

**STONEGATE COMMUNITY ASSOCIATION  
2013 ANNUAL HOMEOWNERS MEETING  
STONEGATE COMMUNITY CENTER  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
MARCH 21, 2013**

**APPROVED MINUTES**

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

**STAFF:** Larry Paprocki, Director  
Dolly Singh Heeralall, Office Manager  
Deena Goldstein, Communications Services  
Robin Hackett, AV

**ALSO PRESENT**

Stonegate homeowners

**WELCOME & INTRODUCTION**

President Condon called the 2013 Annual Homeowners Meeting to order and thanked the homeowners for their attendance at the meeting. She introduced the Board Members.

President Condon introduced the Community Association Staff.

**QUORUM REQUIRMENT**

The first item of business was verification of the quorum requirement. Mr. Flamer advised that the Quorum Requirement has been fulfilled, as 1/10<sup>th</sup> of the membership is present, or has already voted, which are at least 92 members. As such, this is a proper and duly called meeting.

**APPROVAL OF THE 2012 MINUTES**

Mr. Stuart Goldberg moved to waive the reading of the 2012 minutes, (furnished to all in attendance) and called for approval as presented. Seconded by Mr. Jean-Claude Moreau. The motion passed unanimously.

**PRESIDENT'S REPORT**

President Condon advised the homeowners that a written President's Report is included in the Annual Meeting packet which they can read at their leisure. She also introduced a movie montage detailing Stonegate's past year of and events and activities.

The homeowners watched the video recap.

### **TREASURER'S REPORT**

Mr. Tom Schaefer stated that the Annual Report is on the Stonegate website for viewing. He provided a brief review of the expenditures and income. He further stated that Stonegate remains in a strong financial position. He advised that there is an operating surplus and it is required for the Board to vote on rolling forward surplus, based on Revenue Ruling 70-604. He further advised that the Association relies on surplus to fund operating expenses in future years and by doing so avoid taxation.

Dr. Levitt moved the Board approve rolling forward surplus to following years to satisfy the IRS. Seconded by Mr. Rick Rickard, Regal resident. The motion passed unanimously.

### **SPECIAL REGOCNITION PRESENTATION**

President Condon acknowledged the efforts of the retiring Board member Mike Flamer, Board member Gary Friedman and Board Treasurer Doug Schoenfeld. President Condon presented the retiring Board members with a recognition award for their service.

President Condon stated that each year the Association recognizes very special people for their contributions to the community and to thank them for all the time they have volunteered. She announced that Tom Schaefer has been selected as the Community Volunteer of the Year.

### **NOMINATION & CASTING OF BALLOTS**

Mr. Flamer introduced the 2013 Board Candidates:

Nancy Ford  
Ed Katz  
Leroy Rhein, MD  
Lee Secrest

President Condon introduced the Nomination and Election Committee as follows:

Jean-Claude Moreau, Chair  
Andrew Ventura  
Cynthia Marcus  
Steve Lipps  
Cary Weissman

## **ELECTION RESULTS & CERTIFICATION**

Mr. Flamer announced the election results of the Board of Directors election and provided certification form for 2013/2014.

Nancy Ford  
Ed Katz  
Leroy Rhein, MD  
Lee Secrest

## **OPEN DISCUSSION/ADJOURNMENT**

President Condon inquired if any residents would like to address the Board, asking them to state their name and subdivision for the record. No questions were raised.

Therefore, President Condon thanked everyone for their attendance at the 2013 Annual Homeowners Meeting.

Being duly moved and seconded, the Stonegate Community Association Annual Meeting was adjourned at 7:20 p.m.

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
JANUARY 24, 2013**

**APPROVED MINUTES**

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

**ABSENT:** Lori Condon, President  
Don Levitt, 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 6:00 p.m., noting the presence of a quorum.

**RESIDENTS' FORUM**

Vice President Katz 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**

**December 20, 2012 Board Meeting**

Mr. Flamer moved that the Board approve the December 20, 2012 Board of Directors meeting minutes as presented. Seconded by Ms. Ford.

Vice President Katz reviewed his corrections to the minutes.

Mr. Flamer amended his motion and moved that the Board approve the December 20, 2012 Board of Directors meeting minutes as amended. Seconded by Mr. Friedman. *The motion passed unanimously.*

Mr. Schoenfeld moved the Board approve the December 20, 2012 Board of Directors Executive Session meeting minutes as presented. Seconded by Mr. Flamer. *The motion passed unanimously.*

## **TREASURER'S REPORT**

### **December 2012 Financials**

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

Mr. Paprocki provided an update on the delinquent accounts. He responded to questions and comments from the Board members regarding several delinquent accounts.

Mr. Schoenfeld discussed the Summary of Significant Variance and advised that the most significant variance is the water.

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

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki provided an update on the 2012 Audit. He reported the auditors completed their fieldwork in two days. He further reported that a meeting is scheduled on Tuesday, February 19th, Treasurer Doug Schoenfeld, Finance Committee member, Tom Schaefer and I will meet with Gregg Butler to review the report. On Thursday, February 21<sup>st</sup> at 5:00 p.m. there will be a joint meeting between the Board and Finance Committee where Mr. Butler will present to the Board the Audit Report and answer any questions. After the joint meeting is concluded, the Finance Committee will meet.

