

**Augusta Ranch Homeowners Association
c/o FirstService Residential
Mesa, AZ 85209**

**Board of Directors
General Session Meeting Minutes
September 21, 2020
The HUB Conference Room
1925 S. Sossaman Road**

Board Members Present:

Lisa Quedens, President
Jeff Brown, Vice President
LeeAnn Bohman, Treasurer
David Kovach, Director
Beth Patton, Director
Greg Pifer, Director
Jan Wallace, Director
Brad Whitehouse, Director

Board Members Absent:

Barry Matlack, Secretary

FirstService Residential Representative:

Kamin Havens, Community Manager

One Homeowner was Present

I. Call to Order

President Quedens called the meeting to order at 6:30 p.m.

II. Review and Approval of August Meeting Minutes

MOTION: Greg Pifer moved to approve the August 17, 2020 meeting minutes, seconded by Jan Wallace. Motion passed 8-0.

III. Review of August HOA Financial Statement

Treasurer LeeAnn Bohman reviewed the HOA Financials.

Income: YTD Income is \$791,049, we budgeted to have \$763,694 so we are over budget by \$27,355 in Income. Under budget \$18,000 in Assessment income, under budget \$600 in working capital, over budget \$1700 in violation fines, and over budget \$800 in reimbursement expense for August. Kamin Havens noted there was a lag time in the working capital.

Administrative Expenses: Under budget \$2800 in Management Fees

because invoices were paid at different times than planned. \$2200 under budget in legal expense. \$2500 under budget for rebill expense. YTD Administrative Expenses are under budget \$39,000 to the positive.

Utilities: Water was over budget \$800 for August, which is good considering the lack of rain. Phone expense was under budget \$220 as we have not received that invoice yet. Utilities YTD were under budget \$15,600 to the positive.

Landscaping: Irrigation repairs were over budget \$2800 in August. Over budget \$20,700 in tree trimming as it was budgeted for last month. Dump fees were under budget \$1350 as we have not received the invoice. Pre and post-emergent were under budget \$4400 as it was paid last month. YTD Landscaping is over budget \$17,000 and we have a lot more dead trees due to the heat and lack of water that will need to be removed. Kamin noted that the irrigation supplies were purchased in July and August and we are still waiting for a few parts to come in.

Security: Security gas was under budget \$1000 because we paid two invoices in July. YTD Security gas is under budget \$550. YTD Security is under budget \$86 to the positive.

Common Area: Common Area Maintenance is under budget \$2200 YTD.

TOTALS: Total Expenses were \$40,000 under budget YTD, positive. For the surplus after expenses, we expected to have \$15,932 and the actual is \$83,094 for a difference of \$67,000 to the positive. For Reserves, we expected to have \$69,336 and after expenses the actual is \$73,873 for a difference of \$4500. There were no Reserve expenses for August.

MOTION: Jan Wallace moved to accept the August HOA Financial Statement as presented, seconded by Brad Whitehouse. Motion passed 8-0.

IV. Review of August Golf Financial Statement

Treasurer LeeAnn Bohman reviewed the Golf Financials.

Income: The Golf Course Lease was over budget \$1000 as the June and July invoices were paid in August. Insurance Reimbursement was over budget \$900 as the June and July invoices were paid in August. YTD Income was under budget \$1500 - negative.

Administrative Expenses: YTD under budget \$6400 to the positive (the principal was removed).

TOTALS: We expected to have \$1,143 after expenses. The actual was \$80,698 for a difference of \$79,555 to the positive. For Reserve Contributions we expected to have \$51,568 and the actual was \$55,099 for a difference of \$3500. There were no Reserve expenses in August. We expected to have a total surplus of \$51,568 and we have \$40,788 for a total under-run of \$11,000.

MOTION: Jan Wallace moved to accept the August Golf Financial Statement as presented, seconded by Brad Whitehouse. Motion passed 8-0.

V. Homeowner Forum

Barbara Ezyk attended the meeting electronically and noted that it was difficult to hear. Kamin will make sure the microphone is placed in front of the person speaking.

VI. Golf Course Report

A. Financial Update - President Lisa Quedens reported that the Golf Course is having a good month. Don is working on the pricing for season passes and green fees. On Course is being considered depending on whether the same restrictions are in place in December. It is unknown how many winter visitors will actually come out this year.

