

**Call to Order**

Kurt McMillen welcomed everyone.

The meeting was called to order at 6:04 p.m.

- The Board members were introduced: Tom Morton, Susie Sundsby, Marcy Fralick and Kurt McMillen
- Kurt made a motion to approve the 2014 Annual meeting minutes and the Board approved and Tom Morton seconded the motion.
- Susie asked for confirmation of a quorum and Geoff Obral certified it stating there were 36 units represented by meeting attendees with 119 ballots having been received (90 absentee ballots and 29 ballots submitted at the meeting).

**President's Report – Kurt McMillen**

- Announced that Tom Morton had sold his unit and had resigned the Board.
- Confirmed Tom's resignation would have no impact on the election ballots which were received by PAMCO prior to Tom's resignation.
- Stated that Tom's resignation would not affect any decisions made by the Board at this meeting.
- Announced that the newly elected Board would meet at a future date to appoint a member to fill Tom's position on the Board.
- Susie has been appointed Interim Chairman of the Nominating Committee and will also oversee the counting of the ballots tonight.
- New Board member applications will be sent out for those interested in being appointed to fill Tom Morton's seat

**The Treasurer's Report – Susie Sundsby**

- External Financial Statement Review being performed by HBL CPA's; will post final review to the Web site
- Master assessments have increased in 2015 to \$21.98/month (an increase of \$1.44 a month)
- Explained reserves that are currently \$ 981,403 funded (81%)
- Went over 2015 budget addressing the most relevant items of income and expense
- 2015 Capital budget includes: Painting railings and metal surfaces, asphalt seal and repair, roofing work and pool fountain refurbishment
- Reserve Study
  - 30 Year Projections
  - Board focuses on 5 year projections

**The Landscape Committee Report – Jim Wilde**

- Introduced members: Kurt McMillen, Chair; Jim Wilde, Linda Balzer, Marcy Fralick, Brett Holdridge, Steve Blackburn and Carol LaCroix
- New Landscape Contractor: Environment Control
- \$72,000 operating budget
- Discussed tree removals; 2 at the pool and one (Bldg #17) trimmed
- Future projects:
  - Water management through Oro Valley Water Authority
  - Replace two trees – Bldg #9 and Bldg #2
  - Swale cleaning and repair at Bldg #2 and Bldg #10
  - Hillside erosion behind Bldgs #12, #13, #14 & #15 – prevention and swale cleanout
  - La Reserve Property Manager – Jim AuCoin re: hillside erosion – La Reserve accountability
  - Questions from audience: Braxton Cooley re: Unit #6104 water intrusion—deferred to Call to Audience

**The Management Company's Report – Geoff Obral – Paul Ash Management Company**

- Thanked everyone for attending
- Thanked the Board of Directors and Committee Members
- Advised homeowners that they should contact PAMCO with any issues.

#### **The Election Committee – Tom Morton**

- Thanked everyone in attendance
- Thanked Committee members Jan Keepers and Carol LaCroix
- Asked for additional nominations from the floor – none
- Closed nominations
- Introduced candidates: Ken Kayl and Chris Ferril
- Tom Morton, Susie Sundsby, Geoff Obral and Jim Wilde left to count ballots

#### **The Year in Review – Kurt McMillen**

- Perimeter landscape responsibility for hillside behind Bldgs #12, #13, #14 and #15 and street side – La Reserve Master Association's taking responsibility
- Remaining swale improvement and maintenance very important
- Adoption of formal Violation Policy to comply with Arizona Statutes
- Finalized Violation fine levels/policy and was officially adopted in January by the Board
- Landscape Contractor transition from Complete Landscaping to Environment Control
- Contracted with a new arborist – Bryan Jackson of Finest Trees
- New La Reserve Property manager – Jim AuCoin
- Universal Gym unit replaced in Fitness Center
- Painting and repair to exterior stucco walls by the pool
- Stucco repair on parapets at Building #6
- Roof repairs to 2<sup>nd</sup> floor units damaged by heavy rains
- Spa heater replaced
- Spa timer replaced twice
- Master valve installed at irrigation back flow positioned at correct place to regulate water flow
- West side water lines repaired at pool area and two trees removed
- Tree trimming at Bldg #17
- Replace pool umbrellas
- Clubhouse floors and carpets cleaned
- Clubhouse windows cleaned
- Designated new fire and no parking lanes