Mr. Paprocki stated the Annual Report will be posted by March 1st. He further stated that five applications were received and one was withdrawn, leaving four applicants for the four open positions. He advised that the Nomination and Elections Committee is recommending all applicants as Board Candidates. Each candidate is being provided a three-minute recording on his or her interest for serving. Each recording will be posted on the Stonegate Website before the end of the month.

Mr. Paprocki reported the 2013 Annual Meeting is scheduled for Thursday, March 21<sup>st</sup> at 7:00 p.m.

Mr. Paprocki reported a Tamarack resident, #10A35 continues to park in guest parking for prolonged periods of time after repeated notices. The homeowner has not responded to the notices. He further reported that the Stonegate Community Association has also received complaints from residents. He stated that he is recommending a violation be cited and a fine issued. Follow up enforcement will be taken per the approved Board policy. He further stated that the resident is also delinquent in their assessments. A discussion ensued regarding how to best handle this situation.

Mr. Flamer moved that the Board find this homeowner in violation of the CC&Rs and a fine be issued as established in our policy. Seconded by Mr. Friedman. *The motion passed unanimously.*

Mr. Paprocki reported the 2013 Financial input and worksheets have been completed.

Mr. Paprocki advised the Board packet included the CAI Law Reporter and news article regarding smart phones recording. Presently, no rules or procedures exist. He further advised that there is not a need for the Board to create a policy as it relates to this issue because everything the Board does is recorded and available.

## **BOARD ACTIONS**

### **PMIS Project Management Stonegate Circle**

Mr. Paprocki stated based on the PMIS Roadway Report and the second opinion of Bob Forsythe, it has been determined that improvements need to be made to the roadway in Stonegate Circle. He reviewed the scope and cost of the project.

Mr. Paprocki stated that he supports approval of this project now as coordination and scheduling needs to take place so work can begin in the month of June, prior to the start of Monsoon season.

In response to a question from Ms. Ford, Mr. Flamer provided information on Tom McDonald's background.

In response to a question from Ms. Ford, Mr. Paprocki provided information on the bid process.

Mr. Schoenfeld expressed his concern regarding terms and conditions of the proposal that states: "Line items 9, 10 11 and 12 shall be performed on a one time basis. Any further walk thoughts and generation of additional punch lists will be invoiced on an hourly basis." He stated that he felt if the Association hires someone to oversee this project from start to finish it should be completed for the quoted price.

Mr. Flamer stated that Tom McDonald over the years has worked on several projects for the Association and has done a terrific job and has gone back until the work was done

and provided another punch list and never asked for more money. He further stated that this is a legitimate concern and they could request Mr. McDonald provide clarification.

Mr. Flamer moved the Board approve the PMIS Project Management proposal for Stonegate Circle. Seconded by Mr. Freedman. *The motion passed unanimously.*

Mr. Flamer stated that now there is Board approval, he would request that the Executive Director go back and gets clarification regarding what was discussed and see if Mr. McDonald will consider changing the language given that the Association has never had a project of this magnitude.

## **ADJOURNMENT**

Ms. Ford moved the Board adjourn at 7:05 p.m. Seconded by Mr. Schoenfeld. *The motion passed unanimously.*

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
FEBRUARY 28, 2013**

**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. They may participate only until the motion is made.

**MINUTES**

**January 24, 2013 Board Meeting**

Mr. Flamer moved that the Board approve the January 24, 2013 Board of Directors meeting minutes as presented. Seconded by Mr. Friedman.

Ms. Ford and Vice President Katz reviewed their corrections to the minutes.

Mr. Flamer amended his motion and moved that the Board approve the January 24, 2013 Board of Directors meeting minutes as amended. Seconded by Mr. Friedman. *The motion passed unanimously.*

## **February 21, 2013 Joint Meeting (Board of Directors & Finance Committee)**

Vice President Katz moved that the Board approve the February 21, 2013 Joint meeting of the Board of Directors & Finance Committee minutes as presented. Seconded by Ms. Ford. *The motion passed unanimously.*

### **TREASURER'S REPORT**

#### **2012 Audit**

Mr. Schoenfeld stated the Board and Finance Committee all reviewed the 2012 Audit report at the joint meeting last week. He further stated Stonegate is financially strong. He added there is one error in the Audit Report that will be corrected.

Mr. Schoenfeld reported the Finance Committee did not review the Association financial statements for January 2013, but will combine and review January and February and present their findings at the March Board meeting.

#### **2013 General Reserve Budget**

Mr. Schoenfeld discussed the 2013 General Reserve Expense Report. This report excludes roadways. He responded to questions and comments from the Board members regarding the General Reserve Budget.

In response to questions from Board members, Mr. Paprocki provided information on the difference between the black and red numbers in the report. It was suggested future reports have only one color.

Dr. Levitt moved the Board accept the 2013 General Reserve Expenses Report. Seconded by Mr. Flamer. *The motion passed unanimously.*

### **EXECUTIVE DIRECTOR'S REPORT**

#### **2012 Annual Report**

Mr. Paprocki stated the Annual Report will be posted the first week of March.

#### **Master Mailing – Election Annual Meeting**

Mr. Paprocki reported the master mailing for the Annual Meeting has been sent out. He further reported that the postage has been reduced due to more information being posted to the web.

## **Collections/Enforcement**

Mr. Paprocki provided an update on the enforcement actions and collection efforts that have occurred on delinquent accounts. He responded to questions and comments from the Board members regarding the enforcement and collection efforts.

Mr. Paprocki reported there have been two break-ins at residents' homes in the Regal. Scottsdale Police Department is investigating a series of break-ins from 104<sup>th</sup> street to Paradise Heights.