Jeff Brown noted that the pond looks terrible and Brad Whitehouse felt some of the trees are not doing well. Kamin will mention that to Don tomorrow. Jeff noted that across the country, golf was up over a million rounds this summer. A lot of people are coming in for golf clinics and PGA junior leagues.

VII. Manager's Report

Administrative Update: FSRConnect Reports:

125 total calls for August.

24 New homeowners in the community for August.

12+ Architectural Requests were received.

155 Violations were sent out in August

Kamin held off on violations for dead trees and bushes due to the recent brutal heat and will note in the October newsletter that those need to be removed and replaced.

A. 2021 Budget - The Board was provided with a copy of the Draft 2021 Budget to review over the next month for approval at the October Board meeting.

Kamin Havens reviewed the major changes in the budget. The Association Dues will need to be raised 3% which equals \$6 per quarter for the Master Association and \$3 per quarter for the sub-associations. The budget for Violation Fines will be raised from \$9600 to \$15,000 as there was a large amount of delinquent accounts that went to the attorneys this year. Reimburse expense will go from \$25,000 to \$35,000. The Reserve will go up to \$135,206 according to the Reserve Study. Golf Course Transfer will go from \$327,000 to \$361,000, which includes principal, interest, capital improvements, and expenses. Management salaries will have a 3% raise or \$2500 for the year. Rebill expense has been \$20 since 2004 and will be raised to \$30. IT expense of \$1500 a year to be on the network has been added to the invoice and budget.

New for 2021 is the Electronic Payment Platform from FirstService at 45 cents per door per month. That includes e-statements, docu-sign, credit card use for events (instead of going through Don's card), new electronic board packets, and the potential for point-of-sale service. Printing/Postage will go from \$10,000 to \$4400. Social Expense will go from \$40,000 to \$35,000. Meeting Expense will go from \$4000 to \$4200 which includes the minute taker. It was asked why the 2020 projected Meeting Expense was so high at \$6400. Kamin can look up more details and felt something bumped up that cost, possibly the annual meeting. She noted that YTD we have spent \$3100 on Meeting Expenses.

Water and Sewer were left the same at \$165,000 as we are currently under budget with no rain. The Landscape contract with Proqual will remain the same at \$266,100, plus \$3120 to cover \$1 raise for Dan and the foreman. Jose has left and Cecil is the new foreman. Backflows went from \$1500 to \$3000 as four did not pass last year and they are getting older. Fertilizer expense will increase by \$16,000 for unplanned events for trees and shrubs.

The budget currently does not include overseeding for 2021. Kamin asked the Board if they wanted to add overseeding for Baldwin Park and the Loop for the 2021 budget. The Board discussed how nice overseeding looks for the community and the increased park usage in the cooler months. The potential costs would be approximately \$20,000, including \$6000 for overseeding plus additional amounts for

water and fertilizer. That would require either increasing the Association Dues by approximately 4.5% instead of the 3% that was already planned or eliminating other items from the budget. President Quedens noted that any carryover from the budget would go into Reserves. Kamin advised that there is a planned irrigation replacement project that would come out of the Reserves. The phasing of that project may overlap with overseeding. The majority of the Board agreed to add overseeding to the budget for 2021. Kamin will verify the costs and update the draft budget.

Tree Trimming & Removal will go from \$25,000 to \$30,000. Kamin advised that was over budget this year as we had more dead trees than anticipated. We replaced a lot of trees and plants this year and that is in the reserve study for 2022. The Board asked if the savings in the Social Expense could go towards tree replacement. Kamin stated we would have to wait until December to see what monies are left over and any replanting would not be done until the spring.

The Patrol Service contract will stay the same as we are no longer using the 24/7 dispatch service and there will be \$1.50 raise for the supervisor and \$1 raise for two crew members. The Security crew wants all calls to go through the truck phone or email, and not through text messages. She will make sure to notify the community. Building Maintenance will go from \$1500 to \$2900 as the building is getting older and there are issues that need to be addressed.

The proposed Golf Course budget is mostly the same as last year except the Golf Course transfer went from \$327,000 last year to \$361,000, which covers principal, interest, and capital expenses. The Reserve Study calls for \$109,000 to go into Reserves, although \$20,000 is not included because the CIF goes straight into Reserves. We used to have the principal on the Golf Course budget, which throws the numbers off. The income and expenses are off \$112,000 due to the principal, which will go down on the balance sheet every month.

Both budgets include a narrative and monthly breakdown. Kamin will update the budget to add overseeding and send it out to the Board for review before the October Board meeting.

