

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

**Board of Directors
General Session Meeting Minutes
November 21, 2016
2430 S. Ellsworth
Mesa, Arizona 85209**

Present:

Board Members:

John Newell, President
Lisa Quedens, Vice President
Dee Goldammer, Secretary
Dorian Eaton, Treasurer
David Kovach, Director
Monty McCall, Director
Sean McNulty, Director

Board Members Absent:

Gary Bever, 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 the October Meeting Minutes and Special Meeting Minutes

A **MOTION** was made by Monty McCall to approve the October 17, 2016 General Session Minutes as presented, seconded by Lisa Quedens and approved by all.

A **MOTION** was made by Sean McNulty to approve the November 7, 2016 Special Meeting Minutes as presented, seconded by Dave Kovach and approved by all.

IV. Review of November Financial Statement

Dorian Eaton provided a review of the October Financial Statement.

Expenses (Year to Date):

- Administrative expense was under budget \$500 for October; YTD is under \$28.4K; Legal expense was over budget \$8.2K; Social Events expense was under budget \$9.5K; Rebill fee expense was over budget \$1K; Printing/postage expense was under budget \$700;
- Utilities were over budget \$5.2K for October; YTD is under \$1.9K; Water/Sewer expense was over budget \$5.1K
- Landscaping expense was over budget \$1.9K for October; YTD is over \$33.3K; the landscape contract was over budget \$2.3K for October; Fertilizer was under budget \$800
- Security expense was on budget for October (within \$50); YTD was over \$3K;
- Common Area expense was over budget \$400 for October; YTD is over \$6.3K; September exterminating expense was over budget \$1.2K

Revenue:

- Income was over budget \$14.2K in October; YTD is under \$94.2K, reflecting the \$80K put into reserves in January
- Assessment income was over budget \$17.7K for October
- Pre-legal Disbursement was under budget \$3.9K; Reimburse expense was under budget \$2.3K; Uncollected Assessments was over budget \$1.5K

Profit/Loss YTD - Including Reserve & Golf Course:

- YTD Actual Income/Reserves \$1,131,751
- YTD Actual Expense \$ 902,457
- Variance - Positive \$ 229,294

Cash Accounts:

- Operating \$ 228,329
- Reserve \$ 611,036
- Drainage Advancement \$ 18,500
- Total \$ 857,866

Delinquent Accounts Receivable:

- The Delinquent Accounts Receivable is at \$335,178 which is \$35,467 less than last year on October 31, 2015.

Monty McCall asked when the \$35K for the tree trimming would be applied. Kamin advised that it will be included in the November financials as it is usually billed in November.

MOTION: Monty McCall moved to approve the October Financial Statement, seconded by Sean McNulty and approved by all.

V. Manager's Report

Administrative Update: FSRConnect Reports

146 Total calls for October

22 New homeowners in the community for October

9+ Architectural requests received

71 Violations were sent out for the month of October

A. Annual Picnic Update: Comments and suggestions regarding the Annual Picnic were discussed.

- Need posters and signs as people come into parking lot
- Need posters with instructions for food tickets
- Food was very well organized, there were no big lines
- Carnival theme was great for younger kids (advised against Spinning Strawberry ride)
- Ran short on water – staff did not know where it was
- Suggestion to pre-sell food tickets

Kamin Havens plans to send out a resident survey in January with the costs of the annual picnic. It is not in the budget for an annual picnic next year.

B. Paint Update: There are only a few old paint violations left. Four are at Maxwell Morgan – two of which are under injunction with a trial date of December 5th, and two are being foreclosed through Maxwell Morgan.

Phase 1 is complete except for one new buyer. The second letter has been sent out for Phase 2 (50% need to be completed). Phase 3 will start in January.

C. Working Fund Contribution: At closing the buyer pays a contribution to the working fund, currently \$250. It is requested to raise this to \$300 as this fee has not changed since 2003. Other communities charge \$3,000 to \$5,000 to new homeowners.