## **BOARD ACTIONS**

### **Committee New Member Appointments**

Mr. Flamer moved the Board appoint:

Arnie Siegel to Architectural Committee  
Stuart Goldberg to Finance Committee

Seconded by Mr. Friedman. *The motion passed unanimously.*

### **Kawasaki Mule Acquisition**

Mr. Paprocki stated the action requested is to replace non-working EZ-Go, which was scheduled to be replaced in 2013.

Mr. Flamer moved to approve the Kawasaki Mule at a cost of \$9,593.98. Seconded by Ms. Ford. *The motion passed unanimously.*

### **Palm Tree Trimming & Fertilization**

Mr. Paprocki reported the action requested is for palm tree trimming and fertilization. The contractor selected is Great Designer Landscape, which has provided this service for the past five years. He further reported we are very happy with their work.

Mr. Flamer moved the Board accept the request for palm tree trimming and fertilization contract in the amount of \$18,156.00. Seconded by Mr. Katz. *The motion passed unanimously.*

### **Kool Deck Restoration**

Mr. Paprocki stated the request is for Board approval to refurbish spa and pool Kool deck and refresh color, and add non-slip to the flagstone area.

Mr. Katz moved the Board approve the request for Kool deck restoration at a cost of \$4,600.00. Seconded by Mr. Flamer. *The motion passed unanimously.*

### **Autopilot Cells**

Mr. Paprocki stated the request is for the Board to approve AZ Pool Supplies, Inc. bid to replace the Autopilot manifold cells.

Mr. Flamer moved to approve the AZ Pool Supplies, Inc. bid to replace the Autopilot manifold cells at a total cost of \$6,093.57. Seconded by Mr. Katz. *The motion passed unanimously.*

### **Premier Weed Control Pre-Emergent Treatment**

Mr. Paprocki stated the request is for the Board to approve the premier weed control pre-emergent treatment. The Contract amount is \$8,090.00. He further stated this company has done our service for the past four years with no problems.

Mr. Katz moved the Board approve the premier weed control pre-emergent treatment contract. Seconded by Mr. Friedman. *The motion passed unanimously.*

## **EXECUTIVE DIRECTOR'S REPORT**

### **Roadway RFP Contract**

Mr. Paprocki reported that Tom McDonald has agreed to amend the contract to reflect the Board's concerns that were discussed at the January meeting.

Mr. Paprocki provided information on the differences between speed humps and speed tables relating to dimensions and cost. He reported that it was determined speed tables would be the best way to address speed management. The roadway committee would look at the areas where speed tables would be needed and the physical property committee would determine the exact placement.

Ms. Ford stated it is important to communicate to the residents that if you are driving the speed limit you would not feel any discomfort from the speed table.

## **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. Katz stated that Deena should be complimented on the great job she did organizing the health fair.

## **ADJOURNMENT**

Mr. Flamer moved the Board adjourn at 7:25 p.m. Seconded by Mr. Katz. *The motion passed unanimously.*

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
MARCH 21, 2013**

**APPROVED MINUTES**

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

**STAFF:** Larry Paprocki, Director

**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**

**February 21, 2013 Joint Meeting (Board of Directors & Finance Committee)**

Mr. Friedman moved the Board approve the February 21, 2013 Joint meeting of the Board of Directors & Finance Committee minutes as presented. Seconded by Mr. Katz. *The motion passed unanimously.*

**February 28, 2013 Board Meeting**

Mr. Flamer moved that the Board approve the February 28, 2013 Board of Directors meeting minutes as presented. Seconded by Ms. Ford.

Mr. Katz reviewed his corrections to the minutes.

Mr. Flamer amended his motion and moved that the Board approve the February 28, 2013 Board of Directors meeting minutes as amended. Seconded by Ms. Ford. *The motion passed unanimously.*

## **TREASURER'S REPORT**

### **January/February Financials**

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending February 28, 2013. She responded to questions and comments from the Board members regarding the financials.

Ms. Ford reported that the Mutual of Omaha CD has matured and those funds will be needed in the next 90 to 120 days for the roadways, so the Finance Committee discussed whether those funds should be put in a 60 or 90 day CD or put into a money market account. The Board discussed the options.

Dr. Levitt moved the Board approve the request to put \$100,000.00 in a 60 day CD. Seconded by Mr. Flamer. *The motion passed unanimously.*

Mr. Paprocki provided an update on the delinquent accounts. He responded to questions and comments from the Board members regarding the delinquent accounts.

Ms. Ford discussed the sale of former Treasurer, Doug Schoenfeld's home and recommended Tom Schaefer present the Treasurer's Report at the Annual Meeting.

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

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki stated that the newly elected Board can either elect the officers directly after the annual meeting or schedule another meeting. He further stated that he would recommend the Board hold a meeting on March 28<sup>th</sup> to elect the officers.

Mr. Paprocki reported that he will be taking care of filing the tax extension, but an Officer of the Board must sign the tax extension.

Mr. Paprocki advised that the Annual Meeting Minutes, Annual Report and 2013 Annual Meeting script was included in the Board packet. He provided a brief review of the annual meeting script.

Mr. Paprocki reported that there will be a special election to replace Doug Schoenfeld who has resigned from the Board. He further reported next week he will draft a special election letter, which will explain the situation to the residents. The nominations and elections committee will proceed with seeking his replacement.

