

Regular Meeting of the Board of Directors

Tuesday, February 22, 2011 – Activity Center – 2:00 pm

The regular meeting of the Board of Directors was called to order at 2:08pm with Jack Bowers presiding.

1. Call to Order & Attendance

Directors Present – Jack Bowers (President), Terri Ayer (Vice-President), Dave Taylor (Treasurer), Jo Ann Ellison (Secretary), Barbara Hynes, Ken Lund, Fred Pilster

Directors Absent - None

Staff Present – Scott Devereaux (General Manager), Linda McAlister (Controller), Linda Irwin (Recording Secretary), Vivian Timian (Director of Operations), Bernie Eaton (Director of Golf), Mike Roddy (Golf Course Superintendent), Marco Rubio (Common Area Maintenance Manager)

2. Minutes

- a. Ms. Ayer moved, seconded by Ms. Hynes, to approve the meeting minutes for January 25th.
Motion passes unanimously.

3. Reports

- a. President: Mr. Bowers reported the following:

- SaddleBrooke's IT specialist, Ray DuRain, lost his 3 year old son in a drowning accident last week. A fund has been started to help the family and details are to follow.
- Summary of the Food & Beverage consultant report will be available on the website.

- b. Treasurer: Mr. Taylor reviewed the financials reporting the following:

- Overall, 2011 is off to a good start as we are ahead of Budget with net revenue at \$161,500.
- General HOA Operations Revenues at \$404,400 were a little ahead of budget and expenses totaled \$275,300 compared to a budget of \$278,000. However, further investigation of the expenses showed that General & Administrative at \$104,700 were \$10,400 over budget and much higher than last year. The budget difference is partly due to timing differences with training and recruiting costs being high in January. The difference to last year is due to the training and recruiting costs but mainly due to the department being fully staffed this year while there were staff vacancies last year. Favorable deviations in the costs of Services, (which include road repairs, common areas, facilities maintenance, janitorial and patrol) and in the cost of Amenities (which includes: Activity Center, Arts & Crafts, Clubhouse, Fitness Center, Pool and Tennis).
- Golf revenue is ahead of Budget at \$201,000, with privilege card fees being well ahead of Budget
- Food & Beverage is in the negative by \$9,200 but is ahead of Budget and doing better than last year mainly due to good cost control.
- Total Operation Expenses of \$275,300 were covered, including General & Administrative which at \$104,700 is below Budget due to training and recruiting costs and the fact that we are fully staffed. Services at \$95,100, which includes: Road repairs, common areas,

facilities maintenance, janitorial and patrol. Amenities at \$75,500, which includes: Activity Center, arts & crafts, Clubhouse, Fitness Center, pool and tennis.

- Golf revenue is ahead of Budget at \$201,000, with daily golf fees ahead of Budget at \$92,800.
- Food & Beverage is in the negative by \$9,200 but is ahead of Budget and doing better than last year mainly due to good cost control.

c. General Manager: Mr. Devereaux provided the following information:

- Devries has been on site doing an audit.
- Reviewed “Action Taken without a meeting” by Board appointing Paulette Stark as ALC Chairperson.
- Report will be done outlining what was covered at the AMA conference attended by Mr. Devereaux and Mr. Eaton.
- Mr. Devereaux and Mr. Eaton met with Marvin Mills this morning regarding irrigation and are working on a proposal for the pump station on hole #13. Management will have several recommendations over the next month for Board consideration.
- Auction held on Monday, February 21 was a well-run function, raising a total of \$24,414.

4. Consent Items:

- a. Mr. Taylor moved, seconded by Mr. Lund to approve the following consent items. Motion passes unanimously.
- i. Architectural & Landscaping Committee members for 2011 – John Aposhian, Katie Baird, Kathie Barrett, Signe Wallace
 - ii. Bill Clarkin to serve on the Golf Committee

5. Unfinished/Old Business –

- a. Mr. Roddy gave an update on the #3 pump station, stating it was set in place and would be operational by the middle of next week. Building of the structure will begin at that time and plans are currently being approved.

