

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING**

**JANUARY 24, 2012
APPROVED MINUTES**

PRESENT: Mike Flamer, President
Doug Schoenfeld, Treasurer
Ed Katz, Secretary
Lori Condon, Director
Gary Friedman, Director
Chuck Murphy, Director
Jim Murphy, Director

STAFF: Larry Paprocki, Director
Deena Goldstein, Staff

CALL TO ORDER

President Flamer called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

December 22, 2011 Board Meeting

Mr. Katz moved that the Board approve the December 22, 2011 meeting minutes as presented. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of seven (7) to zero (0).*

TREASURER'S REPORT

Mr. Schoenfeld presented the Treasurer's report as per the Director's packet. He reviewed the Association financial statements, as prepared by Association staff, for the period ending December 31, 2011. He responded to questions and comments from the Board members regarding the financials.

Mr. Schoenfeld provided an update on the meeting that was held with the Auditor to discuss work oversight and expectations.

In response to a question by Ms. Condon, Mr. Schoenfeld advised that the auditor's response to the reason there were errors last year was due to the fact that they were not provided with good numbers. He provided background information on why the numbers presented last year were not completely accurate. He also provided information on why he is confident the numbers presented this year are accurate.

Mr. Schoenfeld updated the board on the balance sheet. Discussion ensued regarding bad debt write offs. It was noted that the Board does recognize bad debts.

Mr. Friedman shared his experience attending a Finance Committee meeting. He expressed his concern regarding the performance of the overseas investments.

Mr. Schoenfeld stated that the Finance Committee adheres to the Board approved Investment Policy and tries to ensure there are assets to meet the fiduciary needs of the Association. Mr. Friedman stated the Association is well funded but there may be ways to make it better. Discussion ensued. The consensus was to establish a special committee to analyze and evaluate the investment policy and come up with recommendations. The special committee will be Ms. Condon, Mr. Friedman and Mr. Katz.

Mr. Friedman moved to accept the financial as presented and the Treasurer's Report as submitted. Seconded by Mr. Katz. *The motion passed unanimously by a vote of seven (7) to zero (0).*

EXECUTIVE DIRECTORS REPORT

Nomination and Election Committee

Mr. Paprocki reported the Nomination and Election Committee has three candidates for the upcoming Annual Election. The nominees are Doug Schoenfeld and Lori Condon, existing Board Members and Dr. Don Levitt, former Board Member and Chairman of the Physical Property Committee. He further reported the Nomination and Election Committee received no other application from the general membership.

Timarron Landscape

Mr. Paprocki reported three residents have contacted him regarding amending Timarron's Tract Declaration removing the front-yard landscape obligation. They will be organizing others to help go door to door. They are aware they need 36 out of 53 positive votes to amend. He further reported the Nomination and Election Committee will be notified of the Timarron election, which they will oversee and certify the votes.

In response to a question from Mr. Chuck Murphy, Mr. Paprocki replied the ballots will go to Timarron residents only and will be a separate mailing and any costs incurred by the Association will go to the Timarron account.

Computer Update

Mr. Paprocki provided an update on the computers conversion. He reported the new server network is ready to transfer the workstations. However, a setback has occurred in that our firewall, which is ten years old has failed. Alternatives are being reviewed and a new unit may be ordered. He explained once a new firewall is set up, we will begin transitioning the other workstation computers. Scottsdale Community Association will be operating with a new operating system Windows 7. New software includes Microsoft Office 2010 and Norton 2011 Anti-virus. External hard drives are being used for back ups. Recovery is by Ghost 15. Individual computers with special software needs for our Website, photo ID and banking certificates should be completed the following week. The two IMac's have been installed with parallel software and will be connected to SCA network as well. A newer router was purchased. It is dual band so the SCA side will be secured and the other will be named SCA guest. He commented that he is expecting our new system to be fully operational by the end of the month.

Mr. Paprocki responded to questions and comments from the Board members regarding the computer update.

Community Center Update

Mr. Paprocki reported the electrostatic painting of the Community Center and gatehouses are underway. The Community Center's back offices will be painted this week on Saturday, so the office will be closed due to the fumes and reopened on Monday for normal business. He further reported that the building has an updated look and homeowners' responses have been favorable.

2011 Audit Fieldwork

Mr. Paprocki reported on Monday, January 23rd the 2011 audit fieldwork began on schedule. Fieldwork should be completed this Wednesday. The final audit report will be presented at a joint meeting with the Finance Committee on Thursday, February 16th.

Mr. Paprocki reminded the Board that he will be out of the office starting this Thursday attending the CAI Law Seminar and will be back in the office the following Monday.

Mr. Paprocki provided information on the delinquent accounts, complaints filed by the Association and the judgments the Association has collected on.

BOARD ACTIONS

Approve 2012 Social Calendar

President Flamer reported the Executive Director requests Board approval of the 2012 Social Calendar.

Ms. Condon moved the Board approve the 2012 Social Calendar. Seconded by Mr. Katz. *The motion passed unanimously by a vote of seven (7) to zero (0).*

Request to Hire PMIS to Evaluate Streets

President Flamer reported the Executive Director requests Board approval to engage the services of PMIS, Tom McDonald to perform an inspection of our streets to determine if crack sealing is necessary, estimate the longevity of our roads. Also, to provide recommendations on how to extend the existing life of the roads. If the Association chooses to have recommended work done, PMIS is to prepare the scope of work, solicit bids and present those items to the Board of Directors for approval. He is also to be the project manager to oversee the work. He further reported the cost for inspection and project administrator is \$4,350.00. This would be an unbudgeted Reserve expense if approved by the Board for 2012.

Mr. Paprocki provided information on why the inspection of our streets is needed. He explained in reviewing the crack size, this work could extend the useful life of our existing streets and delay major restoration work by several years. He responded to questions and comments from the Board members regarding this request.

President Flamer shared his experience, as past Chair of the Physical Property Committee, as it relates to the maintenance of the roads and working with Tom McDonald as an expert in this area.

In response to a question from Mr. Chuck Murphy, Mr. Paprocki provided a break down of what the Association would receive for the \$4,350.00 noting the cost for the inspection report is \$2,650. He explained this is the first step to have a better understanding on how to treat the roadways. Discussion ensued. Mr. Schoenfeld stated that he felt there should be a long-term assessment rather than doing this piecemeal. It was noted that it would be more appropriate to start with Board approval on the inspection report only.

Mr. Paprocki provided information on the steps that have been taken to maintain the roads. He also provided information on cost variables and different types of products that could be used.

Mr. Katz moved for approval to engage the services of PMIS, Tom McDonald to perform an inspection of our streets to determine if crack sealing is necessary, estimate the longevity of our roads at a cost of \$2,650.00. Seconded by Mr. Friedman. *The motion passed by a vote of five (5) to two (2) with Mr. Schoenfeld and Mr. Chuck Murphy dissenting.*

COMMITTEE REPORTS

Brief discussion re committee reports.

