

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

**Board of Directors
General Session Meeting Minutes
April 17, 2017
Mesa Police Substation, 2430 S. Ellsworth
Mesa, Arizona 85209**

Present:

Board Members:

John Newell, President
Lisa Quedens, Vice President
Dee Hurley, Secretary
Barry Matlack, Treasurer
Gary Bever, Director
David Kovach, Director
LeeAnn Bohman, Director

Board Members Absent:

Sean McNulty, Director
Beth Patton, Director

FirstService Residential Representative:

Kamin Havens, Community Manager

Two Homeowners were Present

I. Call to Order

President John Newell called the meeting to order at 6:30 P.M.

II. Pledge of Allegiance

All present recited the Pledge of Allegiance.

III. Review and Approval of March Minutes

A **MOTION** was made by Lisa Quedens to approve the March 20, 2017 minutes as presented, seconded by LeeAnn Bohman. Motion carried.

IV. Review of March Financial Statement

Barry Matlack provided a review of the March Financial Statement. He noted upcoming expenditures on the golf course transfer for the ALTA Survey and closing costs, etc. He noted the Association is in a good financial position to get us through closing for the golf course. On the monthly financial summary, two columns were added for annual budget and the year to date percentage for reference. A summary of the Treasurer's Report is provided below.

Cash on Hand

Operating Checking Account Balance	\$	80,091	
Operating Savings Account Balance	\$	60,129	
Reserves Account Balance	\$	655,954	
Other Assets- Drainage Advancement	\$		-
Total Cash	\$	796,174	
Variance from last month -Negative	\$	(21,674)	

Income - YTD

Actual Income	\$	242,337
Budgeted Income	\$	309,850
Variance - Under Budget -Negative	\$	(67,513)

Expenses - YTD

Actual Expenses	\$	294,732
Budgeted Expenses	\$	301,352
Variance - Under Budget -Positive	\$	(6,620)

Profit/Loss - YTD

(Including Reserve & Golf Course Transfer)

YTD Actual Income/Reserves	\$	336,891
YTD Actual Expense	\$	294,732
Variance - Positive	\$	42,159

Delinquent Accounts

<30 days	\$	9,541
30 + days	\$	12,446
60 + days	\$	22,040
90 + days	\$	230,442
Total	\$	274,469

Last Month's Delinquent Accounts	\$	333,259
Variance from last month -Positive	\$	(58,790)

MOTION: A Motion was made by Dave Kovach to accept the March Financial Statement as presented, seconded by Lisa Quedens and approved by all.

V. Manager's Report

Administrative Update: FSRConnect Reports

- 181 Total calls for March.
- 16 New homeowners in the community for March.
- 19 Architectural requests received for the April meeting.
- 173 Violations were sent out in March.

A. Easter Event Update - The Easter event was a success. The costs were reviewed at just under \$3K, as budgeted.

B. Annual Meeting Presentations - The annual meeting agenda and presentations were reviewed. Inspectors will be appointed to review the online voting report and add the last minute votes. Some Board members did not receive their ballot in the e-mail and

were concerned that some homeowners may not have received their ballots as well. Several e-mails were sent out with instructions to check spam or junk mail and advising that hard copies of the ballots are available at the HOA office.

A Homeowner in attendance did receive three e-mails on voting.

Kamin will check into the e-mails. The response has been good with 190 received to date and 211 are needed to meet quorum.

- C. Resident Golf Tournament** - There was a meeting with the Vue, the Events Committee and the golf course. The Resident Tournament is planned for September 9th at 8:00 A.M. Fees are suggested at \$30 for adults and \$10 for juniors. Lunch is estimated at \$8, or less for juniors. The HOA was asked to provide prizes—gift cards to the pro shop or the Vue. Goody bags can be put together with donations from local businesses.

The Board felt those fees were high, considering lunch was not included. The Tournament will take over the entire course for Saturday morning during prime time. The Board would like to keep the fees down to encourage residents to come out and try the golf course. A fee of \$20 was suggested, or the \$30 fee should include the cost of lunch. Kamin will discuss the fees with Josh at the Golf Course.

A homeowner liked the fact that the HOA would be contributing to this event and felt the golf course was a great asset to the community.

- D. Events Report** - The Events committee reviewed some ideas for the golf course--Foot Golf, Glowball, the Resident Golf Tournament, and a SnoCone Open. The Vue wants to keep the Summer Splash event and the Turkey Trot. They are also considering concerts on the driving range. Some smaller events could include wine tasting, a comedy night, and a casino night. The HOA is planning for the Annual Picnic in October and On Course in December.

The Board was asked for other ideas for events. Suggestions included Pumpkin Chunkin in October and a Fun Run on the golf course. Details of the Turkey Trot were discussed.

The Events Committee meets on the 1st Wednesday of the month.

