

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

**Board of Directors
General Session Meeting Minutes
April 18, 2016
2430 S. Ellsworth
Mesa, Arizona 85209**

Present:

Board Members:

John Newell, President
Lisa Quedens, Secretary
Dorian Eaton, Treasurer
Gary Bever, Director
David Kovach, Director
Sean McNulty, Director
Andrew Sterling, Director

Board Members Absent:

Dee Goldammer, Vice President
Beth Patton, Director

FirstService Residential Representative:

Kamin Havens, Community Manager

Others Present:

Monty McCall

One Homeowner was Present

I. Call to Order:

President John Newell called the meeting to order at 6:29 P.M.

II. Review and Approval of the March Minutes

There were no questions or changes requested to the March General Session meeting minutes. A **MOTION** was made by David Kovach to approve the March 21, 2016 minutes as presented, seconded by Dorian Eaton, and approved by all.

III. Review of March Financial Statement

Dorian Eaton provided a review of the March Financial Statement. He provided an attachment including the Budget and Expense Report, which was not part of the agenda packet.

Expenses (Year to Date) :

- Administrative expenses YTD were under budget by \$403.
- Utilities were over budget by \$1,200 for March, as water and sewer were over budget. YTD is over budget by \$4,500.
- Landscaping expenses were under budget by \$400 for March. YTD is over budget \$15,000. The YTD tree trimming/removal is over by \$10,700; the landscape contract is over budget \$4,400 due to the new contract. The pre/post emergent was over by \$3,000.
- Security expenses were over budget by \$7,000 for March; the YTD is under by \$1,100. March patrol service was over by \$7,900 because the March payment included the second half of February.
- Common Area expenses were under budget by \$1,100. YTD is over by \$12,300. YTD drainage easement is over by \$17,500 which will continue through the end of the year.

Revenue :

- Income was over budget by \$29,000 for March; YTD is under budget by \$91,000 due to the transfer of the \$80,000 to reserve.
- The March Assessment Income was over budget by \$28,000 and pre-legal receipts are over budget by \$2,000

Cash Accounts:

● Operating	\$240,000
● Reserve	\$445,000
● Drainage Advancement	<u>\$ 18,500</u>
● Total	<u>\$704,000</u>

Delinquent Accounts Receivable:

- The Delinquent Accounts Receivable is at \$287,000 which is \$99,000 less than last year at this time.
- There is a correction to the Treasure Report under Profit/Loss. The YTD Actual Profit is just under \$2,300. Budget was \$49,000 with a difference of \$46,700 between the actual vs budgeted profit. This is

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due to additional expenses in specific areas: utilities, landscaping and common areas. Income has been \$11,000 lower YTD than budgeted.

John Newell asked for a Motion to approve the March Financial Statement. A **MOTION** was made by Lisa Quedens, seconded by Sean McNulty, and approved by all.

IV. Manager's Report

Administrative Update: FSRConnect Reports

- 203 total calls for March.
- 24 new homeowners in the community for March.
- 5 plus architectural requests received for April.
- 173 violations were sent out for the month of March.

A. Update Paint Volunteer Committee. There will be 33 volunteers for the wall painting project on Saturday, April 23rd, 2016. Kamin Havens has lined up Greyhunter for April 25th for a second coat on the walls. Lisa and Dave will be there on Saturday at 7:00 A.M. The paint and supplies will be provided. The Association will bring coffee, donuts and water.

B. Electronic Devices - Options:

- The Association could provide an allowance to Board members of \$250 to purchase a tablet
- The Association could purchase 3 to 4 tablets and loan them to Board members who do not have one
- The Association could buy a tablet for each board member for use during their term

Pros and cons for each option were discussed along with the cost of purchasing the tablets. The cost of making copies for each meeting at an average of 150 pages, as well as the time to assemble and hand punch the books was discussed. There was concern of liability to the Association in the case of an HOA owned tablet being used for illegal activities. If Board members used their own equipment there would be no liability to the HOA.

An additional option was suggested to give Board members an annual stipend or communication allowance of one-third of the cost of a tablet over the three year term. It was noted

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that the CC&R's state there is to be no compensation of board members.