DISCUSSION NEW BUSINESS.

Discussion was held regarding the Cox Bulk Use Contract that expires 12/31/12. It was determined this issue should not wait to be addressed by the new Board and put on the February agenda and that a subcommittee be formed.

Mr. Schoenfeld moved that the Board establish a Cox Contract Committee. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of seven (7) to zero (0).*

At the request of Mr. Schoenfeld, Mr. Paprocki provided an update on the light bulb replacement project.

ADJOURNMENT

The Board meeting, being duly moved and seconded, adjourned at approximately 7:55 p.m.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
FEBRUARY 23, 2012**

APPROVED MINUTES

PRESENT: Mike Flamer, President
Jim Murphy, Vice President
Doug Schoenfeld, Treasurer
Ed Katz, Secretary
Lori Condon, Director
Chuck Murphy, Director

ABSENT: Gary Friedman, Director

STAFF: Larry Paprocki, Director

CALL TO ORDER

President Flamer called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

Mr. Jim Murphy stated the minutes do not reflect that he is the Vice President of the Board of Directors and requested they are amended.

January 24, 2012 Board Meeting

Mr. Chuck Murphy moved that the Board approve the January 24, 2012 meeting minutes as amended. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

February 16, 2012 Joint Meeting

Ms. Condon moved that the Board approve the February 16, 2012 meeting minutes as amended. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

TREASURER'S REPORT

2011 Audit Report

Mr. Schoenfeld stated the Board and Finance Committee reviewed the 2011 Audit at the joint meeting held on February 16, 2012. He further stated it is "a clean report".

Mr. Schoenfeld discussed the 2011 Tax Return as it relates to gains and losses on investments. He stated it is requested that the President sign the return. Discussion was held. It was noted that there were no realized losses or gains.

January 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending January 31, 2012. He responded to questions and comments from the Board members regarding the financials.

2012 Reserve Expense Budget

Mr. Schoenfeld reviewed the 2012 Reserve Expense Budget. He responded to questions and comments regarding the budget.

Mr. Katz noted that the fund balances are different on the first page than the fund balance on the next page. Discussion was held. It was determined that the heading should reflect the fund balance as of 12/31/11.

In response to a question from Mr. Katz, Mr. Schoenfeld advised short-term investments are insured up to half a million dollars.

In response to a question from President Flamer, Mr. Paprocki stated he has a draft of the reserve study that will be presented to the Board at the next meeting. Mr. Schoenfeld advised the Reserve Study will be updated every year.

EXECUTIVE DIRECTOR'S REPORT

Alarm Pane

Mr. Paprocki reported the fire alarm panel located in the utility room is in need of replacement. The unit, which is 20 plus years, is no longer responding to system check signals. He further reported replacement parts are not available. The cost of a new unit is \$1500. The bid was received from Safeguard, who also provides the monitoring of our system.

Equestrian Trial Update

Mr. Paprocki reported the City of Scottsdale has contracted Hunter Contracting Company to construct the equestrian trial improvements behind Stonegate. The work is scheduled to begin on March 5th and is expected to take three months to complete. The work will move from east to west, starting at the Power Corridor.

Mr. Paprocki explained the work has to be done from the trail itself. The City and the contractor have requested permission to access the trail from Stonegate, specifically through the wash between the Retreat and the Regent. He advised that he has met with both the City and contractor to inspect the route. Approximately ten trees will need to be trimmed to allow high profile construction trucks to pass. This work has been completed. He further explained that he will be requesting Board approval of the contractor's Lot Use Agreement. He responded to questions and comments regarding this project.

Mr. Katz recommended including in the Lot Use Agreement if the trucks damage any of our common areas they are held responsible. Mr. Paprocki stated he will have that added to the agreement along with dust control.

Timarron Landscape Election Update

Mr. Paprocki reported ballots have been mailed to Timarron Residents and the Nominations and Elections Committee will oversee the election. The initial ballot count will take place the first week in March. Residents within Timarron will then proceed to go door to door to encourage residents, who have not voted to do so. He further reported that he estimates approximately 20 plus ballots have been received. He added 36 "yes" ballots are required to amend the Tract Declaration.

SCA Annual Homeowners' Meeting

Mr. Paprocki reported the Stonegate Community Association Annual Homeowners' meeting is scheduled for Thursday, March 22, 2012 at 7:00 p.m. in the Community Center. The master mailing is scheduled for next week. The Annual Report will be posted on our website tentatively by March 1, after review and approval by the Board.

BOARD ACTIONS

Cox Cable Ad Hoc Committee

Mr. Paprocki stated at the last Board meeting it was discussed to establish a Cox Cable Ad Hoc Committee. He further stated the following people have expressed interest in serving on that committee: Cary Wiseman, Bill Linz and Karen Turek.

Mr. Schoenfeld moved the Board approve Cary Weissman, Bill Linz and Karen Turek to serve on the Cox Cable Ad Hoc Committee. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

Audit

President Flamer stated the Executive Director requests the Board approve the 2011 Audit Report submitted by Gregg Butler, CPA with Butler, Jones & Hansen P.C.

Mr. Katz moved the Board approve the 2011 Audit Report submitted by Gregg Butler, CPA with Butler, Jones & Hansen P.C. Seconded by Vice President Jim Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

2012 Reserve Expense Budget

President Flamer stated the Executive Director requests the Board approve the 2012 Reserve Budget, which includes planned expenses and unplanned expenses. Individual items require Board Approval.

Ms. Condon moved the Board approve the 2012 Reserve Budget, which includes planned expenses and unplanned expenses. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

Lot Use Agreement

Mr. Schoenfeld moved the Board approve the Lot Use Agreement with the addition of dust control and common area provisions. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

Alarm Panel Replacement

President Flamer stated the Executive Director requests the Board approve the replacement of the Alarm Panel. The cost of replacement would be \$1476.15.

Mr. Schoenfeld moved the Board approve the replacement of the Alarm Panel. The cost of replacement would be \$1476.15. Seconded by Ms. Condon. *The motion passed unanimously by a vote of six (6) to zero (0).*

COMMITTEE REPORTS

President Flamer noted that the Committee reports were included in the Board packet for Board member review and comment.

Mr. Katz stated that the Board Investment Policy Committee is not ready to make a recommendation and requests to table this issue. Mr. Schoenfeld commented on the importance of creating an Ad Hoc Roadway Committee due to the huge financial impact on the community. President Flamer suggested at the Annual Meeting he will make a request for committee members. Mr. Paprocki stated that he would also put something in the community email.