- E. Block Wall Breezeway** - The property managers at Bashas asked if the HOA would allow Bashas to put up a breezeway and split the cost. Bashas is having a problem with graffiti, drug paraphernalia, beer cans, etc. There was a wall there previously, although the wall deteriorated with people climbing over it. The Board was concerned with kids jumping over the breezeway wall into the neighboring properties, and felt a breezeway may not solve the issues on Bashas side of the wall. The breezeway would be a walk through only with no vehicle access and would be the same height as the existing neighborhood walls.

It was recommended to have Bashas speak with the properties that would be adjacent to the breezeway regarding any concerns. If

the neighbors are agreeable, the HOA may allow Bashas to put in a breezeway, although the HOA will not spend the money. This item will be tabled until the neighboring properties can be contacted.

F. 2017 & 2018 Budget Report - Reviewed under VI. Golf Course Update.

G. Pioneer Rock and Painting Reserves - Kamin advised that Accounting need a Motion in the minutes regarding taking funds out of the reserves to cover the rock and painting of common walls.

MOTION: LeeAnn Bohman moved that all scheduled rock replacement and common wall painting will be taken out of the reserves. Dave Kovach seconded the motion and all voted in favor. Motion carried.

The violations were reviewed as to what portion related to parking, weeds, trash can, or paint violations.

VI. Golf Course Report

A. Resolution on 2017 Budget - Lisa Quedens reported that the bank has placed stipulations regarding additional information on the budget. They are looking for proof that the HOA as well as the golf course are able to be funded for the first 18 months. The 2017 budget was revised to include line items for the golf course. Dollar-wise the budget has not changed. Every year the bank will want to see the budget and healthy reserves as well as a golf course report.

MOTION: Lisa Quedens moved to accept a Resolution adopting the 2017 Budget Projections including the Golf Course income and expenses broken out by line item. Gary Bever seconded the motion.

Board Discussion: It was explained that the revision only breaks down the budget in greater definition to show the golf course in separate line items. The drainage easement was removed as we are not paying that. \$16K a month has been put toward the golf course transfer since January 2016 without any issues. There was concern on making the budget understandable for the community with a more detailed breakdown of expenses. It was suggested to have a mini budget just on the golf course. There was concern on the capital expenditures, making sure funds are set aside in reserves, and sustainability over the next 10 years.

Vote: All members voted in favor. The Motion passed.

Kamin noted that the Board previously decided not to do the annual picnic, although it is now being considered with the HOA only contributing half of the cost.

A homeowner felt having a separate golf course budget was a good idea and would make it easier for homeowners to understand.

B. ALTA Survey - The Bank requested an ALTA survey. Bids were obtained ranging from \$14K to \$45K with a 3 to 7 week timeframe. The \$14K bid will be accepted, which will push out the closing

date again to June 1st. Your Source wanted to impose a penalty of \$1,000 a day after the original May 11th closing date. With the new bank request for the ALTA survey, Your Source agreed to an amendment to the PSA with no penalty.

- C. Resolution on Approval to Proceed** - The Bank requires a formal resolution regarding the votes and approval to proceed with the loan. Language for such a Resolution has been provided by Maxwell Morgan.

RESOLUTION: On April 17, 2017, after timely and proper notice was given, the Board of Directors (the "Board"), the executive organ of the Assignor, duly elected by the Members (as defined in the Declaration) held a meeting at which a quorum (as defined in and required by the Governing Documents) was present. At such meeting, voted in favor of levying the general assessment (the "General Assessment") against the Members of the Property for the purpose of, among other things, facilitating the financing of (i) the acquisition of the Golf Course Land (as defined in the Declaration), and (ii) certain proposed repairs to the Golf Course Land, and providing funds necessary to pay to Assignee the principal, interest and other amounts which will be due and payable in connection with the Loan. By majority vote of the Members, the Board had the express authority for the Association to pledge its assessments and to mortgage the Golf Course Land (as defined in the Declaration) as collateral security for the Loan, and the proper vote of the Members of the Association was held and approved as shown on the Certification of Secretary dated February, 2016.

The Board has obtained all consents, if any, required of the Members to properly and validly approve the General Assessment, and the General Assessment has been levied in accordance with all requirements of the Declaration, Assignor's by-laws, rules and regulations, and all other documents and agreements governing or affecting the operations of Assignor and/or the Property (the "Governing Documents").

MOTION: LeeAnn Bohman moved to accept the above Resolution as read into the record. The Motion was seconded by Dave Kovach and passed unanimously.

- D. Lease Agreement** - The Lease Agreement with the Augusta Ranch Golf Club has been completed and will be signed at close of escrow.

VII. Landscape and Irrigation

- A. Landscape Report** - Dave Kovach reported that the Texas Laurels were sprayed for caterpillars and Agaves were treated for pests. The back flows have been tested and the report was sent to the City of Mesa. The flower beds were covered for three weeks to treat for weeds. Black Jack seed was placed in two sections of the Loop. 100 Lantanas were installed along the Loop and the Texas Laurels were hand pruned. Trees will be treated with

growth retardant in order to skip trimming cycles. This will be done first in Compton Park in order to assess the savings. Dave noted the increasing cost for labor as the minimum wage goes up, as well as an increase in water costs of 5% a year. Get Green will be used in the parks. The soil conditioner will be cancelled for April and June and no soil testing will be done until September. Dan has checked the ditch for irrigation issues. Dave noted that the solar clocks are always being replaced and that is an ongoing cost as part of the irrigation repairs.

