

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

Board of Directors
General Session Meeting Minutes
February 20, 2017
2430 S. Ellsworth
Mesa, Arizona 85209

Present:

Board Members:

Lisa Quedens, Vice President
Dee Goldammer, Secretary
Dorian Eaton, Treasurer
Gary Bever, Director
David Kovach, Director
Monty McCall, Director

Board Members Absent:

John Newell, President
Sean McNulty, Director
Beth Patton, Director

FirstService Residential Representative:

Kamin Havens, Community Manager

One Homeowners was Present

I. Call to Order

Vice President Lisa Quedens 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 January Minutes

A **MOTION** was made by Monty McCall to approve the minutes of January 16, 2017 as well as the minutes of the Special Meeting of January 23, 2017, as presented. The Motion was seconded by Gary Bever and passed unanimously.

IV. Review of January Financial Statement

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Dorian Eaton provided a review of the January Financial Statement.

Revenue:

- Assessment income was \$19K over budget.
- Other income was \$10.6K over budget.
- There were no uncollected assessments in January, although 1.2K was budgeted.
- There were no prelegal disbursements, although \$1.7K was budgeted.
- Recovery collections were \$3.1K.
- Working capital was \$2.1K over budget, due to the former owner receiving monies from judgment.
- Violations fines were \$1.5 over budget.
- Reimburse expense was \$1.5K under budget.
- Golf Course transfer was \$9.5K under budget, due to the GMS and Butler and Hansen invoices.

Expenses

- Administrative expenses were \$8.1K over budget; Management salaries burden was \$3.7K under budget, as only a partial month was paid for December; There was no rebill fee expense, although \$3K was budgeted; Legal expense was \$4.5K over budget; there was no billing statement expense, although \$2.6K was budgeted; Insurance was \$15.8K over budget, as it is budgeted in February.
- Utilities were \$3.6K over budget; Water/Sewer expense was \$3.6K over budget.
- Landscaping expense was \$4K under budget; Fertilizer was \$1K under budget; there was no Pre/post-emergent expense, although \$3K was budgeted.
- Security expense was \$6.2K over budget; Patrol service was \$6.9K over budget, as part of December was paid in January.
- Common Area expense was \$1.1K under budget due to exterminating at \$1.1K under budget.

Cash Accounts:

• Total Operating Funds	\$ 234,164
• Reserve Funds	<u>\$ 627,498</u>
• Total Assets	<u>\$ 861,662</u>

Delinquent Accounts Receivable:

- The Delinquent Accounts Receivable was \$343,221 which is \$42,436 less than last year on January 31, 2016.

A homeowner asked about the difference in the delinquent accounts between this year and last year. It was explained that it refers to the collection payments which are handled by the attorneys.

There was Board discussion on the amount of the water bill, which looks to be about \$1,800 more than it should be. Kamin will check with the city on the actual water bills.

A **MOTION** was made by Dee Goldammer to approve the January Financial Statement as presented, seconded by Monty McCall. The motion passed unanimously.

V. Manager's Report

Administrative Update: FSRConnect Reports

148 Total calls for January.

14 New homeowners in the community for January.

13 Architectural requests received for January.

234 Violations were sent out for the month of January.

A. Event Survey Comments - 300 responses were received. People want to keep the annual picnic (42%), but do not want to be charged a fee. People would like to see more events by the Vue. Kamin will check with Chad to see if he wants to work with the Events Committee to put together events. The community wanted to see different events such as wine tasting, singles nights, potluck events, and a community golf tournament. Most residents would recommend living at Augusta Ranch to friends.

B. Community Garage Sale - The Events Committee recommends March 25th for the Garage Sale, as April 1st is a Mormon church event and a tournament at the Golf Course, and April 8th is the Easter event. The Board agreed on the date of March 25th.

C. Update on Easter Event/Quotes - April 8th, 8-11 A.M. Food options are the Waffle Love food truck which runs \$7-9. It would be free to Augusta Ranch, if they can advertise on social media which would make it open to the public. If it is

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not open to the public, Augusta Ranch would need to pay the difference of what they sell up to \$850. Another food option is the Muffin Girl who works with Octane Café. They would supply different types of coffee, ice tea, juice and water. Muffin Girl will provide large and small muffins at \$1 to \$2 each. The association would need to pay the difference in sales of up to \$520. The Board felt this was a better option, although the candied nuts were not needed. There was discussion on the water, and it was agreed to keep the water in the Muffin Girl quote. Volunteers from ROTC and the Boy Scouts are being confirmed. The Board would like to do something for the volunteers after the Easter event. Vendors and the costs were reviewed, including AZ Bounce Pro and Jensen Associates.