6. New Business

a. Discussion Items - None

a. Action Items – Financial

- i. Approval of Tucson Nine Renovation Work Proposal
Mr. Pilster moved, seconded by Ms. Ayer to approve the proposed renovation work presented before the Board of Directors including the additional option of re-shaping the left portion of #12 green. Total cost of the renovation project, re-grassing included, for the Tucson Nine not to exceed \$500,000 with the funds to come from the Replacement Reserve Fund. (See Presentation titled “Tucson Nine Renovation Work Proposal”, dated February 22, 2011).

Discussion by Board: Ms. Ellison stated she would be voting no on this motion because it should have been competitively bid. Ms. Ellison requested the Preferred Vendor policy be

complied with to the letter and that the Board be provided with a list of all current Preferred Vendors. Mr. Taylor stated the policy on Preferred Vendors requires documentation be attached to the Purchase Order, with reasons justifying the use of a Preferred or Prime Vendor and asked that this be put in place along with documentation stating Desert Reflections was the successful bidder in 2010 and it has been verified that costs will remain the same for 2011. Mr. Bowers reviewed the reasons Desert Reflections had been approved as the Preferred Vendor for the Tucson Nine Renovations. Mr. Devereaux reminded the Board the only issue before them at this time was approving the work to be completed, the contractor had already been approved by the Board.

Mr. Bowers then opened up discussion and comments from the audience. The following residents/guests spoke: Mr. Dick Bogen (Unit 10), Mr. Jim Daily (Unit 10), Mr. John Pavlak (Unit 9), Mr. Jim Galligan (Unit 19), Mr. Gary Hammond (Unit 19), Mr. Art Priestley (Unit 8A).

Vote was taken with the following in favor - Mr. Bowers, Ms. Ayer, Ms. Hynes, Mr. Lund, Mr. Pilster and Mr. Taylor; and the following opposed - Ms. Ellison.

Motion passes with a vote of 6-1.

- ii. Approval of Road Projects on Ridgeview, Units 10, 10A, 18, 19 & the Villas (Unit 21)
Ms. Hynes moved, seconded by Mr. Lund to approve the crack fill/sealcoat work for 2011 road work, at a cost not to exceed \$60,000. Funds to come from the Replacement Reserve Fund, including \$3825 from the Contingency. (See Presentation titled "Road Work-2011 Crack Fill/Seal Coat", dated February 22, 2011).

Discussion by Board: Mr. Bowers asked for confirmation from Ms. Timian that she has confidence in the low bidder we have chosen. Ms. Timian stated she did and that they have been previously used by us.

Mr. Bowers then opened up discussion and comments from the audience. The following residents/guests spoke: Ms. Kay Galligan (Unit 19).

Motion passes unanimously.

- iii. Approval of Common Area Maintenance Utility Vehicle
At Ms. Timian's request, this topic was tabled to get more competitive pricing. The Board requested specs be used for the bid process and presented to Board when approval is requested.

c. Action Items-Other

- i. Jeans in the Vistas

Mr. Lund moved, seconded by Ms. Hynes, to approve the posting of the proposed amendment to the section of the Rules & Regulations pertaining to the Clubhouse dress code which would allow for jeans in the Vistas Dining Room for resident comments via an

upcoming Newsflash, Communicator flyer and resident survey. Resident comments to be reviewed at the March Board Work Session. Vote on proposed amendment to be taken at the March Board meeting. (See Presentation titled "Amendment Procedures & Clubhouse Dress Code," dated February 22, 2011).

Discussion by Board: Mr. Pilster stressed the need for management to enforce the dress code. Ms. Hynes commented she would like to see "dress jeans" in the proposed policy instead of just "jeans."

Mr. Bowers then opened up discussion and comments from the audience. The following residents/guests spoke: Ms. Pat McGlasson (Unit 4), Mr. Jim Galligan (Unit 19), Ms. Janet Bogen (Unit 10), Mr. Carl Anderson (Unit 1), Mr. Dick Bogen (Unit 10), Mr. Dave Thomas (Unit 21), Mr. Fred Ayer (Unit 8A), Mr. Ron Aeschliman (Unit 11), Mr. Jim Daily (Unit 10).

Motion passes unanimously.

Mr. Bowers then opened up discussion and comments from the audience. The following residents/guests spoke: Mr. Gary Hammond (Unit 19), Mr. Ron Aeschliman (Unit 11).

Meeting was adjourned by Jack Bowers at 4:15pm.

Jo Ann Ellison, Board Secretary

Date