Mr. Paprocki provided an update on the pool Kool decking restoration project.

## **BOARD ACTIONS**

### **Spring Fling Bouncy Rental Contract Spring Fling Party Tables/Tents Contract**

Mr. Paprocki stated the Spring Fling will be held on April 28, 2013 and he is getting great response from sponsors. The actions requested are to hire Bouncy Things to provide inflatable bouncy rides for use at the Spring Fling at a cost of \$2,184.91 and Party People to provide tables, chairs and umbrellas at a cost of \$1,315.47.

Mr. Katz moved the Board approve the request to hire Bouncy Things to provide inflatable bouncy rides for use at the Spring Fling at a cost of \$2,184.91 and Party People to provide tables, chairs and umbrellas at a cost of \$1,315.47. Seconded by Dr. Levitt. *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**

Dr. Levitz moved the Board adjourn at 6:47 p.m. Seconded by Mr. Katz. *The motion passed unanimously.*

**STONEGATE COMMUNITY ASSOCIATION**  
**11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA**  
**Special Board Meeting/Study Session**  
**April 16, 2013**

**APPROVED MINUTES**

**PRESENT:** Ed Katz, President  
Nancy Ford, Treasurer  
Lee Secrest, Secretary  
Leroy Rhein, Director  
Don Levitt, Director

**STAFF:** Larry Paprocki, Executive Director

**OTHER:** Tom McDonald, PMIS  
Pat McDonald, PMIS

**CALL TO ORDER**

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

Tom McDonald presented the five bids prepared for the roadway reconstruction of Stonegate Circle and Palomino Drive. The bids indicated that Pinnacle Paving was the low bidder at \$424,686.95.

The qualifications of Pinnacle Paving were discussed and found to be highly acceptable by the Physical Property Committee, Roadway Committee and Executive Director, Larry Paprocki.

Mr. Paprocki presented the budget for the 2013 roadway reserve and indicated what other work would be done in addition to the Pinnacle contact. The total roadway expense for 2013 is budgeted at \$445,322.00.

The Board directed the bids to be reviewed by the Finance Committee prior to a Board vote to award the contact to Pinnacle Paving. Should the Finance Committee not have any additional comments for the Board to consider, the Board vote will be held by written consent on Friday, April 19, 2013.

Work is scheduled to commence on May 28, 2013 and completion is scheduled for June 15, 2013. The contractor will work a 6-day week from 6:00 am to 6:00 pm. A one-way traffic pattern will be instituted throughout the three-week work period and homeowners will be advised to re-schedule home services/improvement to minimize vendor traffic during the contract period. Appropriate dust controls as specified by the State and local government agencies will be implemented and all permits will be obtained by the contractor.

#### **ADJOURNMENT**

The meeting was adjourned by President Katz at 5:50 pm.

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
APRIL 25, 2013**

**APPROVED MINUTES**

**PRESENT:** Edward Katz, President  
Lori Condon, Vice President  
Nancy Ford, Treasurer  
Lee Secrest, Secretary  
Don Levitt, Director  
Leroy Rhein, Director

**STAFF:** Larry Paprocki, Director  
Robin Hackett, AV

**CALL TO ORDER**

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

**PRESIDENT'S REPORT**

President Katz reported a Roadway Study Session was held on April 16<sup>th</sup> and the Board indicated their affirmation of the expenses going forward and directed the Finance Committee to review the bids prior to awarding the contract. The Board members signed a written Consent in Lieu of a Meeting form so the project will move forward.

President Katz inquired if the Board members wanted to consider changing the meeting time to 5:00 p.m. for the summer months. Discussion ensued and it was determined that the meeting time would remain 6:00 p.m.

President Katz reported that an Executive Session would be held directly after this meeting.

**MINUTES**

**March 21, 2013 Board Meeting**

Dr. Levitt moved the Board approve the March 21, 2013, Board of Directors meeting minutes as presented. Seconded by Dr. Rhein. *The motion passed unanimously.*

### **March 21, 2013 Annual Meeting**

Dr. Levitt moved the Board approve the March 21, 2013, Annual Meeting minutes as presented. Seconded by Ms. Ford. *The motion passed unanimously.*

### **March 28, 2013 Board Meeting**

Ms. Condon moved the Board approve the March 28, 2013, Board of Directors meeting minutes as presented. Seconded by Dr. Rhein. *The motion passed unanimously.*

### **April 16, 2013 Roadway Study Session**

Dr. Levitt moved the Board approve the April 16, 2013, Roadway Study Session meeting minutes as presented. Seconded by Dr. Rhein.

Ms. Ford stated her amendment to the April 16, 2013 meeting minutes.

Dr. Levitt moved the Board approve the April 16, 2013, Roadway Study Session meeting minutes as amended. Seconded by Dr. Rhein. *The motion passed unanimously.*

## **TREASURER'S REPORT**

### **March Financials**

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending March 31, 2013. She responded to questions and comments from the Board members regarding the financials.

Ms. Ford stated at the last meeting, the Board discussed the Mutual of Omaha CD that matured and it was determined that those funds would be rolled over into a 60 Day CD but they found out that the FDIC insurance changed and this amount would not be covered, so the money was left in the checking account. She further stated that those funds will be paid out for the roadways next month. Discussion ensued regarding the possible options and the importance of keeping the money safe.

Mr. Paprocki provided an update on the delinquent accounts. He responded to questions and comments from the Board members regarding the delinquent accounts.

