

Minutes of Sky Mountain Master Meeting
Tuesday, January 12, 2011 1:00 p.m.

Trustees Present: Dee McNeill, John Reifel, Harry Boley, Dieter Urban, Larry Hunter, Penny James-Office Manager

Other Attendees: Gordon Russell-Golf Estates Representative, Kathi Smith, Trish Laws, Arvon Williams, Jack Stickley.

Meeting called to order by Dee McNeill

Welcome-Dee welcomed everyone and confirmed a quorum.

Minutes Approval-Minutes from the previous Board meeting were reviewed. Larry mentioned that Penny's name is incorrect in the previous minutes, with this one correction John made a motion to accept the minutes as presented, Larry seconds, passed unanimously.

Architectural Report-

- a. An application was submitted by the Armijo's to revise the landscaping in their back yard. The application was reviewed and approved by Dieter.

Office Manager's Report-

- a. A/R Report- Three homes are in the process of bank foreclosure. Two are officially in arrears on their dues. A lien has been placed on one home. After discussion, Harry made a motion to place a lien on the other home that is in arrears as the owners have not made any further attempt to pay their dues, Larry seconds, passed unanimously. The third home in the process of foreclosure is set for bank auction at the end of the week. Once the auction takes place, the bank will take responsibility for utilities and HOA dues and will list the home for sale.
- b. Next HOA Golf Tournament-The next HOA golf tournament is tentatively scheduled for Saturday May 14th pending Board approval. No concerns about the date were expressed. The Golf Estates Board will be presented with the date next week.
- c. Pond Utilities Discussion-At last month's meeting Penny mentioned that the utility bills for the pond common area have escalated by 28% this year. In comparison to the clubhouse and the Golf Estates common areas, this is an unusually high increase. Penny was asked to investigate the issue and discuss it with Jack Stickley to see if they could come up with any suggestions to lower the bills. When they met and compared 2009 to 2010 utility bills, it was determined that the major increase was in water usage, not electricity. Some extra water was used at the ponds this year because the ponds were drained and cleaned and re-filled. There was also extra water used during the summer when there was a severe algae problem in the ponds. However, after a detailed analysis Jack and Penny believe the real increase in the water is due to over-watering of the common area grass on either side of the walkway between Sky Mountain Blvd and the golf course. Arrowhead was notorious for turning the watering time way up to alleviate brown areas rather than using proper fertilization methods. Keep It Green is far more water conscience and does use good fertilization methods and has committed to keeping a close watch on the water for all common areas as well as the private homes on the contract. Jack added that the electric bill of the ponds could be lowered somewhat by managing the pumps. He will change the amount of time the fountains run and will rotate the lower pond pumps to run independently rather than simultaneously.
- d. Fitness Equipment Purchase/Sale Discussion-The reserve fund has the replacement of a piece of the cardio equipment scheduled for this year. The oldest piece of equipment is the stair stepper by the south window. Penny has researched equipment and suggested purchasing an elliptical through Costco. To date, the HOA has purchased commercial grade cardio equipment with each

piece costing in the range of \$3,500-\$4,000. The equipment has lasted a long time and runs well, but spending that much money for the amount of usage the equipment receives may not be necessary. Penny obtained quotes on commercial grade elliptical machines in the amounts of \$3,500, \$3,200 and \$2,100. The elliptical from Costco costs \$1,199.99 which includes shipping and assembly. The warranty exceeds the commercial grade equipment by 3 years. Two other items have been asked for by various residents; a set of medicine balls and a doctor's style scale. Penny researched both items and found a set of medicine balls containing a 2,4,6,8 & 10 pound ball and a rack for \$199. A Detecto brand doctor's style scale was priced from \$158-\$244 for the same scale depending on where it is purchased. The line item for equipment in this year's reserve budget is \$3,825. To purchase the elliptical from Costco, the set of medicine balls and the scale would cost \$1,555. Harry made a motion to purchase all 3 items, Larry seconds, passed unanimously. These items will be brought to the Golf Estates Board for a final vote next week.