The draft letter to the homeowners explains the reasons for the assessment increase, including the funds needed for Reserves according to the Reserve Study as well as the Golf Course transfer. The letter will be updated to include the overseeding expense which was added to the budget. Kamin advised that the financials and budgets for the last 10 years are available on the

website if homeowners need more information.

B. October Board Meeting - The Board discussed options for meeting locations and decided on the patio at Scratch Pub and Grill. The barn door project has not been finalized for the restaurant.

C. Events Update:

Movie Nights, October 3 & 24, 6:30 p.m. - Pre-registration will be available for up to 10 families or 50 people total with poles to mark social distancing between families. Reservations will be held for 15 minutes then that spot will be opened up for others.

Community Garage Sale, November 7, 7am-2pm - Kamin is looking for several charities to accept donations.

United Food Bank provided a flyer of needed items and will supply boxes and pick up donations. The Board agreed to hold a food drive in October after the school fall break.

Blood Drive - The second Blood Drive was canceled because the bus needed repair.

VIII. Landscape/Irrigation

A. Landscape Report - Dave Kovach reported that we are losing a lot of Pine, Oak and Ash trees as well as Agaves. Homeowners are losing a lot of palm trees. This is happening in communities all around the area, not just in Augusta Ranch. About 10 years ago Park Central lost 50 trees in one year due to a fungus issue.

Kamin noted that Proqual offers tree trimming and removal services for Augusta Ranch residents. There is a link on the website where homeowners can register for those services.

B. Water Numbers - The water usage for August and September was virtually the same. There was no reading in September for Baldwin Park. Kamin will call the city.

IX. Website Report

Dave Kovach reported that visits to the website were up almost 7% over last year. The Board dropped to number 16 in popular pages and the Architectural Request form was at number 10. There was an issue with that form and Kamin had to make a new one. Only 7 new users logged onto the website and there was a visit from the Ukraine.

President Quedens asked if there was a way to check if new homeowners were signed up to receive emails. Kamin can easily check through that

list.

X. Security Report

Jeff Brown reported that Security has been fairly quiet. There was someone out on vacation and no backup but the company covered the overtime. Brian had noted that the monthly Security Newsletter was not posted on the website. Kamin advised that it is included in the newsletter instead of the website. She will ask that Security revise their newsletter to ask that people not send text messages. She will also send that out in a community email in addition to the October newsletter.

XI. Architectural Requests

Beth Patton reviewed the Architectural Requests. The completed driveway extension with pavers looks very nice. There was a request for pigeon deterrent which is 12 inches in height and should not be visible with how the house is situated. Greg Pifer noted there is a battery-powered electric tape that can be put on the eaves to keep birds away.

- A. 9927 E. Nopal - Driveway Expansion
- B. 9442 E. Meseto - Blockwall
- C. 9337 E. Kiva - Paint
- D. 9628 E. Los Lagos Vista - Driveway
- E. 2054 S. Warren - Paint/Grill
- F. 2123 S. Bristol - Paint
- G. 2203 S. Keene - Paint
- H. 9624 E. Navarro - Pigeon Deterrent
- I. 9737 E. Lobo - Paint
- J. 9831 E. Monte- Solar
- K. 9535 E. Natal - Patio Cover
- L. 9945 E. Medina - Pavers

New Requests:

9563 E. Monte - Paint, approved colors.

9515 E. Monte - Paint, approved colors.

9564 E. Keats - Driveway and double gate.

9749 E. Lompoc - Paint, approved colors.

9536 Monterey - Solar.

9715 E. Natal - Paint, Parcel 2, Scheme 1 with Monterey Brown for the front door and garage, which was in their original paint colors. Scheme 1 only lists 2 colors instead of 3 and may have been added later. Kamin felt the darker Monterey Brown will look good with the lighter beige colors of Scheme 1.

2163 S. Bristol - Basketball Hoop to be placed 28 feet behind

gate on a concrete pad. It will be seen from the street although it will be far enough back behind the gate on this large corner lot and will look permanent.

MOTION: Leeann Bohman moved to approve the Architectural Requests as recommended; seconded by Greg Pifer. Motion passed 8-0.

XII. Next Meeting Date

The next Board meeting will be held on October 19, 2020.

XIII. Adjournment of Open Session

President Quedens adjourned the open session at 7:42 p.m.

Respectfully Submitted,

Dana Desing (TE: 10482507)
Acting Recording Secretary