Another option would be to buy tablets for each board position to be used during meetings to view agenda materials. The HOA would own the tablets and make them available only during meetings. Sean McNulty mentioned that the City of Mesa has iPads available to loan out for council meetings that are integrated with a Wi-Fi voting system. That way everyone has the same equipment which is easier to support. Kamin Havens stated other HOA's have purchased equipment for their boards.

John Newell was not in favor of the Association purchasing tablets. He suggested an HOA contribution of \$250 to board members who wish to purchase or upgrade their own equipment. This would be a cost associated with the operation of the Board.

It was noted most people own either a laptop or tablet already, and if someone did not have equipment of their own they can request a printed copy of the agenda packet.

Data needs to be gathered on the cost of purchasing tablets as opposed to the cost to print, copy, collate, punch and deliver the materials for each meeting.

With elections coming up it was decided to table this item to a future meeting.

C. Annual Meeting - May 16, 2016 6:30 P.M. at The VUE

- Use the introductions from last year
 - Add Brian Morgan and Quentin Philips
- Presentations (keep short)
 - Financials - Dorian Eaton
 - Dues/Collections - Gary Bever
 - Security - Lisa Quedens
 - Rose Garden report - Catherine Newell
 - Manager's report - Kamin Havens
 - Golf Course - John Newell/Lisa Quedens
- Appetizers will be provided \$300
- Water and soda will be provided
- There will be a podium
- There will be 3 raffles from FirstService
- A fun idea (secret) while votes are being counted

- It was preferred to have the Board sit up front at a table. Members should wear their Board shirts (not the red event shirts).

Kamin will need information from Beth and Dorian for the introductions. Presentations should be kept short as the Golf Course will take up a large part of the conversation. The attorneys will be at the meeting to address questions. There will be an open meeting and a brief executive meeting.

V. Golf Course Report

A. Add Mike Bjarle and Dee Goldammer to the Committee. Lisa Quedens reported that the Golf Course has been listed publicly with no offers. There was a meeting with the investors, although no decisions have been made. The investors are doing more research and will report back. Dee Goldammer has been on the Committee but was never formally added. Mike Bjarle is a winter resident who has extensive knowledge of golf course operations and is president of a municipal course in Minnesota. He has been a consultant and advisor, and will be an asset to the Committee on the operations side.

Lisa Quedens made a **MOTION** to add Mike Bjarle and Dee Goldammer to the Golf Course Committee, seconded by Dorian Eaton. All voted in favor and the Motion carried.

VI. Landscape and Irrigation

A. Landscape Report - David Kovach stated they now have some upgraded equipment: a hedge trimmer, two upgraded trimmers, a new blade for the pole trimmer, and a new weed-eater. On the wish list is a backpack sprayer.

Over 40 pine trees have been treated at a cost of \$1,600. The crew was trained on the herbicide to be used in the backpack sprayers. In the next budget, we will ask for an increase for the pre and post emergent to \$7,000 from the current \$4,400 per year. 15 tons of Madison Gold granite was placed at Compton Park, Ellsworth Park and on Crismon by the traffic light. There was erosion along the banks at Compton Park due to run off water from the elementary school. Monty and Dan are working on mitigating that situation.

Monty McCall reported that the new system is working very well and we saved \$95,000: \$80,000 off of the contract and \$15,000 for credit on tree trimming. We no longer have to go through ILM and wait for weeks to get work done. ILM has discontinued doing the equipment maintenance. We now go directly to Stotz Equipment for maintenance, and ILM pays the bill.

John Newell noted that a tenant had severely cut three pine trees which were on HOA property, as they were hanging over his fence and his pool. Instead of trimming to the property line, he cut back six or eight feet and up two-thirds of the trees. There is now concern for the health of the trees as well as the stability to weather storms.

Monty reported those pine trees on Guadalupe may not survive. If we decide to try to save those trees, we will need Abor Pro to trim to reduce the weight. Then we will spray and treat the soil for \$300, for a total cost of about \$1,000 to \$1,200. We will advise the homeowner on the price to save the tree, although down the road those trees may need to be removed at their cost. Monty recommended waiting a few weeks to see if the trees survive or not. The cost to remove a tree is \$1,800 and to replace with a 36 inch box tree would be \$3,000. To treat the soil would add another \$1,000, making the total cost about \$6,000, versus trying to save a tree at the cost of \$1,000 to \$1,200. Kamin suggested using a 24 inch box tree instead of a 36 inch to reduce the cost. Monty stated since the trees are mature and valuable, he recommends replacing with a 36 inch box tree.