- e. Security Card Update-The security access cards and card readers will be replaced this year. The technology inside the current cards is outdated and the cards are no longer available for purchase. Penny has to manually enter all the new cards. There are approximately 550 cards to be keyed in. She anticipates a distribution of the new cards in March. Residents will be alerted to pick up their new cards when they are ready. There will be a cutoff date announced at which time the old style cards will no longer work.

President's Report-

- a. Nominating Committee-Chuck has agreed to serve on the nominating committee. The Board requested Penny to ask Joan Hatch and Dean McNeill to serve on the committee and submit their report at the next meeting. The Trustees discussed possible candidates for the Board. The nominating committee will have the discretion to approach whomever they choose, but the Board can give suggestions. The following names were suggested: Jim Summers, Mike Roe, Lynn Miller, Marilyn Nelson, Steve Garcia and Bob Perschon. Dee McNeill may run again, Dieter would run if enough candidates were not presented by the committee. Both Dee and Dieter agreed that allowing other residents the opportunity to serve on the Board is a good idea. Dee has served for two terms and Dieter is completing his first term.
- b. Social Committee Entertainment Policy Discussion-At last month's meeting the Social Committee expressed interest in bringing an entertainer to the clubhouse for the community. Residents would be charged to attend the performance. The Board voted to not allow the activity. The Social Committee met after that meeting and addressed the concerns of the Board and formed a letter to present to the Board at today's meeting requesting they reconsider their position. Gordon helped the committee write the letter and it was his suggestion the committee pay \$75 for the use of the clubhouse. A fee of \$7/person would be charged to residents to attend the event. The entertainer for this particular event would charge \$5/person. The social committee would charge an additional \$2/person to cover the cost of using the clubhouse. Larry questioned whether residents would be interested in attending such events. Dee said they would not know until they tried. The committee members and their spouses went to see this particular entertainer perform and enjoyed the show thoroughly. Harry questioned whether any liability would be posed to the HOA? The entertainer would be a liability to the HOA and should sign a waiver. Parking would be an issue as the lot at the clubhouse is very small. The committee expressed they would handle all the details and they believe they have a large amount of support and interest in the community for this type of event. Larry thanked the committee for their work. Harry made a motion to allow a trial run, Larry seconds, passed unanimously.

Secretary's Report- Nothing to report at this time.

Treasurer's Report-

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| December Income | \$ 2,961.50 | Actual | \$ 2,900.00 | Budget |
| December Expense | \$ 4,982.79 | Actual | \$ 5,578.00 | Budget |
| Net Income YTD | \$ -4,172.57 | Actual | \$ 1,608.00 | Budget |

Balance in the Vanguard Reserve Account \$ 6,056.70

The ponds are \$4,400 over budget for the year. All other items are in order. Harry & Penny will be meeting to work on a proposed budget for the coming fiscal year. The proposed budget will be presented at next month's meeting.

Homeowners Issues- Larry questioned the amount of time an RV can be parked on the street. A resident parked an RV in the street in front of their house around the holidays and it remained there for at least 2 weeks. Penny was asked to put a general reminder to the community in the weekly email updates and a specific letter to that particular resident.

Committee Report

Clubhouse Committee- The next committee meeting will be held January 29th.

Social Committee- Discussed above. If the Golf Estates approves the social committee's proposal, Michael Hargis will be scheduled to entertain on Saturday, February 12th.

Neighborhood Watch- No updates at this time.

Golf Estates Report- Gordon reported the new officers that were elected. Gordon said the flag should be lowered to half – mast in honor of the AZ terrorism victims. Larry will lower the flag and raise it back up on Friday.

Old Business-No old business was presented.

New Business-

- a. The next Golf Estates board meeting is Friday, January 21st at 8:30 a.m.

Future meeting dates/times- The next board meeting will be held on Wednesday, February 9th, 2010 at 1:00 p.m.

Adjournment- John made a motion to adjourn, Larry seconds, meeting adjourned by Dee at 2:20 p.m.