Mr. Paprocki reported that a delinquent homeowner has indicated that he wants to bring the account current by May 1, 2013, and has made arrangements with a European bank to transfer the funds to a Wells Fargo account. He further reported that he is suggesting, after consultation with legal counsel, to proceed with foreclosure of this property if the funds are not received by May 1<sup>st</sup>. He advised that the SCA is in second position. He discussed the advantages and reasons for proceeding with foreclosure. He responded to questions and comments from the Board regarding this situation.

Ms. Condon moved that the Board authorize Mr. Paprocki to proceed with the foreclosure after May 3<sup>rd</sup>, if the homeowner has not brought the account current. Seconded by Dr. Rhein.

In response to a question from Mr. Secrest, Mr. Paprocki advised that legal counsel is comfortable with the Association proceeding with the foreclosure.

President Katz called for the vote. The motion passed unanimously.

Mr. Secrest moved the Board accept the Treasurers Report. Seconded by Dr. Rhein. The motion passed unanimously.

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki provided an update on the roadway project traffic control plan and the work that will be done. He reported that appropriate dust controls as specified by the state and local government agencies will be implemented and all permits will be obtained by the contractor.

Mr. Paprocki provided an update on the work that will be completed by Crown Castle during the roadway project to ensure the cable is at the proper depth. He further reported that Crown Castle is willing to extend the work beyond the original scope of work.

Mr. Paprocki provided information regarding how the residents will be notified of the roadway work.

Mr. Paprocki provided an update on the special election to replace Doug Schoenfeld. He reported that there are four applicants and they will have the election result by the end of May.

Mr. Paprocki reported on the actions taken against the late working vendor landscaping crew.

### **COMMITTEE REPORTS**

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

Mr. Paprocki advised that Mike Flamer, Chair of the Roadway Committee, requested that the Board dissolves the Ad Hoc Committee and members can then join the Physical Property Committee as its task has been completed on the recommendation and work performed on Roadways.

Mr. Secrest moved the Board dissolves the Ad Hoc Committee and members can then join the Physical Property Committee. Seconded by Dr. Rhein. The motion passed unanimously.

## **ADJOURNMENT**

Ms. Condon moved the Board adjourn at 7:25 p.m. Seconded by Dr. Rhein. *The motion passed unanimously.*

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
JUNE 27, 2013**

**APPROVED MINUTES**

**PRESENT:** Edward Katz, President  
Lori Condon, Vice President  
Nancy Ford, Treasurer  
Lee Secrest, Secretary  
David Allen, Director  
Don Levitt, Director  
Leroy Rhein, Director

**STAFF:** Larry Paprocki, Director  
Robin Hackett, AV

**CALL TO ORDER**

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

**RESIDENT'S FORUM**

Dale VanDeVrede, Tamarack, stated that the Board was provided with a list of suggested improvements.

President Katz advised that two residents were at the last Board meeting and Mr. Paprocki has addressed the issues. Mr. VanDeVrede stated that the most annoying issues are the kids running amuck.

Mr. Paprocki provided an update regarding how the residents' issues have been addressed. He reported that Southwest Gas was contacted and checked the gas line flow. It was determined the flame was extremely low; therefore, all the parts were replaced and a larger nozzle was installed. Temperatures are now reaching 500 plus degrees.

Mr. Paprocki provided an update on what has been done to fix recreational area gates. New heavy-duty hinges were installed.

Mr. Paprocki advised that the replacements for the chaise lounges were ordered in May and we are waiting for shipment,

Mr. Paprocki reported that maintenance is cleaning the pool tiles on a weekly basis and the pool is vacuumed on an as needed basis, but a minimum of once per week.

Mr. Paprocki provided information on the monitor schedule.

In response to questions from Mr. VanDeVrede, Mr. Paprocki advised that the tables in the ramadas are wiped down three times a week.

In response to a question from Mr. Secrest, Mr. Paprocki reviewed the current policy regarding ramada deposits. Discussion was held regarding the suggestion of increasing a refundable deposit for ramada reservations to \$250.00 as incentive for residents to cleanup after themselves. The consensus was not to increase the fee and penalize everyone for small group's actions.

Mr. VanDeVrede suggested that there be recycling cans in the pool/ramada area. President Katz stated that Board will consider his suggestion.

## **MINUTES**

### **May 30, 2013 Board Meeting**

President Katz requested a correction to the minutes on page 3, fourth paragraph, the word **on** should be changed to **of**.

Dr. Levitt moved the Board approve the May 30, 2013, Board of Directors meeting minutes as amended. Seconded by Dr. Rhein. *The motion passed unanimously.*

### **June 20, 2013 Joint Finance Committee and Board Meeting**

Ms. Ford reviewed her corrections to the minutes.

Dr. Rhein moved the Board approve the June 20, 2013, Joint Finance Committee and Board of Directors meeting minutes as amended. Seconded by Dr. Levitt. *The motion passed unanimously.*

## **TREASURER'S REPORT**

### **May Financials**

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending May 31, 2013. She responded to questions and comments from the Board members regarding the financials.

Mr. Paprocki provided an update on the delinquent accounts. He responded to questions and comments from the Board members regarding the delinquent accounts.

Mr. Secrest moved the Board accept the Treasurer's Report. Seconded by Dr. Levitt. The motion passed unanimously.

