

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

Board of Directors
General Session Meeting Minutes
March 20, 2017
Panera Bakery
1946 S. Signal Butte Road, Mesa, Arizona 85209

Present:

Board Members:

John Newell, President
Lisa Quedens, Vice President
Dee Goldammer, Secretary
Gary Bever, Director
David Kovach, Director
Beth Patton, Director
LeeAnn Bohman, Director

Board Members Absent:

Barry Matlack, Treasurer
Sean McNulty, Director

FirstService Residential Representative:

Kamin Havens, Community Manager

Two Homeowners were Present

I. Call to Order

President Newell called the meeting to order at 6:50 P.M.

II. Pledge of Allegiance

All present recited the Pledge of Allegiance.

III. Review and Approval of February and Special Meeting Minutes

A **MOTION** was made by Lisa Quedens to approve the February 20, 2017 minutes as presented, seconded by Beth Patton and approved by all.

A **MOTION** was made by Lisa Quedens to approve the minutes of the Special Meeting of February 27th as presented, seconded by Dave Kovach and approved by all.

IV. Review of February Financial Statement

Barry Matlack had attended the Executive session by telephone but was unable to stay for the General Session. He noted that the finances look great and the budgets are in line from year to year.

John Newell advised that there will be a drastic change in the numbers in the next 60-90 days, due to the Golf Course acquisition.

The February Financial Report is included in the Board packet, pages 18 - 20. A brief summary is provided below:

Revenue:

- Income was under budget (\$42K) in February, YTD is under budget (\$22K); Assessment income was under budget by (\$39K); Uncollected was over budget \$200; Violations were under budget (\$500); Pre-legal disbursements were under budget (\$1.2K); Pre-legal receipts were under budget (\$650); Working capital was under budget (\$375); Reimburse expense was under budget (\$900).

Expenses:

- Administrative expense was under budget \$13.3K in February, YTD is under budget \$5K; Management fee was under budget \$480 (FSR did not send the correct invoice for January or February); Management Salaries were under budget \$3.7K (as 12/24-1/20 was paid); Rebill expense was over budget (\$1K); Lien/collection cost was under budget \$250; Printing was over budget (\$2.4K) for November and December invoices; Insurance was under budget \$15K as we paid the invoice in January.
- Utility expense was over budget (\$1.7K) for February, YTD is over budget (\$1.9K).
- Landscaping expense was under budget \$9.5K for February, YTD is under budget \$13.5K; Irrigation repairs were under budget \$900; Fertilizer was over budget (\$200); Tree trimming was under budget \$1K as it is planned for the end of March; Pre-Post emergent was over budget (\$2.9K) as it was budgeted for March.
- Security expense is under budget \$900 for February, YTD is over budget (\$5K); Security gas is now always one month in arrears since moving to Chevron.
- Common Area expense was under budget \$3.5K for February, YTD is under budget \$4.7K.

Profit/Loss YTD:

- YTD Actual Income/Reserves \$212,031
- YTD Actual Expense \$185,587
- Variance - Positive \$ 26,444

Delinquent Accounts Receivable:

- The Delinquent Accounts Receivable was \$333,259.

MOTION: A Motion was made by Dave Kovach to approve the February Financial Statement as provided in the Board packet, seconded by Gary Bever and approved by all.

V. Manager's Report

Administrative Update: FSRConnect Reports:

115 Total calls for February.

9 New homeowners in the community for February.

8 Architectural requests received for March.

173 Violations were sent out for the month of February.

A. Easter Event - Muffin Girl and the other vendors have been confirmed. Two additional tables and two popups are needed. Lisa and LeeAnn will provide those items, and John will provide a popup as well. Kamin noted that the Boy Scouts are not able to help with the event. The ROTC will volunteer, although how many is still to be determined. The sprinklers will be turned off Friday and Saturday. LeeAnn volunteered to make Easter bags for the volunteers. Kamin asked for volunteers to meet at 6:30 A.M. at the HOA office to help move supplies and set up. Board members planning to attend are Dave Kovach, Dee Goldammer, Lisa Quedens, and Leeann Bohman.

B. Online Voting for Annual Meeting - Dee Goldammer, Sean McNulty, and Barry Matlack need to fill out candidate applications and provide pictures for the online forms. Kamin will try to copy photos from the website. All applications are due by April 7th. Postcards were sent out and *Vote HOA Now* will email the voting information out to residents. Homeowners may come to the office for printed forms. Kamin noted the online voting process will cost a third as much as usual.

C. Town Hall Meeting - Kamin suggested holding a Town Hall meeting after the next Board meeting on April 17th at The Vue. The Executive session can be held at 6:00, the

General open session can be held at 6:15, with the Town Hall from 7-8 P.M. Residents will be asked to submit questions prior to the Town Hall meeting to allow time to prepare answers. The Board agreed to hold the Town Hall meeting after the Board meeting on April 17th. Dave Kovach will post the location and times on the website and Kamin will send out emails to generate questions.

D. Community Painting - Kamin advised that there is \$12K in the reserves for painting, although the new colors are taking more coats of paint than normal. The walls of the community, the loop and the side streets need to be done by March of 2018, so that the Golf Course walls can be done. Kamin asked for Board approval to move forward and she will track what is spent each year on painting.

MOTION: Lisa Quedens moved to approve drawing from reserves to complete the wall painting of the community, the loop, side streets and parks. After completion of these areas, it is expected to move to the golf course party walls in 2018. The Motion was seconded by Dee Goldammer, and approved by all.