Monty noted there are aphids on the Shamel Ash trees. The bid to spray 470 Shamel Ash trees was \$11,000. The Shamel Ash have always had aphids on them and we lose some every year. The developer had planted trees that do not do well here due to the heat and insects. The Chinese Pistache and Arizona Oak trees do well here and do not have problems with insects. Those trees that were planted 15 years ago are still here. The plan is to replace trees that don't do well with those that do. John Serio provided a fertilizer plan for the year at a cost of \$67,000 in chemicals. We will spray only when necessary to keep costs down.

John Newell commended Monty and his team for a wonderful job on landscaping. We saved \$80,000 to \$95,000 on the contract costs alone. Monty noted Dan is a phenomenal supervisor and the crew works hard every day.

Dave Kovach stated \$10,000 was approved earlier in the year for trees and he hopes that the tree stock will now be better at the nurseries. ArborPro suggested Red Push Pistache and Fan-Tex Ash, although Monty needs to check out those trees and run them by the insect control person.

VII. Website Report

Dave Kovach reported that for the first time in 4 years there is a drop in the number of visitors with 973 for March, as opposed to over 1,100 in March of 2015. There are 20 new users. The Board has jumped up to number 6 in popular pages. More foreign countries are visiting the website. In the past month the garage sale and candidate bios were listed on the website. The website bill has been paid for another year at the cost of \$350.

VIII. Security

A. Security Report - Lisa Quedens stated there is no formal report in the packet because the laptop is being repaired and the data is gone. The sergeant had insisted that backups be done once a month, so we only have to go back a few weeks. John suggested getting three extra back-up drives. Lisa was concerned with heat issues being in the vehicles. The hard drive can be in a case under the dash to be shaded. Kamin stated the new camera goes to email and the Client Vision is on separate software. The Security Team is reporting parking issues to Park Central for them to handle. They used to have a company that came in to ticket/boot cars, although Mesa has passed an ordinance on towing. A GPS device has been installed in the truck to track location, speed, etc.

IX. Architectural Requests

Approval is being recommended for the following architectural requests:

A. 9556 E. Lindner - Paint

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- B. 2137 S. Vincent - Paint
- C. 9563 E. Monte - Block Wall
- D. 9750 E. Monte - Paint
- E. 2663 S. Joplin - Paint
- F. 2447 S. Bristol - Paint
- G. 9411 E. Kilarea - Landscape (to be reviewed)
- H. 9663 E Lobo - Paint
- I. 2664 S. Joplin - Paint

Kamin Havens reviewed the landscape request for 9411 E. Kilarea, which included a granite color that was not on our list, Sunset Gold. The request has been updated to include a red crape myrtle tree and red yucca. Kamin asked for a sample of the Sunset Gold granite, which was never sent in. The second choice of granite color is Table Mesa Brown. Kamin recommends approval with the stipulation that the granite be Table Mesa Brown, as all of the other requirements have been met. The Board agreed.

David Kovach made a **MOTION** to accept the Architectural Requests as presented, seconded by Lisa Quedens, and approved by all.

X. Homeowner Forum

Homeowner LeeAnn Bohman thanked the Board for allowing the Desert Ridge Choir to gather items for donation after the yard sale. It was a successful fundraiser for the choir and they made \$1,460 with 12,000 pounds of donations. She asked if the pictures from the Easter event will be posted on the website. Kamin stated the Easter pictures were in the newsletter and she will post pictures on the website as well.

XI. Next Meeting Date

The Annual Meeting will be held on May 16, 2016, 6:30 P.M. at The VUE.

XII. Adjournment of Open Session

With no other business before the Board, John Newell adjourned the meeting at 7:43 P.M.

Respectfully Submitted,

Dana Desing, TE: 14082507
Acting Recording Secretary