ADJOURNMENT

Mr. Chuck Murphy moved the Board adjourn into executive session at 7:05 p.m.
Seconded by Ms. Condon.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MARCH 22, 2012**

APPROVED MINUTES

PRESENT: Mike Flamer, President
Jim Murphy, Vice President
Doug Schoenfeld, Treasurer
Ed Katz, Secretary
Lori Condon, Director
Chuck Murphy, Director

ABSENT: Gary Friedman, Director

STAFF: Larry Paprocki, Director

CALL TO ORDER

President Flamer called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

Annual Meeting Minutes, Annual Report & 2012 Annual Meeting Script

Mr. Paprocki advised that the Annual Meeting Minutes, Annual Report and 2012 Annual Meeting Script was included in the Board packet. He provided a brief review of the annual meeting script.

MINUTES

February 23, 2012 Board Meeting

Mr. Katz moved that the Board approve the February 23, 2012 meeting minutes as presented. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

TREASURER'S REPORT

February 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending February 29, 2012. He responded to questions and comments from the Board members regarding the financials.

March 15, 2012 Meeting Report

Mr. Schoenfeld provided an overview of the March 15, 2012 Finance Committee meeting. He reported the February balance sheet was correct and accurate. He further reported the Committee spent considerable time discussing the current investments. The Committee recommends the following changes to Reserve Fund balances:

- Move the balance \$116,372 in the Vanguard Intermediate – Term Investment Grade Bond fund to the Vanguard Short-Term Investment Grade Bond fund.

Mr. Katz moved the Board approve moving the balance \$116,372 in the Vanguard Intermediate – Term Investment Grade Bond fund to the Vanguard Short-Term Investment Grade Bond Fund. Seconded by Mr. Jim Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

2012 Reserve Study Update – plus (3) scenarios

Mr. Schoenfeld reported the 2012 Reserve Study Update included both current cost and useful like/replacement estimates for each of the HOA components; in addition, three different 30-year “What-if” cash flow spread sheets relative to roadway restoration. He further reported the new Board will create a roadway committee to research the best way to fund this project.

Ms. Condon moved the Board accept the Treasurers Report. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

EXECUTIVE DIRECTOR’S REPORT

Mr. Paprocki reported the community association website has been given a face lift and is more user friendly. He encouraged the Board members to take a look at the website improvements.

Mr. Paprocki reported the Health and Wellness Fair was held on March 17, 2012. An estimated 130 people attended the event. He further reported that he received a number of notes from vendors saying how well planned and thought out the event was.

Mr. Paprocki reported that the annual flowers will be planted Wednesday of next week. He further reported that he has received negative comments based on the removal of turf. President Flamer commented on the significant water savings that will result from removing the turf.

Mr. Paprocki commented the LED lights have been installed and they can be seen throughout the community.

Mr. Paprocki provided an update on two new house bills that will go before the legislature. He reported on HB2160 that talks about the procedure for homeowner elections. This bill does not have much support. He further reported the other bill states that the HOA cannot take action on delinquent assessments until the house is sold. He responded to questions and comments regarding the proposed bills reminding the Board that these are bills not law. He added that if any Board members are interested in reading the entire bill he will print it up for them.

Mr. Paprocki provided an update on the progress on the equestrian trail.

Mr. Paprocki advised that he received a phone call from PMIS that the field work has been completed and he expects a draft or copy of the report by next week.

Mr. Paprocki stated that he passed out a letter from Tradewinds resident that was in response to the letter sent from the Association regarding the playing of a boom box on the tennis courts. He further stated as the Board is aware playing music on the tennis court is a violation. His recommendation is to impose a fine but waive the fine under the condition that she ceases playing music on the tennis court. If she fails to do so the fine will be reinstated.

Mr. Chuck Murphy noted that the letter indicates that she will turn the music low but in order to be in compliance she needs to turn it off.

Discussion was held regarding the Executive Directors recommendation and the consensus was it was fair and he should move forward.

BOARD ACTIONS

Palm Trees

President Flamer stated the Finance Committee, Physical Property Committee and Executive Director request the purchase of palm trees to replace two palm trees which were removed along Mountain View Road. Cost of palm trees and installation, including taxes is \$13,668.00. He further stated that this is a reserve expense.

Mr. Paprocki reported the contractor has been a provider of tree service and maintenance for several years.

Mr. Schoenfeld moved the Board approve the purchase of palm trees to replace two palm trees which were removed along Mountain View Road. Cost of palm trees and installation, including taxes is \$13,668.00. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

Community Center Insulation

President Flamer stated the Executive Director requests the Community Center Insulation. The contract included the following work:

- Reseal flex duct system.
- Reseal can lights.
- Reseal top plates on interior walls.
- Remove Batt insulation.
- Blow fiberglass in to an R-38 value.

He further stated the APS rebate is \$1250.00. Total cost including tax after APS rebate is \$4,717.97. This is the best bid received. Cost may be reduced if Stonegate Community Association elects to remove existing insulation.

He advised a better insulated building will result in lower utilities in the summer.

Mr. Schoenfeld moved the Board approve the Community Center Insulation bid as outlined. Seconded by Mr. Katz. *The motion passed unanimously by a vote of six (6) to zero (0).*

2012 Reserve Study Update

President Flamer stated the Executive Director requests the Board accepts the 2012 Reserve Study update with three financial scenarios. He further stated the 2012 Reserve Expense Budget was reviewed and approved by the Physical Property and Finance committees and updated.

Mr. Paprocki reviewed the three financial scenarios.

Mr. Katz moved the Board accept the 2012 Reserve Study update with three financial scenarios. Seconded by Mr. Chuck Murphy. *The motion passed unanimously by a vote of six (6) to zero (0).*

COMMITTEE REPORTS

President Flamer noted the Committee reports were included in the Board packet for Board members review and comment.

Mr. Chuck Murphy requested that the Cox Committee be listed under committee reports. Mr. Schoenfeld stated when the Roadway Committee is formed it should also be listed under committee reports.

ADJOURNMENT

Mr. Chuck Murphy moved the Board adjourn at 6:55 p.m. Seconded by Mr. Katz.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
APRIL 26, 2012**

APPROVED MINUTES

PRESENT: Mike Flamer, President
Doug Schoenfeld, Treasurer
Ed Katz, Secretary
Lori Condon, Director
Gary Friedman, Director
Chuck Murphy, Director

STAFF: Larry Paprocki, Director
Deena Goldstein, AV
Robin Hackett, AV

CALL TO ORDER

President Flamer called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

March 22, 2012 Board Meeting

A motion was made to approve the March 22, 2012 meeting minutes as presented. The motion was seconded and passed unanimously.

ELECTION OF OFFICERS

The following members were elected to the listed office:

Lori Condon, Board President
Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary

President Condon assumed as President.

TREASURER'S REPORT

March 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the period ending March 31, 2012. He responded to questions and comments from the Board members regarding the financials. A motion was made to accept the March financials as presented. The motion was recommend and passed.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported information to the Board on tennis court repairs. Mr. Paprocki also reported that he would be receiving additional information from Tom McDonald of PMIS regarding street repairs.