## **EXECUTIVE DIRECTOR'S REPORT**

### **2013 Road Reconstruction Recap**

Mr. Paprocki stated included in the Board packet is a draft of the community email that he would like to send out to the community and post to the website. He explained there have been a number of questions regarding why the roadway project is necessary. He further stated that many of the residents were unaware of this project even though we have been working on it for years. He advised that he wrote this letter to promote the Association's position. The majority of comments received from the homeowners has been positive.

Ms. Ford stated that an explanation of the process would be valuable to the residents. Ms. Condon stated that it should be noted that this project is being done without special assessments.

Mr. Paprocki stated to thank the maintenance personnel for their assistance on this project there will be a BBQ on Friday afternoon.

### **Board Actions – Vehicle Acquisition**

Mr. Paprocki requested to replace an existing vehicle with a 2013 Toyota Tacoma pick-up truck. He further stated this is a planned reserve expense of \$20,000. The total cost of the vehicle for license and documentation is \$21,999.16. This number will be reduced when the current vehicle is sold. The actual dollar adjustment will be determined based on the sale of the truck. This has been reviewed and recommended by the Finance Committee.

Dr. Levitt moved the Board approve the vehicle acquisition of a 2013 Toyota Tacoma pick-up at a total cost of \$21, 999.16. Seconded by Dr. Rhein. *The motion passed unanimously.*

### **Computer Replacement, Camera Order, Dodge Dakota and July Meeting**

Mr. Paprocki reported that an accounting office computer failed and was replaced.

Mr. Paprocki reported that Safeguard has ordered the new cameras.

Mr. Paprocki stated there is opportunity to acquire a 2011 Dodge Dakota that is in good shape at an excellent price to replace the 2001 F150. He further stated that he is requesting Board authorization to negotiate on behalf of the Association and then come back to the Board for approval. Discussion ensued regarding this request. It was noted that this truck is used and would not include a warranty. Dr. Levitt stated he felt when the Association needs equipment it should be purchased new with a warranty.

President Katz moved for Board authorization to pursue replacing the 2001 F150 with the 2011 Dodge Dakota. Seconded by Ms. Condon. *The motion failed by a vote of 2 (two) to four (4) with Ms. Ford, Dr. Rhein, Mr. Allen, and Mr. Secrest dissenting.*

Mr. Paprocki requested that the July Board meeting be changed to July 31<sup>st</sup> or August 1st. Discussion was held. The consensus was to skip the July meeting and the next meeting would be held on August 22, 2013.

Mr. Paprocki reported that he attended a meeting regarding the 2013 legislation changes that impact HOAs. He provided an overview of the proposed changes.

### **COMMITTEE REPORTS**

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

### **DISCUSSION/ NEW BUSINESS**

Ms. Condon expressed her dismay that the community has several different shades of lighting in the common area. Mr. Paprocki advised that some of LED lamps had failed and the new lamps are to be replaced by the contractor, who was notified of the matter.

Mr. Allen inquired if there is a policy regarding the guards at the front gate parking their junky cars by the guardhouse. He stated that he felt they should be parking in the parking lot. Paprocki stated he will instruct gate personnel to park in the Community Center parking lot.

### **ADJOURNMENT**

The meeting adjourns at 7:56 p.m.

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
August 22, 2013**

**APPROVED MINUTES**

**PRESENT:** Edward Katz, President  
Nancy Ford, Treasurer  
Lee Secrest, Secretary  
Don Levitt, Director  
Leroy Rhein, Director

Lori Condon, Vice President (Absent)

**STAFF:** Larry Paprocki, Director  
Robin Hackett, AV

**CALL TO ORDER**

President Katz 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 22, 2013 Board Meeting**

Katz requested a motion that the Board approve the August 22, 2013, Board of Directors meeting minutes as presented. A motion was made and seconded. *The motion passed unanimously.*

**TREASURER'S REPORT**

**July Financials**

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending July 31, 2013. She responded to questions and comments from the Board members regarding the financials. Paprocki updated the Board on accounts receivable and responded to questions. Mr. Secrest moved to accept the Treasurer's report, seconded by Dr. Levitt. *The motion passed unanimously.*

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki provided the committee with an update on the poor pool clarity from August 4 – August 17<sup>th</sup>. Paprocki detailed the methods utilized in order to bring the water back to normal clarity and condition. Additionally, Mr. Paprocki spoke to the committee regarding palm tree maintenance compliance in the community, indicating that 61 homeowners received palm tree non-compliance letters, while several 10-day notices had been sent. Mr. Paprocki requested the Board approve a \$150 fine initially for palm tree non-compliance, and after 30 days, increase the fine amount per our guidelines. If necessary, deactivate access devices in order to gain compliance.

Paprocki updated the committee on the presentation of the 2014 Operating Budget and the 2014 Roadway Expenses and General Reserve Expenses which are to be presented to the Finance Committee at a special meeting in September. Following, a special meeting with the Board of Directors will be scheduled to present and discuss the 2014 Budget and Reserve Expenses, and will then be placed on the Board's agenda in September or October for approval.

### **Board Actions**

#### **Nomination and Elections Committee – New Member Appointment**

The Board approved Nomination and Election Committee member appointment of Carol Dolohanty, Michael Cavanaugh and Eugene Evans. They will join current members Steve Lipps and Cary Weissman, who are serving their second year term. A motion was made to approve the new member appointment, seconded and *passed unanimously*.

