

**GOLD CANYON RANCH ASSOCIATION
DBA MOUNTAINBROOK VILLAGE
OPEN BOARD MEETING
MINUTES
JUNE 23, 2009**

HOMEOWNERS QUESTIONS AND COMMENTS

Keith Gaines spoke regarding the improvement in the appearance of the landscape along MountainBrook Drive since the new crew at Coy took over. He requested that the Board of Directors answer the questions submitted to the Board through a letter and that the Board does not wait until the 2010 Board take over. Al Clark asked for clarification. He told Al that he was not at the last meeting and he was told that the Board did not address the issues. Al informed him that a statement was read by him at the May 26, 2009 meeting and that the statement will be in those minutes.

The Board of Directors Open Meeting was called to order at 9:47 am

ROLL CALL

Roll was called by the Jackie Gatewood, Secretary
Al Clark
Bill Griggs
Jerry Atwell
Howard Sehr
Joe Juresich
Jackie Gatewood
Claudia Vaughan

There is a quorum.

APPROVAL OF MINUTES

Jerry Atwell made a motion to approve the minutes from the May 26, 2009 Open Board Meeting with the correction of a typo on page 8. "I was able to find instead of fine." Claudia Vaughan seconded to motion. The motion carried with Howard Sehr and Bill Griggs abstaining.

COMMITTEE REPORTS

Bill Griggs had a question on page 12 of the Architectural Minutes from May 21, 2009. The issue with the submission on Ginty Dr. is for a swimming pool and spa. He stated that from the construction it appears to be an above ground pool. Jerry Atwell went to the home this morning and stated that he would review the submission and approval to ensure that it is within the Architectural Standards.

Jerry Atwell stated that he would like to strike the Design Team from the agenda because it is not a standing Committee but an Ad Hoc Committee and he would like it to be disbanded due to the fact they have completed their assignment.

Claudia Vaughan questioned the Building and Grounds Committee Minutes that stated that the trees in the wash area between E Palo Brea and E Rough Lane have been trimmed/thinned instead of stripped. David was instructed to contact Coy to obtain a definition of stripping and if the 70% removal of material is what was in the bid is classified as stripping and not thinning.

Claudia Vaughan discussed the Government Affairs Ad-Hoc Committee. Roberta Russell gave an update to the ADOT meeting concerning the design concept of the Boyce Thompson Arboretum to Globe and the impact it will have on Highway 60. The main effect will be the increase in truck traffic on the Highway 60. This project is approx 5 years out.

There was discussion regarding the request from Ralph Jones from the Website Committee to permit commercial ads to be placed on the classified ad page which at the present time is prohibited. It was stated that the CC&R's do not discuss ads on a website and if there was a charge for the ads it could offset the expenses for the Website Committee. Jackie Gatewood stated that the CC&R's are outdated and not clear enough to make an informed decision. It is left up to interpretation as to what impact a person running a business out of their home has on the neighbors and if it is a nuisance. The Mountaineer is posted on the website and it does contain ads.

Joe Juresich made the motion to permit classified ads to appear on the website. The motion was seconded by Jerry Atwell. Al Clark would like the website to have rules and regulations governing the placement of ads. ***Jerry Atwell withdrew his second of the motion and Jackie Gatewood seconded the motion.*** Claudia Vaughan recommends that it be sent back to the web Committee for guidelines. Ralph Jones stated that the Web Committee does not interpret the CC&R's. ***The motion carried unanimously.***

There are two recommendations of changes to the Standards from the Architectural Committee and Jerry Atwell stated that they are not ready for the board yet but will be included in the next agenda.

Jerry Atwell made a motion to receive and file the committee reports. Jackie Gatewood seconded the motion. Motion carried unanimously.

Rick Peters spoke regarding the Building and Grounds Committee inspection of the irrigation system. He wants to assure the Board of Directors that they are not shutting off the water. Bob Corcilius and Rick Peters are concentrating on the Hidden Canyon area first and will be making recommendations to the Board of Directors. He recommends that the Board of Directors authorize him to install in the Office (Library) area a battery operated irrigation timer which he would like to switch the entire community over using these timers. The cost is \$50.00 per unit.

Rick also stated that he would like to switch out 12 thermostats in the campus buildings to set back thermostats. He would like the homeowners to have access to adjust the thermostats themselves. He also feels that the amount of lights be cut back in the Library and Office area.

PRESIDENTS REPORT

Pool Deck - Al Clark stated that the pool deck is 130 degrees which is the same temperature as the other surfaces. The brown color probably adds to the increased heat. Kool Decks only have a 4-5 degrees difference. Al instructed David to post warning signs that the deck is hot and no other action will be taken.

Exercise Room – The article in Mountaineer regarding the Fitness Center got the reaction that he was looking for. In 2007 the actual repair cost was \$1,200. 2008 the repair cost was \$3,844. In 2009 which is only ½ way through the year we have already expended \$3,800. He wanted to hear the feelings of the members. Dawn Wagner did research into other communities that charge a fee for the use of the Fitness Centers and provided the information to the Board. Al feels that the community needs to be diligent and observant as to how the equipment is being used. Don and Dawn Wagner are willing to train homeowners on the use of the equipment to help mitigate misuse caused by ignorance. He also stated that the Board of Directors is not going to implement a fee for the use of the fitness center. It was stated that the assessments at MountainBrook Village are excellent for the amenities provided compared to other communities.

TREASURERS REPORT

Bill Griggs gave an overview of his report.

Cash Analysis: Beginning Balance was \$411,656.85, Ending Balance was \$321,909.88, with Net Cash Change of \$89,746.97.