Mr. Paprocki reported that there would be a CAI luncheon on street asphalt. Board Secretary Mike Flamer and Board Treasurer, Doug Schoenfeld expressed an interest in attending.

A request was made to hold the next Board meeting on Wednesday, May 23rd at 5:00 p.m. in order to accommodate a Director's request. The matter was discussed and the Board agreed to the date change.

NO BOARD ACTIONS WERE PRESENTED

COMMITTEE REPORTS

President Condon, noted the Committee reports were included in the Board packet for Board members review and comment.

ADJOURNMENT

A motion was made that the Board adjourn. The motion was seconded.

Note: Audio/video equipment malfunction. No recording exists.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
MAY 23, 2012**

APPROVED MINUTES

PRESENT: Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Gary Friedman, Director
Don Levitt, Director
Jim Murphy, Director

ABSENT: Lori Condon, President

STAFF: Larry Paprocki, Director
Robin Hackett, AV

CALL TO ORDER

Vice President Katz called the meeting of the Stonegate Community Association Board of Directors to order at 5:00 p.m., noting the presence of a quorum.

MINUTES

April 26, 2012 Board Meeting

Vice President Katz requested corrections to the April 26, 2012 meeting minutes on page 1, under Present section strike Jim Murphy and add Don Levitt. On page 1, under Election of Officers strike the sentence: President Condon assumed as president. And replace with: Ms. Condon assumed the presidency and acted as president.

Mr. Schoenfeld requested a correction to the April 26, 2012 on page 1, under Minutes, strike the sentence: A motion was made to approve the March 22, 2012 meeting minutes as presented. And replace with: A motion was made to approve the March 22, 2012 meeting minutes as amended. He noted there was a correction to add that the Finance Committee and Board approved the purchase Mutual of Omaha certificate of deposit.

Mr. Flamer moved that the Board approve the April 26, 2012 meeting minutes as amended. Seconded by Mr. Schoenfeld. *The motion passed unanimously by a vote of six (6) to zero (0).*

TREASURER'S REPORT

April 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending April 30, 2012. He responded to questions and comments from the Board members regarding the financials.

In response to a question from Mr. Flamer, Mr. Paprocki reported over the last two months after the LED lights were install there has been a \$1400 savings each month in electricity.

Mr. Friedman stated that he thought CDs were considered cash and not investments. Mr. Schoenfeld stated that is a valid point and they should be moved under cash.

Mr. Flamer moved the Board accept the Treasurers Report. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of six (6) to zero (0).*

BOARD ACTIONS

Timarron Landscape Contract

Vice President Katz stated the Timarron Landscape Contract request is being made by the Physical Property/Conservation Committee and the Finance Committee.

Mr. Paprocki explained four proposals were obtained, including the present landscape provider. In selecting a contractor, the following items considered: work experience, cost, service provided and extras. The contractor recommended is Continental Landscape Management. He further explained what was previously charged as extras is now rolled into the current monthly service charge. The second was adjusting the number of units being serviced, a minimum number was established. The extra monies will be used to upgrade service to enhance Timarron's overall appearance. The monthly assessment for landscape service and administrative services will be \$65.00 per month, which represents a \$2.00 increase.

Mr. Murphy stated the contract should indicate that Timarron is a sub-association and not a HOA.

Mr. Schoenfeld moved the Board approve Timarron Landscape Contract as presented. Seconded by Dr. Levitt. *The motion passed unanimously by a vote of six (6) to zero (0).*

PMIS – Streets Zone – Rating Report

Vice President Katz stated the Executive Director requests the Board approve reserve expenditure in the amount of \$7,550.00 for PMIS to perform a detailed analysis of Stonegate roadways, creating zones and rating system in order to ladder repairs.

Mr. Paprocki explained if approved, this report would be completed by the latter part of July. This report would become the source documentation structuring future street maintenance and repairs as well as financial obligations.

Mr. Flamer moved the Board approve reserve expenditure in the amount of \$7,550.00 for PMIS to perform a detailed analysis of Stonegate roadways, creating zones and rating system in order to ladder repairs. Seconded by Mr. Schoenfeld.

Mr. Schoefeld stated the Finance Committee did discuss this expenditure and it was felt this report would provide a better picture of what we are facing.

Mr. Flamer provided information on the options and types of products that are available. He stated that this report will provide the association with information on the technical side as well as the costs. He noted the technology changes rapidly.

In response to a question from Mr. Murphy, Mr. Paprocki advised that Crown Castle has been advised and the proper steps will be taken to protect the cable.

Dr. Levitt stated that the Association needs to be prepared financially to cover the costs of replacing or repairing our roads and suggested they consider having a separate reserve fund for the streets project. Mr. Schoenfeld stated the Finance Committee has discussed developing a funding mechanism separate from the reserve.

Vice President Katz called for the vote. *The motion passed unanimously by a vote of six (6) to zero (0).*

COMMITTEE REPORTS

Vice President Katz noted the Committee reports were included in the Board packet for Board members review and comment.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki provided an update on the tennis court repairs. He reported that he has been soliciting repair proposals from Sunland and General Acrylic on how to repair the cracking that is occurring. He further reported that he has also sought opinions from the City of Scottsdale. He advised that the bids received to date are no being presented as he believes the solutions are temporary and a proper repair may only be possible when the tennis courts are re-constructed. Our oldest courts are eight years old. He further advised the he believes repairs are necessary to reach the usable life. He will be focusing on this matter to present viable options in June or July so repairs can be done in August.

CAI Law Reporter

Mr. Paprocki reported that State Bar UPL Advisory Opinion No. 12-01 was included in the Board packet. He further reported that this opinion was forwarded to him from our legal counsel. He stated that he believes the caution was intended for off-site property management companies. It is our practice to use legal counsel where required.

Mr. Paprocki advised the office will be closed on Memorial Day.

Mr. Paprocki reported that there is not enough supervision in the recreation pool area causing damage to association property and annoyance to homeowners. He further reported that he would recommend Board approval of 16 additional hours per week at a cost of \$160 - \$200 per week, \$4800 a year. He explained that the hours would be used during high usage times. He responded to questions from the Board members regarding this request.

Mr. Flamer moved the Board approve \$4800 for additional recreation monitor hours. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of six (6) to zero (0).*

DISCUSSION/NEW BUSINESS

Mr. Paprocki passed out a draft copy of the amended and restated Investment Policy as prepared by the ad hoc committee for the Board's review.

Mr. Flamer moved the Board approve the amended and restated Investment Policy. Seconded by Dr. Levitt.

Vice President Katz reported that the report leaves out too many numbers. Mr. Paprocki advised that when the report was copied it did not copy the red text.

Mr. Flamer rescinded the motion. Dr. Levitt rescinded the second to the motion.