#### **2015 Projects Scheduled – Kurt McMillen**

- Wallpaper in Clubhouse bathrooms to be removed and walls painted
- Windows in Cardio fitness center tinted
- Pool fountain restoration due to deterioration
- Building numbers positioned by stairwells in all buildings
- Questions from audience asked and answered re: La Reserve Master Association Property Manager location, expand sidewalk on Pusch Wilderness and La Reserve Dr., Spa timer and heater replacement, rain sensors for sprinklers

#### **Call To The Audience – Kurt McMillen**

- Braxton Cooley suggest that the Property Management send emails about Friendly Reminders rather than door notices
- Linda Balzer suggested that we put in our CC&R's a ban on tile or wood flooring; or require that all top floor unit residents who wish to install hardwood or tile flooring submit an Architectural Committee request
- Several residents expressed concern regarding Geoff Obral's slowness or lack of response to their emails or phone calls

#### **New Business – Kurt McMillen**

**(Election Committee returns – Call to Audience put on hold) – Tom Morton**

- Results of the Election – Chris Ferril is the new Board Member

**Budget 2014 Performance Review – Susie Sundsby**

- Total administrative expenses were \$109,724 – budgeted \$109,016.
- Maintenance and repair expenses were \$122,000 - unfavorable variance of \$4,500 for roof repairs
- Property insurance – favorable variance of \$5,091
- Utilities had a favorable variance of \$13,300. – recent water savings
  - Budgeted \$76,000 for water expense same as 2013's expenses – actual was \$65,387
- Capital Expenditures favorable variance
  - Budgeted \$52,000; actual expense was \$34,126 due to water irrigation project reduction
- Favorable variance between net income and the budget of \$61,000 which went into the Capital Reserves

**FHA Financing – Geoff Obra!**

- FHDeveloper working for FHA approval status -- still in progress – members notified when finalized
- Trash pick-up delinquencies
  - Illegal dumping of construction trash

**Call to Audience – continued**

- Brian Remus – suggested HOA maintain key repository for all owner keys – Board will discuss and respond
- Braxton Cooley – trash improved, building maintenance and personal and legal issues with HOA compliance with the CC&R's – Board can't discuss as concerns are currently under legal review
- Susie Delich asked about Tom's bonuses and had a question about residents confusing trash and recycling bins at Bldg #4 – Kurt responded that a committee would be formed to discuss gates, cameras and other means to secure the community from non-residents and the dumping of trash in our containers.
- George and Cheryl Lord represented Brett Holdridge, Carol LaCroix, and Jim Wilde's questions regarding our rules and compliance documents, penalty procedures and their legality; rental policies re: 30 day lease requirement and abuse of that requirement, AZ HOA law and the BCHOA's compliance with the law, and the short turn-around in the Friendly Reminders sent by USPS mail as the reminders regarding his tenants took almost three weeks to reach him.
- Steve Blackburn asked about the Developer's votes; 30 day minimum rental requirements not being followed by outside property management companies.
- Cathy Blackburn asked about a particular individual who sublets units he's rented and the legality of that as it violates our CC&R's.
- Linda Kayl praised the Board for its hard work, but commented that communications between the HOA Board and residents needs to improve. Also mentioned the divisiveness between several residents and the Board. Kurt made a suggestion to create a group of homeowners to look into ways of bringing the community together.
- Susie Delich asked why the west gate of the pool area isn't open to residents. Kurt explained that when the community switched to key cards, that gate wasn't wired into the system as it was cost prohibitive.

**Adjournment – Kurt McMillen**

- Kurt adjourned the meeting at 7:52 p.m. with a second by Marcy Fralick