#### **Architectural Committee – Turf to Desert Compliance Bond Language**

The Architectural Committee recommended a language change regarding the turf to desert compliance bond. Discussion ensued regarding the necessity of this change. *The motion failed by a vote of 5 to 1.*

#### **Tennis Court Repairs – Crack Repair and Resurfacing**

A motion was made to approve a bid from Sunland Asphalt to perform tennis court crack repair and resurfacing on tennis courts 3, 4 & 5. The cost of this Reserve expense is \$16,905.67. A motion was made by Dr. Levitt to approve the repairs and seconded by Ms. Ford. *The motion passed unanimously.*

#### **Community Center A/C Replacement**

Mr. Paprocki indicated that the Community Center AC unit failed and was replaced by AHR Mechanical. The cost was \$3,714.00. Mr. Paprocki stated that this was a Reserve

expense. A motion was made by Mr. Secrest and was seconded by Dr. Levitt. *The motion passed unanimously.*

### **Community Center Pool – Auto Pilot Chlorinator Control**

Mr. Paprocki explained that the auto pilot control malfunctioned and needed to be replaced. Mr. Paprocki contacted the original manufacturer who assisted in the installation of the product and who currently is making the same product. A replacement unit was provided by Pool Supply World. The cost was \$5,57.99, including tax and shipping. It will take approximately 10-12 working days prior to shipping. A motion was by Mr. Rhein and seconded by Mr. Secrest. *The motion passed unanimously.*

### **COMMITTEE REPORTS**

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

### **ADJOURNMENT**

With no further business, a motion was made by President Katz, who moved the Board to adjourn. The motion was seconded by Dr. Levitt. *The motion passed unanimously.*

**STONEGATE COMMUNITY ASSOCIATION**  
**11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA**  
**Joint Meeting of the**  
**FINANCE COMMITTEE / BOARD OF DIRECTORS**  
**September 19, 2013**

**APPROVED MINUTES**

**BOARD PRESENT:** Edward Katz, President  
Nancy Ford, Treasurer  
Lee Secrest, Secretary  
Don Levitt, Director  
Leroy Rhein, Director  
  
David Allen (Late)

**FINANCE PRESENT:** Cary Weissman  
Chuck Kaufman  
Stuart Goldberg  
Tom Schaefer

**STAFF:** Larry Paprocki, Director  
Joan Chen, Accounting Manager

**CALL TO ORDER**

The meeting was called to order at 5:00 pm.

Board Treasurer, Ford stated that the purpose of the meeting is to present to the Board both the Operating and Reserve budgets. No action was taken at the meeting. The session provided an opportunity for questions and answers.

Discussion was held regarding the Assessment Analysis and recommendation of the Finance Committee was to raise the assessment \$1.00, from \$149.00 to \$150.00. Additionally, the Finance Committee recommended a \$4.00 increase in the Reserve assessment from \$16.00 to \$20.00, which is a 25% increase. This increase was deemed necessary in order to fund future roadway projects and general reserve expenses. The Operating expenses were presented along with an analysis, which was performed regarding the change of dollars and change of percentage.

Questions from the Board were answered by members of the Finance Committee and Mr. Paprocki.

Mr. Paprocki proceeded with the 2014 Reserve budget, starting with the impact of property transfers and the impact they have on assessments.

Mr. Paprocki reviewed the 30-year Income and Expense sheet. Discussion was held, and assumptions that were made were found to be reasonable. Roadway expenses were included in the packet.

Mr. Paprocki will be updating the General Reserve report and based on that update, a new Income and Expense analysis will be performed.

### **ADJOURNMENT**

With no further questions, a motion was made to adjourn. The motion was seconded. *The motion passed unanimously.*

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
SEPTEMBER 26, 2013**

**APPROVED MINUTES**

**PRESENT:** Edward Katz, President  
Lori Condon, Vice President  
Nancy Ford, Treasurer  
Lee Secrest, Secretary  
David Allen, Director  
Don Levitt, Director  
Leroy Rhein, Director

**STAFF:** Larry Paprocki, Director  
Robin Hackett, AV

**CALL TO ORDER**

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

**PRESIDENT'S REPORT**

President Katz reported that it has come to his attention this past week that a former resident is spreading the false rumor that the Board invested \$100,000 and lost it all and the dues would be raised substantially because of it. Residents should contact the Board or the Executive Director with their questions.

President Katz requested that the October and November meeting dates be moved up one week. Mr. Rhein suggested the December meeting date be moved up one week as well.

Dr Levitt moved that the Board change the next three meetings dates as follows: October 17, 2013, November 21, 2013 and December 18, 2013. Seconded by Mr. Rhein. *The motion passed unanimously*

**MINUTES**

**August 22, 2013 Board Meeting**

Dr. Levitt moved the Board approve the August 22, 2013, Board of Directors meeting minutes as presented. Seconded by Mr. Rhein. *The motion passed unanimously.*

## **September 19, 2013 Joint Meeting Finance Committee and Board**

Ms. Condon requested the September 19<sup>th</sup> minutes be amended to reflect that she was present.

President Katz requested the September 19<sup>th</sup> minutes be amended to reflect Ms. Ford as Treasurer of the Board and Chair of the Finance Committee.

Mr. Rhein moved the Board approve the September 19, 2013, Joint Finance Committee and Board of Directors meeting minutes as amended. Seconded by Dr. Levitt. *The motion passed unanimously.*

### **TREASURER'S REPORT**

#### **August Financials**

Ms. Ford reviewed the Association financial statements, as prepared by Association staff, for the period ending August 31, 2013. She advised that she reviewed the bank statements and they are in order. She responded to questions and comments from the Board members regarding the financials.