Mr. Paprocki suggested sending the report to the Finance Committee for review before bringing it back to the Board for review.

Vice President Katz stated the next Board of Directors meeting will be held on June 28, 2012 at 6:00 p.m.

ADJOURNMENT

Mr. Chuck Murphy moved the Board adjourn at 6:15 p.m. Seconded by Mr. Flamer.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
JUNE 28, 2012**

APPROVED MINUTES

PRESENT: Lori Condon, President
Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Gary Friedman, Director
Jim Murphy, Director

ABSENT: Don Levitt, Director

STAFF: Larry Paprocki, Director
Robin Hackett, AV

CALL TO ORDER

President Condon called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

Ted Epand, Regent, stated he is here today to request the Stonegate Board of Directors to establish a temporary Committee for purposes of fulfilling the following Mission Statement:

“To investigate pet amenities offered by other local and/or competitive house developments and to analyze how any of these features might better maintain the appeal of the Stonegate community to current residents and potential homeowners”

Steven Lipps stated he would like to have a temporary Committee look at all amenities and analyze them to determine if they would be appropriate for Stonegate and how they would be implemented and provide the Board with a report.

Mr. Friedman stated that the issue of a dog park was investigated three years ago and was voted down. He further stated one of the main concerns was that it would be adjacent to someone's house.

Mr. Schoenfeld moved that the Board establish temporary Committee to investigate pet amenities offered by other local and/or competitive house developments and to analyze how

any of these features might better maintain the appeal of the Stonegate community to current residents and potential homeowners. Seconded by Mr. Flamer.

Mr. Murphy stated that he did not think another committee needed to be formed because this issue would fall under an already established committee, specifically the social recreation committee or physical property committee. Discussion ensued regarding the need for this temporary committee.

President Condon called for the vote. *The motion failed by a vote of two to three with Mr. Friedman, Mr. Katz and Mr. Murphy dissenting.*

MINUTES

May 23, 2012 Board Meeting

Mr. Katz requested a correction to the minutes on Page 5, under Discussion/New Business, third paragraph, **numbers** should be changed to **words**.

Mr. Schoenfeld moved that the Board approve the May 23, 2012 meeting minutes as amended. Seconded by Mr. Katz. *The motion passed unanimously.*

TREASURER'S REPORT

May 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending May 31, 2012. He responded to questions and comments from the Board members regarding the financials.

Mr. Schoenfeld reported that the Finance Committee had extensive conversations regarding the performance of the Janus overseas equity fund. The Committee's unanimous agreement was to sale 50 percent of the Janus overseas equity fund and put the funds into a money market account. He responded to questions and comments from the Board members regarding this recommendation.

Mr. Friedman moved that the entire Janus Overseas equity fund be sold and the funds be placed in a checking account. Seconded by Mr. Schoenfeld.

Mr. Katz requested the motion be amended to have the funds put in a money market account. Discussion ensued. It was noted that money market accounts are insured by the FDIC but the funds may have to be put in four different banks.

Mr. Chuck Murphy stated that he felt the Board should listen to the recommendation of the Finance Committee. He further stated that he is in favor of the Board supporting our committees and he plans on voting no.

President Condon called for the vote. *The motion failed by a vote of one to four with Mr. Katz, Mr. Murphy, Mr. Schoenfeld, and Mr. Flamer dissenting.*

Mr. Katz moved that the Board adhere to the recommendation of the Finance Committee to sale 50 percent of the Janus overseas equity fund and put the proceeds in a short-term money market account allocated to the reserve portion. *Seconded by Mr. Schoenfeld. The motion passed four to one with Mr. Friedman dissenting.*

Finance Committee Member Appointment

Mr. Schoenfeld stated the Finance Committee recommends to the Board that Nancy Ford be appointed to the Finance Committee. He further stated she has attended the three meetings as required.

Mr. Paprocki stated Nancy Ford is well qualified with a financial background in banking. Nancy's prior service to the Community Association was as a member of the Nomination and Election Committee and in her second year she served as the chairperson of that committee.

Mr. Flamer moved that the Board appoint Nancy Ford as a member to the Finance Committee. *Seconded by Mr. Katz. The motion passed unanimously.*

Amended and Restated Investment Policy

Mr. Schoenfeld provided an overview of the suggested changes to the investment policy. Discussion ensued regarding the amended and restated investment policy.

Mr. Flamer moved the Board accept the amended and restated Reserve and Capital Investment Policy. *Seconded by Mr. Katz.*

Mr. Murphy requested the motion be amended to have the investment sheet include all investments are ensured. Mr. Flamer and Mr. Katz accepted the amendment to the motion. *The motion passed by a vote of four to one with Mr. Schoenfeld dissenting.*

Mr. Katz moved the Board accept the Treasurers Report. *Seconded by Mr. Flamer. The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported that he attended an open house on June 18, 2012 at the Pomeroy Ranch as they are seeking a Conditional Use Permit for their property. He further reported that a number of residents attended but not much information was provided. He stated that he is recommending inviting the Ranch Manager come before the Board and residents and give a presentation on their request for a Conditional Use Permit. He outlined the information he has about the Pomeroy Ranch request. He noted it is still in the pre-application process.

Discussion was held. It was noted their main concerns are regarding the possible increased density and traffic and how it will impact the community.

Mr. Paprocki reported that the Cox Communications ad hoc committee was not happy with the response from Cox. He reviewed the rate increases to the bulk use agreement over the last few years. He further reported the ad hoc committee's recommendation will be presented to the Board at the next meeting.

Mr. Flamer stated in the past there were significant discounts but we are starting to lose the benefits.

Mr. Paprocki provided an update on the utilities. He reported we have made changes that have resulted in significant electrical savings but the water is over budget due to the lack of rain and record temperatures.

Mr. Paprocki reported re-sales are up.

Mr. Paprocki reported that he has received requests for political open houses and fund raisers but felt the Association should stay out of politics and fund raisers. He further reported having open houses for city elections are good because the issues impact this area. Discussion was held. It was felt an open house should be held in September for the city election.

BOARD ACTIONS

Sunland Tennis Court Repair

President Condon stated the Executive Director, Physical Property/Conservation Committee and Finance Committee request Board approval of Sunland Asphalt Tennis Court repairs. Repairs of tennis courts 1 through 5 in the amount of \$10,539.42. Repair and resurface tennis courts 6 and 7 in the amount of \$10,428.31. She further stated this is a Reserve expense. The two items total: \$20,967.73.

Mr. Paprocki explained the courts are in need of repair as to extend their usable life. Otherwise all courts will fail within three years. This action is preventative work. When the tennis courts are reconstructed corrective actions can be taken. He responded to questions and comments from the Board members regarding this request.

