide with the final report. He further stated that Stonegate Community Association's Annual Report will provide the Year End Balance Sheet and a comparison of the budget and actual as well as the approved 2015 budget as in the past for membership review. He noted that the 2014-2015 Annual Report will be placed on the community website no later than Wednesday, February 25, 2015.

Mr. Paprocki reported he is requesting to change Stonegate Community Association's telephone and internet provider from CenturyLink to Cox. He further reported after working with both providers, Cox offers the best internet speed for Stonegate's operation, which includes computers and cameras. He explained that the increased speed will also allow video streaming in the future from the community website. He advised that CenturyLink upgrades to their existing lines were cost prohibitive. He further advised that the comparison with Stonegate Community Association's 2014 actual cost and the Cox proposal was minimal. He added if approved by the Board, it would take up to four months to implement. Mr. Paprocki responded to questions and comments regarding this request.

Mr. Paprocki reported the landscape medians project was completed in late December. He further reported that the majority of the comments received have been positive. He stated the last median project used less rubble rock but maintained the design integrity with the other medians.

Mr. Paprocki provided an update on the Roadway Project. He reported that Tom McDonald, PMIS began on-site inspections of our streets. He further reported that they discussed the fact that the cost of oil has dropped significantly since last year and perhaps they should look at some of the subdivisions that are scheduled further in the future to see if it would be a cost savings to bring them forward. The Reserve is designated as the only subdivision for reconstruction. The Regent was reconstructed in 2014 and is scheduled for seal coating. Subdivisions scheduled for maintenance R&R, skin patches, crack sealing and seal coating are Stonecreek, Tradewinds, Mt. View Estates and the Regal. Bid specifications matching prior years work will be used for solicitation of bids. The results will be presented to the Physical Property Committee and Finance Committee

before Board consideration. After the 2015 work is completed, the 10-year roadway plan will be updated. Discussion ensued and the consensus of the Board members was that it would make sense to look into the possible cost savings of moving some of the roadway projects forward due to the drop in oil prices.

Mr. Paprocki provided an update on Phase 2 of the Landscape Enhancement and View Fence Painting projects.

BOARD ACTIONS

Change of telephone and internet provider from CenturyLink to Cox

President Katz stated the Executive Director is requesting approval to change Stonegate Community Association's telephone and internet provider from CenturyLink to Cox.

Ms. Ford moved that the Board approve changing the Stonegate Community Association's telephone and internet provider from CenturyLink to Cox. 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. Mr. Paprocki responded to questions and comments regarding the committee reports.

DISCUSSION/NEW BUSINESS

In response to a question from President Katz, Mr. Paprocki advised that a community email was sent to the homeowners advising of the assessment late fee increase from \$10.00 to \$15.00.

In response to a question from Ms. Ford, Mr. Paprocki provided information on the correspondence he has had with APS regarding the power loss that occurred in the Vintage subdivision. He reported that APS is looking at replacing two transformers.

The Board discussed the letter from a homeowner regarding the landscape medians project and approval process within Stonegate. It was suggested communicating to the homeowners that any committee other than the Nomination and Election Committee are not approval committees and all of their recommendations come before the Board for final approval. The Board members encourage homeowners come to Board meetings to express their concerns.

The Board also discussed a letter from a homeowner that suggested a referendum go out to the community regarding what type of amenities homeowners would like. The Board discussed conducting outreach meetings, with a representative from each of the various committees, to obtain feedback regarding the types of amenities the community would

like to have. It was noted that amenities must provide overall value to the entire community. It was further noted that over the years the Board and committees have reviewed and discussed suggestions regarding possible amenities.

The Board discussed their concern and possible solutions regarding the homeowners that are not abiding by the CC&Rs with regard to overnight parking and cleaning up after their pets.

President Katz stated the next regular Board meeting is Thursday, February 26, 2015.

ADJOURNMENT

Dr. Rhein moved the Board adjourn at 7:15 p.m. Seconded by Dr. Levitt. *The motion passed unanimously.*