MOTION: Monty McCall moved to approve the Muffin Girl food option, without the nuts, as well as the vendor quotes as presented. The motion was seconded by Dave Kovach, and passed unanimously.

D. Online Voting for Annual Meeting in May - Kamin reviewed the costs for prior years: In 2015, \$6K was spent; in 2016, \$5K was spent. For this year, Kamin proposed a postcard advising of the online voting and website information. The online voting company, Vote HOA Now, will do everything for \$2,600 for the 1971 homes. Kamin learned all the information in a webinar. A postcard will give instructions and a one-time password. The system will total the votes automatically, and Kamin can check on the progress online. Hard copies will be available at the office or by mail upon request. An email notice can be sent out. The annual option costs \$20 more to keep the quoted price.

MOTION by Dee Goldammer to approve the annual contract for online voting with Vote HOA Now, seconded by Dorian Eaton. Motion passed unanimously.

E. Painting Update/New Phase - The new Phase 3 list was provided. Three months are allowed for painting.

MOTION by Gary Bever to approve sending Phase 3 paint letters to the homes on the list, seconded by Monty McCall. All voted in favor, Motion passed.

It was noted that some strange house colors have been seen, and addresses can be given to Kamin to check. An

Architectural follow up was suggested after painting. Kamin stated that can be done in conjunction with the architectural review.

- F. Fountain Quote/Sand Filter - This item was covered under Landscape.

VI. Golf Course Report

- A. Closing Date Update - Lisa Quedens advised that the bank moved the close of escrow to April 1 instead of March 1. We can expect the final commitment letter the first or second week of March. Kamin will send out the lease agreement to the Board with enough time to address any questions or concerns before it goes to a vote at the next Board meeting. The Board can send any questions to Lisa. There was some concern on managing The Vue, and Kamin advised that the \$24K on managing the lease may include other items such as capital improvements. Tenant improvements are to be done by The Vue, up to a certain dollar amount, and then the responsibility will fall on Don Rea. Roofing and other capital improvements are to be done by Don Rea. The initial lease term is just under three years with extension options. There is too much risk involved for a one year lease. The Board can also sit down with the Golf Committee on any concerns with the lease.

A town hall meeting has been planned for Saturday, February 11th from 9-11 A.M. at the VUE. Some Board members would prefer to hold a town hall after the purchase is complete. Kamin stated the purchase agreement is already approved at this point and a town hall meeting would not affect that. Residents will be asked to submit questions for the town hall ahead of time so that the Board can be prepared with answers. It was suggested that Don Rea hold a meeting for the men's club for their feedback.

The Board agreed to move the town hall meeting to mid-April.

VII. Landscape and Irrigation

- A. Landscape Report - Dave Kovach reported that the February water was under by 250,000 gallons from last year. For the year to date, water use is down by 400,000 gallons.

Monty McCall reported that a meeting is planned on February 27th with John Serio on a fertilizer and chemical plan. The

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turf will be dyed again next year. In March, the two areas that were not dyed will be planted with Black Jack Bermuda seed and top cover. The Bradford plums were sprayed twice and deep root fertilized last year. Trimming will be done after those trees have budded. We may need to put off trimming of the Chinese Ash for another year, and the ditch will be pushed out to December, 2018. Monty is concerned that some of the Bradford Plums may need to be taken out.

The Reserve account has \$8K for granite, \$18,690 for new trees and plants, \$500 for sand, totaling \$27,200 in the Reserve that will be spent. There is \$797 for a dog station and \$1,500 for trash cans, as the concrete ones are falling apart. Kamin advised that we have already spent \$12K on painting and that needs to be finished. She suggested splitting the paint (\$24K) and the landscaping in the Reserve. Monty noted additional funds in the Reserve for Ramada refurbishing at \$6,811, and iron fencing at \$7,086.

- B.** Fountain Quote/Sand Filter - Monty advised that the fountain was redone in 2012. We were advised at that time that the 300 lb. sand filter was not big enough, and a bypass was rigged to save on costs. There was \$3,500 in the Reserve last year for a pump, which was not spent. Now the top of the filter is cracked and needs to be replaced. Monty advised purchasing the appropriate sized sand filter (700 lb.). The area landscaping has been cleaned up, and the water level and leaf filter are being taken care of regularly.

There is \$1,616 in the Reserves for pond refurbishing and equipment. The motor is in good shape, only the sand filter needs to be replaced. There is a bid from American Pool Care for \$2,320.

MOTION: Dave Kovach moved to replace the sand filter with the appropriate sized sand filter as recommended, seconded by Gary Bever. Motion passed 5-1.

