

**STONEGATE COMMUNITY ASSOCIATION  
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
APRIL 28, 2016**

**APPROVED MINUTES**

**Present:** Nancy Ford, President  
Cary Weissman, Vice President  
Gene Evans, Secretary  
Jim Bissonett, Director  
Lori Condon, Director  
Leroy Rhein, Director

**Absent:** Tom Schaefer, Treasurer

**Staff:** Larry Paprocki, Director  
Stephanie Castiglia, Administrative Assistant

**CALL TO ORDER**

President Ford 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**

**March 24, 2016 Executive Session (Confidential)**

**March 24, 2016 Board Meeting**

**March 30, 2016 Election of Officers Meeting**

Mr. Evans moved the Board approve the March 24, 2016, Executive Session, Board of Directors and Election of Officer meeting minutes as presented. Seconded by Ms. Condon. The motion passed unanimously.

**March 24, 2016 Annual Meeting**

Mr. Evans moved the Board accept the March 24, 2016, Annual Meeting minutes as amended. Seconded by Ms. Condon. The motion passed unanimously.

## **TREASURER'S REPORT**

Mr. Weissman reviewed the Association financial statements, as prepared by Association staff, for the period ending March 31, 2016. He responded to questions and comments from the Board members regarding the financials.

President Ford reported with the completion of the Timarron change to remove the landscaping responsibility from the Association as of April 20, 2016, it is recommended that both the income and expense budget items be removed from the Stonegate budget for the last eight months of 2016.

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

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki reported there has been power outages in several subdivisions caused by APS replacing a rusted cabinet near Belcourt. APS has requested the Association remove the turf around the cabinet. Paprocki reported that there is approximately 60 feet of turf and he would be removing. The Board suggested removing the least amount of turf as possible and then determine if it looks good.

Mr. Paprocki reported all 15 of the master back flow locations have been tested and 12 passed and 3 failed. He further reported that all would be in compliance with the City of Scottsdale in less than 30 days.

Mr. Paprocki provided an update on the East Gate sign bids. He reported the cost for all signs are \$7,800 and there are two more bids coming in for comparison. He noted the signs would be funded from the Capital fund. He further noted that when he gets the bids he would bring back for Board approval.

Mr. Paprocki reported that a newly planted palm tree at the East Gate is leaning forward, and the contractor at no cost to SCA will put it back in the vertical position.

In response to a question from Mr. Evans, President Ford discussed the difference between Capital and Reserve expenses.

Mr. Paprocki discussed the Creative Man Painting bid for the view fence painting. The bid came in at \$6.75 per linear feet. The estimated cost is \$154,994.21. He reported per the CC&Rs, homeowners will pay half of the cost and a letter will be sent stating their obligation. He further reported he received four bids and Creative Man was the best bid received. He stated this would be a Reserve expenditure. He responded to questions and comments from the Board members.

Mr. Paprocki requested the Board hold an Executive Session directly after this meeting.

## **BOARD ACTIONS**

### **Investment Request**

President Ford stated the Finance Committee is requesting to invest \$40,000 of monies currently in checking accounts into fixed income investments at Vanguard and Fidelity with \$10,000 invested in each of four funds. She advised the checking account monies are not currently earning interest and the monies will not be needed in the near future.

Dr. Rhein moved the Board approve the investment request to invest \$40,000 of monies currently in checking accounts into fixed income investments at Vanguard and Fidelity with \$10,000 invested in each of four funds. Seconded by Mr. Evans. The motion passed unanimously

### **Remove Timarron's Income and expense budget items from the Stonegate budget.**

President Ford stated Timarron's change in landscaping responsibility from the Association to the homeowner becomes effective as of April 30, 2016. The Finance Committee is requesting the Board approve that the income and expense budget items be removed from the Stonegate budget for the remainder of 2016. She further stated that the activity has been terminated and the budget items should therefore be terminated.

Dr. Rhein moved the Board approve that the income and expense budget items for Timarron's landscaping be removed from the Stonegate budget for the last eight months of 2016. Seconded by Mr. Weissman. The motion passed unanimously

### **Safeguard's Option C for replacement of gate operating electronics.**

President Ford stated the Physical Property and Finance Committees have reviewed the three options from Safeguard for the replacement of gate operating electronics and recommend Board approval of Option C.

Dr. Rhein moved the Board approve Option C from Safeguard for the replacement of gate operating electronics. Seconded by Mr. Evans. The motion passed unanimously.

### **Hughes Reserve Study**

President Ford stated the Physical Property and Finance Committees have reviewed the results of the latest Hughes reserve study and recommend Board approval of the results presented. She further stated the committees are also recommending approval of Mr. Paprocki's reallocation of the 2016 reserve-spending plan.

President Ford provided information regarding how the Association uses this report. She also provided information on the importance of this report. She noted that it is a working document.

Mr. Paprocki responded to questions and comments from the Board members regarding this report.

Mr. Evans moved the Board approve Hughes reserve study and approval of Mr. Paprocki's reallocation of the 2016 reserve-spending plan. Seconded by Mr. Bissonett. The motion passed unanimously.

## **COMMITTEE REPORTS**

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

Ms. Condon commented that all of the committee reports are different. She further commented that she felt the reports should follow certain guidelines and should be uniform. She expressed her concern that she does not always know what she is approving.

Mr. Paprocki stated with regard to the architectural committee after they make their decision the homeowner receives a letter that outlines the reasons for the action. He further stated that the Board is accepting the committee's decision; discussion is not reported. Discussion ensued regarding this issue and consensus was to make the headings and present and absent sections of the reports uniform.

President Ford stated that the Nomination and Election Committee is recommending the Association go back to paper ballots because the total number of votes decreased. The consensus of the Board was to go back to paper ballots.

## **DISCUSSION / NEW BUSINESS**

Ms. Condon stated that she felt rather than having key locks at the pool she would suggest having a pad lock and use the resident's lot number to gain access to the pool so that the residents do not have to worry about having a key. Discussion was held and the concern was expressed that one person could give out the number to many people. The consensus was to keep the lock and key access.

## **ADJOURNMENT**

Mr. Weissman moved the Board adjourn the meeting at 7:45 p.m. Seconded by Ms. Condon. The motion passed unanimously.