

**STONEGATE COMMUNITY ASSOCIATION
11551 E MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
AUGUST 23, 2018**

APPROVED MINUTES

Present: David Allen, President
Tom Schaefer, Treasurer
Carolyn Norris, Secretary
Luc Ducrocq, Director
Nancy Ford, Director
Craig Zirbel, Director

Absent: Jim Bissonett, Vice President

Staff: Larry Paprocki, Director

CALL TO ORDER

President Allen 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

July 26, 2018, Board Meeting

Ms. Ford moved the Board approve the July 26, 2018, Board of Directors meeting minutes as presented. Seconded by Ms. Norris. The motion passed unanimously.

TREASURER'S REPORT

Mr. Schaefer reviewed the Association financial statements, as prepared by Association staff, for the period ending July 31, 2018. He advised that he has reviewed the bank statements and they are in order. He responded to questions and comments from the Board members regarding the financials.

Mr. Schaefer reported the Finance Committee is suggesting that the property transfer fees are temporarily placed in the Operating Fund until the end of the year. He responded to questions and comments from the Board members regarding this request. Mr. Schaefer moved the Board approve the property transfer fees be placed in the Operating Fund. Seconded by Mr. Ducrocq. The motion passed unanimously.

Ms. Ford moved the Board accept the Treasurer's report. Seconded by Ms. Norris. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported the Retreat seal coating has been completed. The roof vents on community buildings were painted. He further reported the installation of the Regal intersection speed tables begins tomorrow, Friday August 24, 2018. The installation will take one day. Stonegate Circle paint restriping will be completed on Saturday, August 25, 2018.

Mr. Paprocki advised the legal opinions the Board requested at the last meeting regarding the abandoned property and solar panels were included in the Board packet. Discussion ensued regarding the legal opinions. The consensus of the Board members was to have the attorney for the Association send a collections demand letter to the owners of the abandoned property.

Mr. Paprocki provided an overview of the Guardian Dental insurance renewal.

Mr. Paprocki provided information on the storm damages and recovery plan. He reported in August, Stonegate experienced 8 monsoon storms within 11 days making this a 50-year event. The damages range from downed trees, flooding of two roadway crossings and damage to the wash areas that eroded the existing washes. Stonegate landscape staff is still working on damage clean up. They are currently working to remove the stumps of the fallen trees where the roots and stumps are exposed. He stated that he believes cleanup up will continue for the next two to three weeks.

Mr. Paprocki responded to questions and comments regarding the storm damages and recovery plan.

Mr. Paprocki reviewed the list of trees that will be replanted as part of the recovery plan.

Mr. Paprocki provided an update on the 2019 draft budget. He reported the Finance Committee is requesting direction on two items that impact the 2019 budget. The first is the Safeguard contract renewal with change of hours. The second is the three-year proposal by Cox regarding telephone and internet services. He further reported both items provide significant savings that would affect the 2019 budget.

Mr. Paprocki reported the prior Board approved closing the Retreat Gate and East Gate for better access control. He further reported that he is recommending modifying the closure hours to 1:00 a.m. to 5:00 a.m.

President Allen stated with regard to the prior Board's approval of closing the Retreat and East gates, he does not like that the egress is blocked not allowing people out if something happens. He further stated he would support modifications and allowing the exits to remain open.

Mr. Paprocki responded to questions and comments regarding this request.

The consensus of the Board was that signs that indicate the closure times are needed in the Retreat and East gates and the signs should be up before the changes are made. Mr. Paprocki and Mr. Schaefer responded to questions and comments regarding the 2019 draft budget.

Mr. Paprocki provided information on the Safeguard personnel change. He reported effective August 30, 2018 Sergeant Melody Joseph will retire. Melody has worked 20 years for Stonegate in the role that she holds today.

Mr. Paprocki reported he sent out one 10-Day Notice letter.

Mr. Paprocki advised that a letter was sent out to the residents with the chicken coop advising them that the Board instructed him to impose the next level of fines as they have not brought their property into compliance.

Mr. Paprocki provided an update on the 2019 Reserve Study. He reported the Finance Committee will be presented with the updated Reserve Study in the month of September. He further reported the joint meeting with the Board and Finance Committee will be scheduled in early October.

BOARD ACTIONS

Guardian Dental Benefit Renewal

Mr. Paprocki requested Board approval for the Guardian Dental Benefit renewal at a 1.9 percent increase over last year.

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

President Allen inquired all in favor of Board approval of the Guardian Dental benefit renewal. Seconded by Mr. Ducrocq. The motion passed unanimously.

Storm Damage Recovery

Mr. Paprocki requested Board approval of the Storm damage recovery plan to replant 100 trees in the common area in 60 days and hire an irrigation tech.

	Estimate	Range
Trees	15,000	20,000
Planting & Irrigation Repairs	10,000	12,500
Tractor Rental (\$2,500/wk)	7,500	7,500
Materials	4,000	4,000
Irrigation Tech & Labor	8,100	8,100
	<u>\$44,600</u>	<u>\$52,100</u>

President Allen inquired all in favor of Board approval of the Storm Damage Recovery Plan. Seconded by Ms. Ford. The motion passed unanimously.

Cox Telephone and Recovery Plan

Mr. Paprocki requested Board approval for the Cox telephone and internet plan with a savings of \$818 per month. He advised the current cost is \$1,934 per month. The new proposed cost is based on contract negotiations is \$1,116 per month. This is a three year contract.

President Allen inquired all in favor of Board approval of the Cox Telephone and Internet plan. Seconded by Mr. Schaefer. The motion passed unanimously.

Safeguard

Mr. Paprocki requested Board approval for Safeguard's change of hours to proceed with the 2019 budget process. He reported the revised hours would close the main gate from 1:00 a.m. to 5:00 a.m. All traffic during this unmanned time period would enter and exit the main gate. He further reported that last year's upgrade in cameras allows us to consider this reduction for access control.

President Allen inquired all in favor of Board approval for Safeguard's change of hours to proceed with the 2019 budget process with the provision to leave the exit gates open. Seconded by Mr. Schaefer. The motion passed unanimously.

Proposed Wildlife Rule of Exclusion of Witnesses

Mr. Paprocki requested Board approval of the Proposed Wildlife Rule.

President Allen inquired all in favor of Board approval of the Proposed Wildlife Rule. Seconded by Mr. Ducrocq. The motion passed unanimously.

COMMITTEE REPORTS

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

The next Board meeting is scheduled Thursday, September 27, 2018 at 6:00 p.m.

ADJOURNMENT

Mr. Schaefer moved the Board adjourn the meeting at approximately 7:20 p.m. Seconded by Ms. Norris. The motion passed unanimously.