- C.** Shed and Connex for Maintenance Yard - Monty advised that the maintenance area has been cleared out so we have a place for rock and dirt to be delivered. Currently, we pay about \$120 per month for one Connex (\$1,450/year). We are looking into purchasing a Connex as well as a shed to park the gators and mowers. The equipment is now being wrapped in tarps every night. Options were reviewed for two Connex containers and a

shed/carport at approximately \$6,200. Monty suggested using the \$18.5K from YourSource that went back into Reserves.

The Board agreed to give permission for Monty McCall and John Newell to make a decision on the connexes and shed/carport, and come back to the Board in March to discuss funding options.

VIII. Website Report

Dave Kovach reported that the website is down 28% in visits from last year. There are 4 new users in January. The Board is ranked at #10 in popular pages. Visitors from outside the US include India and Afghanistan.

IX. Security

A. Security Report - Lisa Quedens provided the newsletter to be sent out, which reports on observing the speed limit, trespassing on the Golf Course, and a Gypsy Scam. There were noise and trash violations when a large house party moved to a park. There have been complaints of people walking on the Golf Course while golfers are playing, as well as kids cutting through the Golf Course before and after school. There needs to be a firm decision on whether to allow people on the Course who are not playing golf. Kamin suggested a community email after the purchase is complete advising that no walking on the Course is allowed as it is a huge liability to the HOA.

Lisa requested a budget item for 2017 for a 5% increase in salaries for security.

MOTION: Monty McCall moved to increase the security contract \$892 a month, from \$16,137.90 to \$17,030.28, retroactive to January 1st, 2017, seconded by Dee Goldammer. All voted in favor, the Motion passed.

X. Architectural Requests

Kamin Havens recommended approval for the architectural requests:

A. 2532 S. Drexel - landscape

- B. 9420 E. Mendoza - paint
- C. 9532 E. Meseto - paint
- D. 9546 E. Monte - paint
- E. 9547 E. Monte - paint
- F. 9549 E. Meseto -paint
- G. 9552 E. Meseto - paint
- H. 9639 E. Nido - artificial grass
- I. 9724 E. Natal - paint
- J. 9757 E. Laguna Azul - shed
- K. 2046 S. Warren - paint
- L. 2019 S. Alicia - landscape
- M. 9565 E. Meseto - paint
- N. 2102 S. Sorrelle - paint

New request:

2102 S. Sorrelle - New RV gate

MOTION: Monty McCall made a Motion to approve the architectural requests as presented, seconded by Gary Bever and approved by all.

XI. Homeowner Forum

None.

XII. Miscellaneous Items:

Dorian Eaton reported that his term is up in April, and due to his increased workload, he is submitting his resignation at this time.

MOTION: Monty McCall moved to accept the resignation of Doran Eaton, seconded by Dave Kovach. The Motion passed unanimously. Dorian will be greatly missed.

Barry Matlack was introduced as he is interested in a position on the Board, possibly the now open treasurer position. Barry was born and raised in Wisconsin, he is a Packers fan, and has been in Arizona for 24 years. He has lived in Augusta Ranch for 3 years, has 3 grandchildren, and his wife is a faculty researcher at ASU. Barry is a vice president of sales for a tech company and travels a lot for his job. He also buys and sells real estate and has a friend that works for an HOA management company. He feels he can lend some insight regarding the Golf Course. He has lived in four HOAs in Arizona in the

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last 20 years, and stated Augusta Ranch is by far the most organized, active community he has lived in. The Board asked if his travel for work would create any conflicts with serving on the Board. He stated he is usually in town on Mondays and Fridays, and can call into the meeting if he is out of town. Dorian advised that most of his time as Treasurer is spent approving invoices and creating the monthly report. Kamin asked Dorian to continue approving invoices during the transition.

Board discussion: The Board felt Barry Matlack would be a very good fit for the Board, and his background would add insight to the Golf Committee. Monty had recommended him and felt he was a very nice, patient, and well-respected individual.

MOTION: Monty McCall moved to add Barry Matlack to the Board in the position of Treasurer, seconded by Dee Goldammer. All voted in favor. Motion passed.

Barry was welcomed to the Board as Treasurer and a member of the Golf Committee. Barry stated he is excited to join the Board, and will be truthful and fair. Lisa advised Barry of the Golf Committee responsibilities. There was discussion on the new maintenance standards and reporting included in the lease. Kamin will send that information over to Barry so he can get up to speed.

XIII. Next Meeting Date

The next meeting will be held on March 20, 2017.

XIV. Adjournment of Open Session

With no other business before the Board, Vice President Lisa Quedens adjourned the General Meeting at 8:12 P.M.

Respectfully Submitted,

Dana Desing (TE: 14082507)
Acting Recording Secretary