MOTION: Monty McCall moved to increase the Working Fund Contribution for new move-ins from \$250 to \$300. The Motion was seconded by Sean McNulty. All voted in favor and the Motion carried.

VI. Golf Course Update

Lisa Quedens advised the Board that there is a signed purchase/sale agreement. The first deposit of \$25,000 will be made within 48 hours. Those funds will be taken out of the golf course fund. A meeting was held last week with the attorneys

and the CPA firm, Butler & Hansen, who requested multiple documents. Lisa made a request to Ray DiMuro for documents, many of which he provided the next morning. Kamin advised that the PSA was submitted today and the bank will be contacting us.

Kamin will email Butler Hansen regarding the engagement letter. If she does not get a response, she will let John Newell know and he will contact them. (GButler@ButlerHansen.com).

John Newell advised the Board of the extensive experience and credentials of Butler Hansen. They have been involved in transitions from public to private clubs as well as dealing with golf management. The financials for YSPF as well as Augusta Ranch will be reviewed. Lisa advised that Butler Hansen will most likely be handling the books for Augusta Ranch at the end of the year. Once the due diligence phase is complete, Golf Maintenance Solutions will conduct their assessment.

A letter has been drafted to the homeowners advising of the golf course purchase agreement and will go out on Tuesday or Wednesday of this week. It was suggested to provide a copy of that letter to Chad at The Vue so that his staff will be aware of the purchase agreement. It was stressed that the purchase is still in the process and it is not a done deal.

John Newell met with Apache Creek, Alta Mesa and Las Colinas Golf Courses. He was advised that the water rights cannot be sold off in pieces. Regarding the Lakes Golf Course, the original CC&Rs stated that the front half of the Lakes and the clubhouse/restaurant were to be deeded to the HOA, and the back half was to be sold for development. The HOA was offered the front nine and the clubhouse/restaurant and rejected that offer. There has been a downward trend in golf participation nationally, although Top Golf is reinvigorating the sport and that interest will migrate out to the courses in the long run.

VII. Landscape and Irrigation

A. Landscape Report: Dave Kovach reported that all of the over seeded areas have been mowed for the first time by rotary mower. The Oleanders have been trimmed or rejuvenated. The turf on Madero and the roundabout to Crimson will be converted to granite in the coming weeks. The Bougainvillea have been trimmed on Crismon and the Loop.

B. Landscape Crew Gift Cards: Dave Kovach requested that \$750 be allocated for end of year bonuses for Dan and his crew. Last year similar bonuses of \$650 to \$700 were given.

MOTION: Dave Kovach moved to approve \$750 in gift cards as year-end bonuses for the landscape crew. The Motion was seconded by Dorian Eaton and approved by all.

VIII. Website Report

Dave Kovach reported from October 2015 to October 2016 there was a decrease of 7% in total visitors and 2.5% in unique visitors. There were 8 new users in October, although there were 22 new homeowners. The Board dropped to number 16 in the popular pages. Only a few countries visited the website.

Dave attended a seminar regarding online voting on Friday. Kamin stated we will offer all options for voting – online, through the website, and hard copies will be available at the office. The costs are \$2 to \$3 per homeowner for mailings or 40 to 50 cents per homeowner with the online voting.

IX. Security

A. Security Report: Lisa Quedens provided a copy of the November/December Security Bulletin. The bike safety ticket program rewards the use of safety equipment with a Cold Stone Creamery coupon. Cold Stone donated the coupons and Augusta Ranch paid for the printing costs. The Security team gives out a good citation and a ticket to Cold Stone Creamery to bike riders that are using the proper safety equipment. On Halloween, the Security team passed out candy. The bulletin also provides Holiday safety tips on fire risks, reminders on open garage doors, and advised not to leave gifts in cars. Sean McNulty mentioned a trend of people being followed while shopping and their cars being broken into to steal items left in the vehicle. Some other area communities are now being hit with graffiti. There will be three security staff taking vacations and schedules will be rotated to provide coverage. Kamin asked about providing gift cards for those staff that work on the Thanksgiving or Christmas holiday. That will not be done as end of year bonuses will be given.