Mr. Murphy moved the Board approve the Sunland Asphalt Tennis Court repairs. Repairs of tennis courts 1 through 5 in the amount of \$10,539.42. Repair and resurface tennis courts 6 and 7 in the amount of \$10,428.31. A Reserve expense. The two items total: \$20,967.73. Seconded by Mr. Flamer. *The motion passed four to zero with Mr. Freidman abstaining.*

Architectural Committee Chair Appointment

Mr. Paprocki reported new A.R.S Section 33-1817 (Planned Communities) requires that at least one member of the Design Review Committee and/or Architectural Review Committee be a Board Member. The new law requires the Board member be the chairperson of the committee. The law takes effect August 2, 2012

Mr. Friedman volunteered to serve as chairperson of the Architectural Committee.

Mr. Flamer moved the Board appoint Gary Friedman as chairperson of the Architectural Committee. Seconded by Mr. Katz. *The motion passed unanimously.*

COMMITTEE REPORTS

President Condon noted the Committee reports were included in the Board packet for Board members review and comment.

ADJOURNMENT

Mr. Flamer moved the Board adjourn at 8:00 p.m. Seconded by Mr. Katz.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
JULY 25, 2012**

APPROVED MINUTES

PRESENT: Lori Condon, President
Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Gary Friedman, Director

ABSENT: Don Levitt, Director
Chuck Murphy, Director

STAFF: Larry Paprocki, Director
Robin Hackett, AV

(Prior to the start of the meeting the Board of Directors met in executive session to discuss the Cox Communications Contract).

CALL TO ORDER

President Condon called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

June 28, 2012 Board Meeting

Mr. Schoenfeld reviewed the typos contained in the minutes and requested to have them corrected.

Mr. Flamer moved that the Board approve the June 28, 2012 meeting minutes as amended. Seconded by Mr. Katz. *The motion passed unanimously.*

TREASURER'S REPORT

June 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending June 30, 2012. He responded to questions and comments from the Board members regarding the financials.

Mr. Friedman moved the Board accept the Treasurers Report. Seconded by Mr. Flamer.
The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported

COMMITTEE REPORTS

President Condon noted the Committee reports were included in the Board packet for Board members review and comment.

ADJOURNMENT

Mr. Murphy moved the Board adjourn at 7:00 p.m. Seconded by Mr. Katz.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
AUGUST 23, 2012**

APPROVED MINUTES

PRESENT: Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Gary Friedman, Director
Don Levitt, Director

ABSENT: Lori Condon, President
Chuck Murphy, Director

STAFF: Larry Paprocki, Director
Robin Hackett, AV

CALL TO ORDER

Vice President Katz called the meeting of the Stonegate Community Association Board of Directors to order at 5:00 p.m., noting the presence of a quorum.

MINUTES

July 25, 2012 Board Meeting

Dr. Levitt moved that the Board approve the July 25, 2012 meeting minutes as presented. Seconded by Mr. Friedman. *The motion passed unanimously.*

Mr. Schoenfeld moved that the Board approve the July 25, 2012 executive session meeting minutes as presented. Seconded by Dr. Levitt. *The motion passed unanimously.*

TREASURER'S REPORT

July 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending July 31, 2012. He responded to questions and comments from the Board members regarding the financials.

Mr. Schoenfeld advised the water is over budget due to the drought and hot summer. Mr. Paprocki reported that with the recent rain, he has been able to turn off the water and probably will remain off until next week. He provided information regarding when the grass scalping would begin.

Discussion was held regarding the status of the delinquent accounts.

Mr. Flamer moved the Board accept the Treasurers Report. Seconded by Dr. Levitt. *The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki stated the draft letter notifying Stonegate Homeowners that the bulk use agreement with Cox Communications is not being renewed is contained in the Board packet. He further stated Cary Weissman and Karen Turek have reviewed and recommend the letter be sent. They are working on scheduling sign-up dates with representatives from Cox, Century Link and Direct TV. He advised that the letter will be mailed by the end of next week. He further stated that in the Board packet is the CAI Law Reporter which contains an interesting case summary regarding cable television service and bulk use agreements.

Mr. Schoenfeld stated that he felt the Committee did a good job on the letter but he would suggest a few changes. He reviewed his proposed changes to the letter. The Board consensus was to amend the letter to reflect the changes as outlined by Mr. Schoenfeld.

Mr. Paprocki advised that his report on the Conditional Land Use Permit on the Pomeroy property will be discussed in executive session along with the issue regarding whether to retain legal council.

Mr. Paprocki reported Augustus Shaw from the law firm Shaw & Lines (SCA General Legal Counsel) has requested the use of our community room for a Leadership Centre regarding HOA education. The date is October 27, 2012 from 9:00 a.m. to 4:00 p.m. He further reported the Stonegate Board members can attend without the legal obligation to post as it would be for educational purposes and not to conduct a meeting.

Mr. Paprocki reported that the rain has delayed the tennis court repairs.

Mr. Paprocki provided an update on the progress of the Equestrian Trail. He stated the City will be conducting an inspection upon acceptance.

Mr. Paprocki reported the PMIS street evaluation report is due by the end of this month.

BOARD ACTIONS

2012-13 Group Benefits Renewal

Vice President Katz stated the Executive Director is requesting Board approval of 2012-13 Group benefits package.

Mr. Schoenfeld advised the change in RX-Prescription Drug plan will have slightly higher co-pay and a required per-authorization on certain medications. The 2012-13 group benefit premium increase per month per employee \$20.40, representing a 5.3 increase. The employee will pay 25 percent and the Association will pay 75 percent of the premium.

Mr. Flamer moved the Board approve the 2012-12 Group benefits package as outlined. Seconded by Mr. Schoenfeld. *The motion passed unanimously.*

COMMITTEE REPORTS

Vice President Katz noted the Committee reports were included in the Board packet for Board members review and comment.

ADJOURNMENT

Dr. Levitt moved the Board adjourn at 5:45 p.m. into executive session. Seconded by Mr. Friedman.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
SEPTEMBER 27, 2012**

APPROVED MINUTES

PRESENT: Lori Condon, President
Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Don Levitt, Director

ABSENT: Gary Friedman, Director

STAFF: Larry Paprocki, Director
Robin Hackett, AV

CALL TO ORDER

President Condon called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

MINUTES

August 23, 2012 Board Meeting

Mr. Flamer moved that the Board approve the August 23, 2012 executive session meeting minutes as presented. Seconded by Mr. Katz. *The motion passed unanimously.*

Mr. Katz reviewed his corrections to the minutes.

Mr. Flamer moved that the Board approve the August 23, 2012 meeting minutes as amended. Seconded by Mr. Katz. *The motion passed unanimously.*

TREASURER'S REPORT

August 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending August 31, 2012. He responded to questions and comments from the Board members regarding the financials.

