

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
JANUARY 26, 2016**

APPROVED MINUTES

Present: Don Levitt, President
David Allen, Vice President
Nancy Ford, Treasurer
Lori Condon, Secretary
Leroy Rhein, Director
Tom Schaefer, Director
Cary Weissman, Director

Staff: Larry Paprocki, Director
Stephanie Castiglia, AV

CALL TO ORDER

President Levitt 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 19, 2015 Board Meeting

President Levitt moved the Board approve the November 19, 2015, Board of Directors meeting minutes as presented. The motion passed unanimously.

TREASURER'S REPORT

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending December 31, 2015 (Pre Audit). She advised that she has 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 requested authority to proceed with filing a small claims judgment on a delinquent account.

Mr. Allen stated that it might make sense to file a lien, which would allow the Association the right to foreclose if the account is not brought current. He suggested that Mr. Paprocki look at the public records on this property to see if there are any liens on the property. Mr. Paprocki responded to questions and comments from the Board members

regarding this property. The consensus of the Board was for Mr. Paprocki to use his best judgment. Paprocki stated he would file a lien.

Mr. Schaefer moved the Board accept the Treasurer's report. Seconded by Mr. Weissman. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported that Butler and Hansen CPA have completed their fieldwork and the 2015 Audit has been updated. The joint meeting with the Board and Finance Committee has been scheduled for Tuesday, February 16, 2016 at 5:00 p.m.

Mr. Paprocki reported the Association's workers compensation carrier has requested an acknowledgement be signed indicating the policy is for paid employees only and not for volunteers. He responded to questions and comments regarding this request.

Mr. Paprocki stated included in the Board packet is the PMIS contract. He further stated the amount is \$7,600.00, which is less than last year due to the scheduled work to be performed. He noted the 2016 roadway work, updated 10-year roadway plan and cost summary are also included in the Board packet. He responded to questions and comments from the Board members regarding this contract.

Mr. Paprocki provided an update on the East Gate Landscape Enhancements. He stated the design includes the planting of four Date Palms, the addition of two new masonry walls, and to raise an existing wall. The total cost of the Date Palms is \$22,008.00 and for the masonry work \$1,950.00. He further stated the Architectural Committee has reviewed the design and conducted an on-site review. He responded to questions and comments from the Board members regarding the enhancements.

Mr. Paprocki provided an update on the pending insurance claim. He advised that he notified our insurance broker to advise our Directors and Officers carrier of a possible claim regarding polybutylene pipes that were installed by the builder. The owner of Windemere Lot 64 has submitted an invoice, which has been forwarded. He further advised that he does not believe the Association has any liability in this matter.

Mr. Paprocki stated in the Board packet is the draft regarding the updating of the Vehicles and Equipment Rules. He further stated this document should be reviewed by legal counsel. He added it is also his intent to take this draft to the CAI law conference to receive feedback.

BOARD ACTIONS

Approval of 2016 PMIS contract Roadway Project Management & updating Stonegate's 10-Year Roadway Plan

Mr. Paprocki requested Board approval of 2016 PMIS contract for Roadway Project Management and updating Stonegate's 10-year Roadway Plan.

Ms. Ford moved the Board approve the 2016 PMIS contract for Roadway Project Management and updating Stonegate's 10-year Roadway Plan for \$7,600.00. Seconded by Mr. Weissman. The motion passed unanimously.

Approval of 2015 East Gate Landscape Enhancement

Mr. Paprocki requested Board approval of 2016 East Gate Landscape Enhancement.

Ms. Ford moved the Board approve the 2016 East Gate Landscape Enhancement design that includes the planting of four Date Palms, the addition of two new masonry walls, and to raise an existing wall. The total cost of the Date Palms is \$22,008.00 and for the masonry work \$1,950.00. Seconded by Dr. Rhein. The motion passed by a vote of four (4) to zero (0) with Ms. Condon and Mr. Allen abstaining.

COMMITTEE REPORTS

President Levitt noted the committee reports were included in the Board packet for Board members review and comment.

Mr. Paprocki requested feedback on the Ad Hoc Committee's letter regarding amenities.

Ms. Ford stated that the letter should not include dollar amounts. It should be stressed that any project will go before the appropriate committee for review and requires Board approval.

Mr. Allen stated the purpose of the survey is for the residents to give their opinions regarding which amenities they would prefer to see to enhance the community. Once we get the feedback then the Board can make the decision regarding how the money will be spent. Mr. Paprocki advised that any amenity over \$100,000 would require membership vote.

Ms. Ford recommended removing the work out facility from the letter.

Mr. Allen expressed his concern that the letter discusses converting a tennis court into a pickle ball court because that could potentially be taking away a common area amenity that is a vested right and could be a legal issue.

The consensus of the Board was to remove the dollar amounts from the letter. Mr. Paprocki advised he would relay the Board's concerns to the committee.

ADJOURNMENT

Mr. Allen moved the Board adjourn into Executive Session at 7:15 p.m. Seconded by Mr. Schaefer. The motion passed unanimously.