Ms. Ford reported the Finance Committee had a discussion regarding the fixed income account and whether they need to rethink that particular account in light of the existing interest rate, so one of the committee members is putting together an analysis. She further reported that they will be looking at the entire picture and will present their plan at the October meeting.

Mr. Paprocki provided an update on the delinquent accounts. He responded to questions and comments from the Board members regarding the delinquent accounts.

Mr. Secrest moved the Board accept the Treasurer's Report. Seconded by Dr. Levitt. *The motion passed unanimously.*

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki reported that the Mutual of Omaha account is over the FDIC insured amount and he would like clarification if he can move the uninsured funds to another institution that has an existing Stonegate account. The consensus was the funds should be moved.

Mr. Paprocki reported a meeting is scheduled on October 3, 2013, to provide employees with information regarding the Affordable Health Care Act.

### **Stonegate Circle Update**

Mr. Paprocki provided an update on the roadway repairs done on Stonegate Circle. He reported in response to a complaint from a Vintage resident on the quality of workmanship and ride quality. He met with Sam Baker and drove Stonegate Circle and Palomino East several times with him, making comments on what was wrong with the roadway. He advised the items were roughness of the cold joints, two sizable indentations (birdbaths), and smoothness issues shown by roadway stripping. He further advised that he contacted Tom McDonald, PMIS, the Project Manager and Bob Forsythe, a consultant who was used to determine roadway conditions. Both have inspected the roadway. He noted that he requested written reports to be submitted based on the information provided. He further noted that Tom McDonald has submitted a report. Bob Forsyth has requested the job scope and specifications prior to writing his report, but he did indicate the roadway is rough in some areas but does meet the standards used by the city of Scottsdale. He stated the he has not heard back from the City Inspection after having left several messages. He inquired how the Board wishes to proceed with this matter. It was suggested inviting this homeowner to attend the meetings.

### **Tamarack Resident Enforcement Complaint**

Mr. Paprocki advised that a resident who was cited with a violation on parking in the guest spaces and who continues to do so after being fined by the Board, feels he is being singled out. He further advised that the exchange of emails is included in the Board packet. He added the Community Association has received complaints from neighbors.

### **Tamarack Resident's Suggestion on East Gate Operations**

Mr. Paprocki reported that in the Board packet is the email received from a resident regarding his suggestion on the East Gate Operations. He further reported the resident is suggesting that the Stonegate sign be removed from the East Gate entrance and with this sign removed or re-titled Residents only or Private Entrance this would eliminate the confusion from vendors and visitors and help eliminate the dangerous traffic backups at the East Gate. He stated this matter was discussed several months ago by the Physical Property Committee and they concluded that change was not necessary. Discussion ensued regarding this issue. It was suggested that moving the Stonegate monument sign might make sense. It was further suggested that a recommendation be brought to the Board next month regarding this issue.

### **Regal Resident Email**

Mr. Paprocki reported that in the Board packet is the email exchange regarding the inspection of a property relating to landscaping. He further reported based on his last communication he was satisfied with his response.

## **Landscape Maintenance Update**

Mr. Paprocki reported the winter landscape transition has begun, scalping has been completed, the irrigation system is being checked, over-seeding will occur on Monday, October 7<sup>th</sup> and winter annuls have been ordered.

## **Salt Water Chlorinator Controller**

Mr. Paprocki advised that the salt water chlorinator controller has been ordered but not received. He further advised that the pool condition is good.

## **BOARD ACTIONS**

### **2014 Operating Budget**

Mr. Paprocki requested the Board approve the 2014 Operating Budget. He advised the General Reserve Study will be submitted to the Board at the October meeting.

Mr. Rhein moved that the Board approve the 2014 Operating Budget. Seconded by Dr. Levitt. *The motion passed unanimously.*

### **2014 Roadway Budget**

Mr. Paprocki requested the Board approve the 2014 Roadway Budget.

Ms. Ford moved the Board approve the 2014 Roadway Budget. Seconded by Dr. Levitt. *The motion passed unanimously.*

## **COMMITTEE REPORTS**

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

Ms. Condon expressed her concern that the LED lamps that have failed have not been replaced. Mr. Paprocki explained that the LED lamps that were purchased through an APS contractor have failed and are in the process of being replaced. The 300 out of 400 lamps, which have failed, have done so due to water leaking into the fixture. The replacement lamps will be waterproof. The contractor will replace all of the lamps. Dr. Levitt advised that the contractor has requested 90 days to replace the bulbs.

Ms. Condon inquired if the Association should take legal action against the contractor. Mr. Paprocki advised that would be an Executive Session topic. The consensus was to allow the contractor time to remedy this situation before legal action would be considered.

Mr. Paprocki requested Board approval for the catering for the Stonegate Holiday Party on Thursday, December 12, 2013 for \$4,875.00.

Mr. Secrest moved the Board approve the catering for the Stonegate Holiday Party on Thursday, December 12, 2013 for \$4,875.00. Seconded by Mr. Rhein *The motion passed unanimously.*

Mr. Secrest reported the Architectural Review Committee reviewed the “recommended color list”. Eighty-five colors were removed from the “recommend list”.

### **ADJOURNMENT**

Dr. Levitt moved to adjourn the meeting at 7:10 p.m. Seconded by Mr. Rhein. *The motion passed unanimously.*