Mr. Flamer moved the Board accept the Treasurers Report. Seconded by Mr. Katz. *The motion passed unanimously.*

BOARD MEMBER REPLACEMENT

Mr. Paprocki stated that Chuck Murphy has resigned from the Board of Directors. He further stated that Nancy Ford has indicated that she would be willing to serve the remainder of Mr. Murphy's term which will expire at the next Annual Meeting in March. He advised that Ms. Ford could not attend tonight's meeting due to a prior commitment.

Dr. Levitt moved to appoint Nancy Ford to the Stonegate Community Association Board of Directors. Seconded by Mr. Flamer. *The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki stated that Tom McDonald, PMIS has submitted the preliminary report on the analysis of Stonegate roadways. This report will be reviewed by the Roadway Committee.

Mr. Paprocki reported the first video event was held this past Saturday to educate residents on what is offered since the bulk use agreement with Cox was not renewed. He further reported there were representatives from Cox, Century Link and Direct TV but they were not prepared and did not have the information needed to provide the residents. There are two more scheduled one in December and one in January and he will strongly encourage these companies to have the proper staff present.

Mr. Paprocki reported the work on the Equestrian Trail has been completed and he will be terminating the Lot Use Agreement with the City of Scottsdale and Hunter Contracting Company.

Mr. Paprocki provided an update on the tennis court repairs.

Mr. Paprocki reported the CAI Law Seminar will be held this year in Tucson, January 24-26 and he will take advantage of early registration. He further reported he does not need Board action because the money is already in the budget for this seminar.

BOARD ACTIONS

Arizona Culinary Holiday Menu Contract

Mr. Paprocki stated he is requesting Board approval of the Arizona Culinary Institute Holiday Menu Contract. He further stated they have provided the Association with a 2012 menu/contract for food catering for the upcoming Adult Holiday party,

December 13, 2012. The contract needs to be approved, signed and returned to secure their catering services for the event. The catering cost is \$4,750.00. He added there is a small increase over last year, due to adding a food item along with increase in food costs. We are anticipating additional sponsorship to cover this increase.

Mr. Flamer moved the Board approve the Arizona Culinary Institute Holiday Menu Contract in the amount of \$4,750.00. Seconded by Mr. Schoenfeld. *The motion passed unanimously.*

Reserve Expenditures

DAP Hand Held Computer

Mr. Paprocki stated he is requesting approval to purchase the DAP hand held access control computer at Main Gate. He further stated both of the units are originals, approximately six years old and are in need of replacement. Currently, we have a loaner as both units were sent for refurbishment and one unit was unable to be refurbished. The total cost of the new unit is \$3,863.69.

Mr. Paprocki responded to questions from the Board members' regarding the DAP hand held computer.

Mr. Flamer moved the Board approve the purchase of the DAP hand held access control computer in the amount of \$3,863.69. Seconded by Mr. Schoenfeld. *The motion passed unanimously.*

Gate Operators

Mr. Paprocki stated eight gate operators that are original equipment need to be replaced at both East and Retreat gates. The two heaviest used access locations where gates are kept in closed position. All operators have reached useful life. Replacement was accounted for in the Reserve Study. Replacement of operators will ensure greater gate reliability. Safeguard will install the units for no charge. The Maintenance agreement term is for three years, with no cost increase. Total cost including tax is \$21,523.00.

Mr. Flamer moved the Board approve the purchase of eight gate operators for the East and Retreat gates for a Total cost including tax is \$21,523.00. Seconded by Mr. Schoenfeld. *The motion passed unanimously.*

Scottsdale Police Department Halloween Contract

Mr. Paprocki requested approval of the Scottsdale Police Department Special Events units to be on site at Stonegate patrolling on Halloween as in past years for Community safety.

Dr. Levitt moved the Board approve the Scottsdale Police Department Halloween Contract. Seconded by Mr. Flamer. *The motion passed unanimously.*

COMMITTEE REPORTS

President Condon noted the Committee reports were included in the Board packet for Board members review and comment. Brief discussion was held regarding the committee reports.

ADJOURNMENT

Mr. Katz moved the Board adjourn at 6:55 p.m. Seconded by Dr. Levitt.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
OCTOBER 25, 2012**

APPROVED MINUTES

PRESENT: Lori Condon, President
Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Gary Friedman, Director
Nancy Ford, Director
Don Levitt, Director

STAFF: Larry Paprocki, Director
Robin Hackett, AV

CALL TO ORDER

President Condon called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

President Condon advised homeowners are permitted to speak for up to three minutes on each topic being considered, as the meeting progresses.

George Leon stated that he and his wife live in Heritage Court. He stated that the Association has replaced the lights with LEDs and he has observed that there is less lighting.

Mr. Paprocki explained the reason why it appears there is less lighting is due to the shorts in some of the electrical boxes that are in the process of being fixed.

PRESIDENT'S REPORT

President Condon reported that the Stonegate Community Association Community Center will be a polling place for the general election. She encouraged the residents to come out and vote.

MINUTES

September 27, 2012 Board Meeting

Mr. Flamer moved that the Board approve the September 27, 2012 Board of Directors meeting minutes as presented. Seconded by Mr. Schoenfeld.

Mr. Katz reviewed his corrections to the minutes.

Mr. Flamer retracted his motion and moved that the Board approve the September 27, 2012 Board of Directors meeting minutes as amended. Seconded by Mr. Schoenfeld. *The motion passed unanimously.*

TREASURER'S REPORT

September 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending September 30, 2012. He responded to questions and comments from the Board members regarding the financials.

Paprocki provided an update on the delinquent accounts.

Mr. Flamer moved the Board accept the Treasurers Report. Seconded by Mr. Katz. *The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Media Events

Mr. Paprocki reported three media event days were held to assist Stonegate Homeowners in their selection process. Representatives from Cox, Century Link and Direct TV were requested to attend. Community e-mails were sent promoting the different days. Recent e-mails included contact names and telephone numbers. He further reported the ad hoc committee and he are not recommending any additional days at this time and feel the contact names and telephone numbers are the best way to proceed. He stated additional community e-mails will be sent during remainder of this year reminding homeowners that effective December 31, 2012 the bulk use agreement with Cox Communication expires and is not being renewed.

Mr. Paprocki stated that Cox is putting together a different package and offering better deals to the residents than was originally presented. Discussion ensued regarding the Board members experiences dealing with the various cable companies.

Completed Projects

Mr. Paprocki reported the turf transition and over-seeding is completed. He further reported the landscape enhancement in front of the Community Center is completed. He added this project will result in water savings.

Halloween Night

Mr. Paprocki reported all preparations have been made with Scottsdale Police Department and Safeguard. The contract has been signed for Scottsdale to provide three officers in two units to patrol through Stonegate to control Halloween activities.

PMIS Roadway Report

Mr. Paprocki reported the PMIS Roadway Report has been submitted. He further reported that he would provide copies to those who wanted to read it. He stated that Bob Forsythe has been contacted to evaluate Stonegate Circle, Regent and the Reserve. He further reported that he will be meeting with him next week for a second opinion on roadway conditions.