Monty McCall mentioned an issue regarding towing at Park Central. The homeowners do not understand the parking and towing policy and become upset with our security team. Kamin noted that they need a parking company to handle those issues. Kamin will look at the parking signs and review the policy. She will email the Park Central property manager and ask him to advise residents of the parking policy and that they should not call security for those issues. Lisa will research the code in Mesa. There is a new company that will be handling parking enforcement at Tivoli, although they are

not providing security. Sean noted a person selling edibles on the sidewalk near Duval and Kiva and asked if a license would be required. Lisa stated they need to be registered with the county. It was suggested to call security if anyone is seen selling food items in the community.

B. Security Personnel Gift Cards: Lisa Quedens requested \$250 for the security team as Holiday bonuses.

MOTION: Lisa Quedens move to approve \$250 in gift cards as Holiday bonuses for the three security personnel, seconded by Sean McNulty. All voted in favor and the Motion carried.

X. Architectural Requests

Dee Goldammer recommended approval for the following architectural requests:

- A. 2253 S. Vincent - Patio Cover
- B. 9458 E. Los Lagos Vista - Paint
- C. 9740 E. Lompoc - Rock Replacement
- D. 9603 E. Lindner - Paint
- E. 9558 E. Meseto - Front Door Replacement
- F. 9633 E. Nido - Paint
- G. 9531 E. Lompoc - Shed
- H. 9438 E. Natal - Garage Door
- I. 2709 S. Drexel - Tree Replacement

New Requests:

- A. 2713 S. Joplin - Paint
- B. 2522 S. Sorrelle - Paint
- C. 2252 S. Drexel - Stone Veneer

MOTION: Sean McNulty made a Motion to approve the architectural requests as presented, seconded by Monty McCall. All members voted in favor and the Motion passed.

XI. Homeowner Forum

A. Brayden Richins, a Boy Scout working on his Citizenship in the Community badge, was in attendance at the Board meeting. He offered his services to the Board and the community to earn service hours for a merit badge. There was discussion of the different Boy Scout designations and requirements. Monty McCall suggested clean-up of trash and debris on the loop or around the mailboxes. The Post Office is in charge of the actual mailboxes, but the surrounding gravel area can be cleaned up. The Crimson ditch area on the west side of Crismon across from Desert Ridge High School is another area that needs regular clean up. The Board will allow Brayden to

perform his service hours on the honor system and Monty McCall agreed to sign off on Brayden's time.

John Newell advised Brayden on the meeting agendas as well as the procedures a board needs to follow. The book "Roberts Rules of Order" is often used as a guideline on board policies and procedures.

John also explained to Brayden the Golf Course Purchase. The HOA wants to preserve the golf course for the community. Another buyer may wish to turn it into apartments, for example. The costs involved with the investigation and appraisal were explained to Brayden. It is a \$2 million investment and a very serious matter that affects about 220 families in Augusta Ranch.

B. Golf Course:

Kamin advised the Board that a formal motion needs to be recorded in the minutes regarding the Golf Maintenance Solutions assessment.

MOTION: Monty McCall moved to approve retaining Golf Maintenance Solutions to perform a comprehensive golf course operations and maintenance assessment at a cost of \$5,500. The Motion was seconded by Sean McNulty. All voted in favor and the Motion carried. Kamin will contact them to schedule.

XII. Next Meeting Date

The next meeting will be held on January 16, 2016.

XIII. Adjournment of Open Session

With no other business before the Board, President John Newell adjourned the Open Session at 7:28 P.M.

Respectfully Submitted,

Dana Desing (TE: 14082507)
Acting Recording Secretary