

SaddleBrooke Villas Association No. 20, Inc.

Minutes of Board of Directors Meeting August 16, 2018

SaddleBrooke Activity Center Approve 10/18/2018 5-0

1. The Board meeting of the Saddlebrooke Villas Association No. 20 was **called to order by President Don Ebbeson at 10:00 am.**
2. Being a quorum of Board members present the meeting proceeded in accordance with the bylaws. (Members' sign in sheet attached.)
Board Members Present (5): Don Ebbeson, Dennis Hill (by phone), Nancy Horvat, George Nersesian, & Chris Costello
Guests: Jim Daly
3. Chris moved to **approve the minutes of the April 19, 2018 Board Meeting** second by Nancy. **Motion unanimously passed.**
4. **HOA One representative – Jim Daly** reported that HOA 1 is doing well financially. The members have supported new food and beverage initiatives. The golf course is in good shape. The Catalina Clubhouse expansion is underway and proceeding well. There is be an increase in the Community Service Fee (CSF) of \$50 for next year.
5. **Committee Reports**
 - A. **Landscaping – Chair Bill Howard:** Everything is very green and growing well. There were three trees removed due to size and location. The landscapers included this task within their annual fee. Therefore, there was no additional charge. Bill stated that tree root damage is not covered by Villa Insurance or Personal Insurance. Owners should be vigilant in checking the larger trees for root growth. The gardeners can then sever the roots before they might cause damage. Landscaping rock installed this year were paid for by the remaining landscaping balance from the prior year and the projected expenses for the current year. As a result, the annual budget line item appears as over budget. However, the line item does not reflect the carryover funds used to cover the expense.
 - B. **Maintenance – Chair Ron Tuxbury:** Repairs have been minor. As part of the contract, the painters repaired golf ball dings and minor paint and stucco issues on 18 villas. A slider door was broken by a golf ball. The glass in one panel was replaced at a cost of \$740.
 - C. **Termites/Pests – Chair Liz Foreman** The report was emailed in June. Several snakes were removed by the Golder Ranch Fire Department.
 - D. **ALC/Rules – Dennis Hill** the report will be part of discussion items.
 - E. **Social – Co-Chairs Cathy Howard & Connie Witkowski** Cathy reported that Happy Hours are continuing throughout the summer. Come and meet your neighbors.
 - F. **Election – Dal Foreman** – The report will be part of discussion items.
 - G. **Web Liaison – Pierre Fabinski** – No report
 - H. **Roofing – Don Ebbeson** The report will be part of discussion items.
 - I. **Finance Report – Mike Hatmaker** has given notice to the Board that he intends to resign his position of Treasurer by year's end. Don commended Mike for his many years of dedicated service. Members were asked to help identify a replacement. Mike will help with the transition to a new Treasurer.
6. **Discussion items**
 - A. Chris recommended the Board take action to remove the election requirement for a resume from a perspective board member. As Chair of Elections, Dal clarified that a resume was not a requirement. Candidates were to provide a candidate profile of their motivation to run, past background related to board membership, and how they will contribute to the Board. Neighbors need to know some background on the person who was running for the Board. No action was necessary.

Chris stated that the rules section 7.4 be modified to remove the one-year residency requirement to run for election. After discussion, any further action was tabled so that the committee could make a recommendation for next year's election process.

- B. Don led a discussion pertaining to the AZ court case that has mandated all HOAs must have a written, fair, and reasonable published fine schedule in place. Bruce Byers had made a presentation at the HOA 1 meeting detailing the case. The Villas ALC rules are not in compliance with the State ruling. Consequently, the ALC has no ability to act and apply any monetary fines. The Rules committee was assigned the duty to meet and provide the Board with its recommendation by the next Board meeting.
- C. Dal Foreman presented information about the annual Board election. There will be three positions open. Nominations will be accepted from October 1-October 31. People can be self-nominated. A notice of election will be mailed to all Villa owners before October 1. A Meet the Candidates night will be held on Thursday Nov 15.
- D. Don asked that committee chairs submit their budgets to Mike by September 24th. Adequate lead time is necessary to develop the Villas HOA budget for 2019. All questions about budgets should be directed to Mike.
- E. Ron reported that our Villa Insurance is up for renewal. Upon review, septic/sewer coverage was restored. Our insurance coverage is adequate. There will be an annual increase of \$42 to the premium that is paid annually. The recommendation is to approve the CAU renewal.
- F. Don presented an outline of the committee recommendation. To provide cash flow, the Board pass a motion that an annual Roofing assessment of \$2,000.00 per unit due January 2019. Rather than face an annual assessment, owners will be permitted to pay the full cost of a replacement, if both villa mates agree. Those that do pay in full will be given a preferential start date. As soon as possible in 2019, roof replacements will begin. Fund shortages would be covered by a commercial loan. The intent is to have the remaining 19 roofs updated within 4 years.

The current \$40 per month special assessment raises funding to allow one Villa roof (two units) per year. At that rate, it will take 19 years to replace all the roofs. Under the proposed \$2,000 assessment, it is estimated 6 roofs will be completed per year. The recommendation is that the first roof to be done is the Villa containing two fireplace; the second would be the oldest Villa unit. The remaining 4 roofs for the year will be drawn from a lottery. Any homeowner who chooses to pay for the full cost of replacement will be scheduled in 2019. Roof truss dry rot, as well as a couple of examples of rotted plywood base, resulting from deferred maintenance, continue to increase overall replacement costs. Additionally increased annual cost will continue as maintenance and repair must be done to sustain the current condition of roofs not fully replaced. Town Hall meetings will be scheduled in September to discuss this proposal and hear any alternate suggestions. A synopsis to provide more information along with a survey to evaluate how many intend to pay in full will be sent out before the Town Hall meetings.

7. **ACTION ITEMS.**

- A. Chris made a motion second by Nancy to approve the notice of election and mail it by October 18th, as submitted by the Election Committee . **Motion passed 5-0**
- B. George made a motion, second by Nancy that the CAU insurance proposal in the amount of \$9,344 covering Sept 14, 2018 - Sept 14, 2019 be approved. **Motion passed 5-0.**

- 9. **Adjournment** –Nancy made a motion, second my Chris to adjourn the board meeting at 11:12pm. **Unanimously passed.**

Next Board meeting the third week in October.