In response to a question from President Condon, Mr. Flamer explained the reason behind having Bob Forsythe provide an independent second option. He further explained his opinion will validate the work being proposed and ensure we are using the right products and technology.

Upcoming Events

Mr. Paprocki reported the Holiday Gift Fair will be held Saturday, November 3rd. The Stonegate Community Association Adult Holiday Party will be held December 13 from 5:30 – 8:00 p.m. The Children's Holiday Party will be held December 15 from 11:00 a.m. to 1:00 p.m. The City of Scottsdale is doing a Walking Sticks program based on safety and getting people mobile.

Mr. Paprocki reported the November's Board meeting will be held Thursday, November 15, 2012 at 6:00 p.m.

BOARD ACTIONS

Mr. Paprocki reported he is requesting Board approval of the 2013 Operating Assessment amount of \$149.00 as recommended by the Finance Committee. Discussion was held. The Reserve assessment is not yet determined based on the need to have sufficient funds to cover the anticipated roadway work.

Dr. Levitt moved the Board approve the 2013 Operating Assessment amount of \$149.00. Second by Mr. Katz. *The motion passed unanimously.* The Reserve assessment still to be determined and submitted to the Board for approval.

Mr. Paprocki reported he is recommending acceptance of the PMIS Roadway Report.

Mr. Schoenfeld moved the Board accept the PMIS Roadway Report. Seconded by Mr. Flamer. The motion passed by a vote of 6 to 0 with Mr. Katz abstaining.

COMMITTEE REPORTS

President Condon noted the Committee reports were included in the Board packet for Board members review and comment. Brief discussion was held regarding the committee reports.

Mr. Paprocki reported the Nomination and Elections Committee requires five to seven members and there are five that will be able to meet the work schedule and timing issues.

Dr. Levitt moved to approve the Nomination and Elections Committee member list. Seconded by Mr. Flamer. *The motion passed unanimously.*

Mr. Flamer provided an overview of the recommendations of the Roadway Ad Hoc Committee. He reviewed the scope of the roadway project. He responded to questions and comments from the Board members regarding this project.

ADJOURNMENT

Dr. Levitt moved the Board adjourn at 7:45 p.m. Seconded by Mr. Katz.

**STONEGATE COMMUNITY ASSOCIATION
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA
BOARD OF DIRECTORS MEETING
NOVEMBER 15, 2012**

APPROVED MINUTES

PRESENT: Lori Condon, President
Ed Katz, Vice President
Doug Schoenfeld, Treasurer
Mike Flamer, Secretary
Gary Friedman, Director
Nancy Ford, Director

ABSENT: Don Levitt, Director

STAFF: Larry Paprocki, Director
Robin Hackett, AV

CALL TO ORDER

President Condon called the meeting of the Stonegate Community Association Board of Directors to order at 6:00 p.m., noting the presence of a quorum.

RESIDENTS' FORUM

President Condon advised homeowners are permitted to speak for up to three minutes on each topic being considered, as the meeting progresses. They may participate only until the motion is made.

MINUTES

October 25, 2012 Board Meeting

Mr. Flamer moved that the Board approve the October 25, 2012 Board of Directors meeting minutes as presented. Seconded by Mr. Katz.

Mr. Katz reviewed his correction to the minutes.

Mr. Flamer retracted his motion and moved that the Board approve the October 25, 2012 Board of Directors meeting minutes as amended. Seconded by Mr. Friedman. *The motion passed unanimously.*

Mr. Katz moved the Board approve the October 25, 2012 Board of Directors Executive Session meeting minutes as presented. Seconded by Ms. Ford. *The motion passed unanimously.*

TREASURER'S REPORT

October 2012 Financials

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending October 31, 2012. He responded to questions and comments from the Board members regarding the financials.

Paprocki provided an update on the delinquent accounts.

Mr. Flamer moved the Board accept the Treasurers Report. Seconded by Mr. Katz. *The motion passed unanimously.*

EXECUTIVE DIRECTOR'S REPORT

Mr. Paprocki reported on the web streaming opportunities that will be available soon.

Mr. Paprocki stated that turf conversion is going well and there are only a few homeowners who have not over seeded and they have been notified of the requirement.

Mr. Paprocki advised that the Association rents a tent for certain events. It was determined it would be more cost effective to purchase a tent and get more expanded use out of the Community Center at certain functions.

Mr. Paprocki reported the Stonegate Community Association Adult Holiday Party will be held December 13 from 5:30 – 8:00 p.m. The Children's Holiday Party will be held December 15 from 11:00 a.m. to 1:00 p.m. (Note: Time has been changed to 10:30am-12:30pm)

Mr. Paprocki provided information on the proposed three-year Safeguard Contract that is being reviewed by the various committees and will require Board Action.

Mr. Paprocki stated that Bob Forsythe was been contacted to evaluate Stonegate Circle, Regent and the Reserve. He further reported that Mr. Forsythe will be submitting a written report. He added that Mr. Forsythe would be willing to come to a Board or committee meeting to explain his conclusions.

Mr. Paprocki provided information on the impacts of the property transfer fee to the reserve assessment. He responded to questions and comments from the Board members regarding this issue.

BOARD ACTIONS

2013 Reserve Assessment

Mr. Paprocki reported the Finance Committee and Executive Director recommend a \$4.00 Reserve increase for 2013, for a total monthly Reserve amount of \$16.00.

2013 Approved Operating Assessment	\$149.00
Proposed Reserve Amount	\$ 16.00

2013 Monthly Assessment	\$165.00
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It was noted that there is a \$25.00 reduction from 2012 Assessment due to not renewing Cox Bulk Use Agreement.

Mr. Schoenfeld moved the Board approve a \$4.00 Reserve increase for 2013, for a total monthly Reserve amount of \$16.00. Seconded by Mr. Flamer. *The motion passed unanimously.*

2012 Audit Proposal

Mr. Paprocki stated that he is recommending acceptance of Butler Hansen proposal to perform the 2012, 2013, 2014 audit. The cost is \$9,000 which is no change from the 2011 audit cost.

Mr. Flamer moved that the Board approve the Butler Hansen proposal to perform the 2012, 2013, 2014 audit at a cost of \$9,000. Seconded by Mr. Katz. *The motion passed unanimously.*

Attorney Collection Action

Mr. Paprocki stated he is requesting that the discussion regarding the recommendation to utilize services of Shaw & Lines for homeowner collection action be moved to executive session.

COMMITTEE REPORTS

President Condon noted the Committee reports were included in the Board packet for Board members review and comment. Brief discussion was held regarding the committee reports.

ADJOURNMENT

Mr. Flamer moved the Board adjourn at 6:50 p.m. Seconded by Mr. Katz. The Board moved to an Executive Session at the request of the Executive Director, regarding possible insurance claim.