VI. Golf Course Report

A. Closing Date Update - Lisa Quedens provided in the Board packet a copy of the Lease Agreement. The biggest change was to the language regarding capital improvements and repairs to state that the Lessee of the Golf Course will be responsible for the first \$12K of any repairs or improvements annually, and after that the Lessee will pay the first \$500 and the HOA will pay the remainder. We did give the \$24K from the rent from the Vue. There is some confusion on what is considered capital improvements versus repairs/maintenance. The attorneys will define that in the next few days. The closing date is set for March 31st and the Letter of Commitment is expected from the Bank this week.

John Newell advised that we still may need to negotiate and asked for authority from the Board. We wanted to take half of the rent from the Vue, although we gave it to Don with certain stipulations. We made a promise not to raise the dues. Lisa stated they will be asked to report once a quarter to the Board on revenue and expenses.

MOTION: Lisa Quedens moved to give President John Newell authority to negotiate the terms and to execute the Lease

Agreement on the Golf Course. The Motion was seconded by Gary Bever and passed unanimously.

John Newell noted that there will be a drive-through with the greenskeeper/maintenance person to cover the whole course with regard to utilities, control boxes, secondary pump stations, water systems, etc. The Board will be notified of the date. Lisa noted that eventually the internal operations will be reviewed as well.

VII. Landscape and Irrigation

A. Landscape Report - Dave Kovach reported that this year was the lowest first quarter water usage since 2012. In the financials, the water budget has evened up from last month. A meeting was held with Dan and John Serio on landscape management and spring treatments, with Monty no longer involved. Twenty-eight tons of rock have been dispensed. The backflow testing was done last week and reports are expected soon. Kamin has a quote from Jason on tree trimming. He did not believe that any Ash trees need trimming at this point. Kamin will review the quote with Dan. Dave reported that 100 lantanas will be installed this week and the flower bed will be treated at the end of March. Otherwise, everything is running fine and the crew is doing a great job.

B. Shed for maintenance yard - John Newell advised that the plan is to bring in two containers with a shed in between them. Bids were reviewed at the last Board meeting and plans will be finalized after the Golf Course purchase. John met with Eduardo who shared some pictures of the original golf course construction. He will forward photos to Dave to include on the website.

C. Connex for maintenance yard - Covered under item B above.

VIII. Website Report

Dave Kovach reported that website visits are down 16% from last year. There were 9 new users, and the Board is at number 10 in popular pages. Countries that visited include Estonia, Russia, and Vietnam.

IX. Security

A. Security Report - Lisa Quedens provided a copy of the Security Bulletin, which includes open garage doors and cars being left unlocked. We are bringing back the Cold

Stone Creamery good citations for bicyclists. Security now offers internet transaction safety—they will stand by during a Craig's list or other internet sale. In Park Central, there are issues with parking in front of garages, which is a CC&R violation. We need to advise Mike over at Park Central management to give the new phone number out to residents.

Lisa mentioned some talk of a block watch program and stated whoever will be heading it needs to coordinate with Security as well as the Mesa Police Department.

A homeowner mentioned that people have reported calling security for Park Central or Tivoli and security did not know where they were. Lisa explained that the Security contract is with Augusta Ranch and those neighborhoods are subs. Kamin noted that calls after 5 P.M. would be handled by a call center. They do record the calls. Kamin asked if anyone is having problems getting through to security to let her know. The Tivoli board member noted that one of the officers gave him the cell phone number for the Security truck. Lisa suggested that a meeting be held with Dave and Sergeant Cosivera regarding golf course security.

X. Architectural Requests

Dee Goldammer recommended approval for all of the following Architectural Requests:

- A. 9452 E. Kilarea - Paint
- B. 2247 S. Vincent - Driveway
- C. 2219 S. Duval - Paint
- D. 9310 E. Milagro - Driveway
- E. 9822 E. Lompoc - Paint
- F. 9745 E. Laguna Azul - Paint
- G. 2215 S. Faith - Artificial Turf
- H. 2522 S. Sorrelle - Desert Landscape

New Request:

- I. 9544 E. Navarro - Paint

Paint Review:

- a. 9332 E. Kiva - only need to paint trim
- b. 9366 E. Kiva - only need to paint trim
- c. 9439 E. Kiva - do not need to paint

All of the February approved Architectural Requests were done correctly, except for the following two, which will be rechecked again in April:

- a. 2532 S. Drexel- Landscape - In process
- b. 9639 E. Nido - Artificial Grass - not started yet

MOTION: Lisa Quedens made a Motion to accept the Architectural Requests as presented, seconded by LeeAnn Bohman and approved by all.

XI. Homeowner Forum

A. A homeowner in attendance stated he has lived at Tivoli for almost 13 years and also serves as President on the Tivoli Board. A second Tivoli resident and board member was also in attendance. That board started with seven members and currently consists of three members. Parking issues at Tivoli were discussed. With regard to painting, he stated the CC&Rs should have included that in the dues so that the HOA would do the painting. In order to get painting, roofing or other work done requires coordinating with your neighbors. Kamin mentioned amending the CC&Rs to add painting and roof repairs. He stated there needs to be 75% to get approval, and their quarterly board meetings tend to have very low participation.

Kamin noted five homes in Augusta Ranch that have paint violations and one of those got an injunction. The Court says it has to be painted, although it can be difficult to get a vendor to go onto the property to paint on behalf of the HOA as there may be liability issues.

The homeowners and Board discussed several Security items.

The Tivoli Board President stated that a request was made to Augusta Ranch to help with the cost of painting the walls. Kamin had sent an email to Eric at the management company asking for the amount Tivoli is willing to put in before she approached the Augusta Ranch Board.

XII. Next Meeting Date

The next meeting will be held on April 17, 2017.

XIII. Adjournment of Open Session

With no other business before the Board, President Newell adjourned the General Meeting at 7:50 P.M.

Respectfully Submitted,

Dana Desing (TE: 14082507)
Acting Recording Secretary