VIII. Website Report

Dave Kovach reported that the website was up 3.8% in visits, unique visits are up 4%, and page views are up 7%. The Board dropped to number 11 in popular pages. There were 15 new users to the website in March. He noted the website cost is going up \$36 a year.

IX. Security

A. Security Report - Lisa reported that Sean will be the Committee Chair from this point forward and he will communicate with the officers. There was an issue with dispatch sending security out for a parking violation, which should be taken up with the HOA office. Brian went down to the dispatch center to train them on handling Augusta Ranch issues. John Newell noted that the security team stopped a tow truck driver to check that the paperwork was in order as required by city code.

A homeowner spoke about asking solicitors for their license and calling security when they did not have a license. John explained that security escorts solicitors off the property a couple times a week. Lisa noted that religious groups are not allowed to ring the doorbell but can leave flyers at the door.

X. Architectural Requests

Dee Hurley recommended approval for the following architectural requests, as presented:

- A. 2256 S. Duval- Landscape
- B. 9621 E. Keats- Paint (Denied-wrong parcel-See Q.)
- C. 2137 S. Vincent- Pergola
- D. 2615 S. Bristol- Paint
- E. 9461 E. Naranja - Paint
- F. 2127 S. Joplin - Paint
- G. 9611 E. Lindner - Paint
- H. 9544 E. Navarro - Sidewalk and extend driveway
- I. 2218 S. Duval - Gazebo
- J. 9611 E. Lindner - Gate
- K. 9765 E. Natal - Double gate & shed (Need info)
- L. 9806 E. Navarro - Widen existing gate
- M. 9514 E. Kiva - Pergola

- N. 2140 S. Drexel - Paint
- O. 9435 E. Lompoc - Paint (Denied-wrong parcel)
- P. 9435 E. Lompoc - Paint
- Q. 9621 E. Keats - Paint
- R. 9656 E. Lobo - Paint
- S. 2458 S. Duval - Shed moved to 5 feet
- T. 2135 S. Bristol - Paint (with stipulations)

Paint Review:

- a. 2211 S. Keene - Touch up only is needed
- b. 9331 E. Kiva - Need to paint whole house
- c. 9442 E. Mendoza - Repaint with correct color scheme
- d. 9517 E. Kilarea - Paint scheme approved, but painted original color, which was not in the new paint scheme. The original color has now been added.

Not Completed from February/March: All have been completed except those noted as in process.

- 2247 S. Vincent - Driveway
- 9310 E. Milagro - Driveway (In process)
- 2522 S. Sorrelle - Desert Landscaping
- 9544 E. Navarro - Paint
- 2532 S. Drexel - (In process)
- 9639 E. Nido - Artificial Grass

Discussion:

K. 9765 E. Natal - Request for double gate although not enough room and no diagram was provided. Additional information has been requested on landscaping to be removed, meeting the landscape requirements, and the location for the shed (with 5 foot setback).

T. 2135 S. Bristol - Wants to use dark accent color for pop outs. Will be approved with the stipulation for the paint scheme as written, cannot use dark color for pop outs.

MOTION: Dave Kovach moved to accept the architectural requests as presented, seconded by LeeAnn Bohman. Motion carried.

XI. Homeowner Forum

A. Kery Conyers, 2117 S. Bristol. Ms. Conyers is a homeowner who has had a renter for the past three years. There are parking violations from 2014 and 2015. Two of the cars were the tenant's daughter and guest (Jeep and white truck). The Nissan Altima and black Dodge Ram do not belong to the tenant. There was some confusion with the number of violations and the dates listed. Ms. Conyers is considering extending the driveway to accommodate more cars. She did email the HOA about the violations. Kamin explained that the HOA was told that none of the cars belonged to the tenant. Nothing was waived because security investigated and found the white truck parked in the driveway. Ms. Conyers stated that the tenant was referring to the Nissan Sentra and the truck that were not hers. The tenant is willing to pay the violations

that are hers. Kamin stated that violation notices are sent to the billing address as well as the property address.

President Newell stated the Board will take the matter under advisement in the Executive Session. The Board is very lenient, however there was a pattern of dishonesty as the Board was advised that the truck was not hers, although it was seen in the driveway by security. The homeowner will have the opportunity to appeal. Homeowners are advised to contact the HOA office right away when a notice is received. If the violation is not taken off the account, the fees will escalate with subsequent violations. An overnight parking form is available for visitors. Ms. Conyers can call Kamin tomorrow for the results.

XII. Next Meeting Date

The Annual Meeting will be held on May 15, 2017.

XIII. Adjournment of Open Session

With no other business before the Board, President Newell adjourned the meeting at 8:01 P.M.

Respectfully Submitted,

Dana Desing (TE: 14082507)
Acting Recording Secretary