Net Income Report: Total Revenue Current \$109,984.00 YTD \$581,322.00. Less Operating Expenses Current \$96,274.00 YTD \$461,924.00 Less Reserve Contribution Current \$17,485.00 YTD \$82,701.00, Less Depreciation Current \$6,946.00 YTD \$34,728.00. Net Income was Current (\$10,721.00 YTD \$1,968.00.

Balance Sheet has Operating Funds of \$321,909.88. Total Reserve Funds of \$789,294.86. Total Accounts Receivable of \$23,889.52. Total Other Assets of \$1,334,961.08 leaving Total Assets of \$2,470,055.34.

Liabilities & Equity: Total Liabilities of \$162,161.25 Total Reserve of \$789,294.86 Total Surplus of \$1,518,599.23 leaving Total Liabilities & Equity of \$2,470,055.34.

Reserve Funds: Reserves ending 5/31/2009 \$564,916.04 Future Development \$57,664.53, Shadow Ridge I \$94,646.88, and Shadow Ridge II \$72,067.41 leaving the total at \$789,294.86.

Bill Griggs combined future development and Shadowridge I and Shadowridge II to get better rates but was informed that it cannot be combined so he is requesting that they be moved back to their separate accounts.

Bill Griggs made the motion to move the funds back to their original individual accounts. Jerry Atwell seconded the motion. The motion carried unanimously.

Bill Griggs stated that the December salaries are reflected in the 2009 figures and should be in the 2008. Expenses for operations in the campus area are down

The depreciation list is now in the report and Bill Griggs asked the Board of Directors if they would still like to receive the general ledger listing. He stated that if it did not need to be printed off it would be a savings. The consensus is that they would like to continue to receive the report.

Jerry Atwell made the motion to receive and file the financial report. The motion was seconded by Howard Sehr. The motion carried unanimously.

Bill Griggs stated that when reviewing the May report several items that were purchased out of capital funds that should have been purchased out of reserve funds.

Jerry Atwell made the motion to move the expenses out of capital funds and into reserve funds. Joe Juresich seconded the motion. The motion carried unanimously.

Bill Griggs stated that items expensed out of reserve account must have a motion passed for the items to be expensed out of the reserve funds account.

Bill Griggs made the motion to receive and file the audit report. Jerry Atwell seconded the motion. Motion carried unanimously.

Bill Griggs requested for David Jones to obtain bids for a new CPA to be presented at the July Board of Directors meeting to enable the Board of Directors to review the bids. .

MANAGERS REPORT

ADMINISTRATIVE:

Construction:

Tony Madureira has confirmed the tear out and install of the new floor starting July 6th, ending July 17th. The subcontractor hired by AV Builders did the moisture testing on June 12th to June 15th. I have not heard anything back from the testing. At Alan's request, I have contacted Dave Powers with RLB via phone and email to have a person

from Wilson Art (floor manufacturer) present at the time of install or send MBV board of directors a letter stating that the new subcontractor is a certified installer of the product (email dated 6/15). I also asked since Gilbert Glass was out again to adjust doors and windows that another spray test be conducted. He stated that he would follow up with Mr. Madureira regarding the request.

MountainBrook Drive:

Ace has completed the plans and they were received June 12. I had sent the plans to Pinal County Public Works and they were returned and will not be accepted until they receive;

1. Signed application
2. Copy of contractors license, proof of bonding and insurance
3. A copy of certificate of insurance, naming Pinal County as the additional insured for a minimum of \$1,000,000.00.
4. Cash bond in the amount of \$1,000.00 or a performance bond of \$5,000.00 or the cost of the job, which ever is greater.
5. A county approved "traffic control plan" utilizing the manual on "Uniform Traffic Control Device Standard."

I consulted Larry England and he stated for me to contact Mr. Bryan Martyn. I have sent an email requesting Mr. Martyn to contact me regarding this issue (email dated 6/19).

COMMON AREAS

Pool Area:

At the board request I have two bids regarding pool furniture. The two commercial companies in the Phoenix metro area have submitted bids for refurbishing and replacing all the pool furniture. Please review bids and bid matrix. Should you have any questions, please contact me before the Tuesday so I may have the answers prior to the meeting.

Campus Buildings

Sprinkler and fire extinguisher testing was performed on each building (yearly inspection per fire department and Pinal County). 5 extinguishers were replaced and parts for the sprinkler system were applied. A valve for the Ocotillo Room needs replacement and Sun Devil will be back to replace it. The valve charges the line with water pressure. Ernie has all the paper work from Sun Devil to give to the fire department next week.

Committees:

The Board has suggested that the Building and Grounds Committee review the washes in MountainBrook Village common areas. The committee is to examine the washes and give the board detailed finding and recommendations to the Board. Nothing to report at this time from the committee. I have spoke to David Hans and he stated that he had a few more to review. I asked who was assisting him in the project and he stated he was on his own. I offered to assist him, but he stated that he was fine on his own. I informed him if he needed anything to please contact me and I would be happy to help.

It was suggested at April's board meeting from Alan Clark, that before turning off the water in the common area in Desert Sage next to the boundary wall that the Building and Grounds Committee take pictures to document the impact of the area. I was presented pictures from Alan on June 15. I spoke to Dave Hans on June 17th and asked if he took digital picture and if he would send me the file via email. He did on June 18th and I have them in my computer. He picked up the hard copies to save in his album.

Audio / Visual Committee: Rick was present and gave direction to Clearwing on how to install and set up the new spot lights. Clearwing came out an additional day (June 17) to train on how to use the light board. DJ from Clearwing instructed Mary Govoni, Rick Peters and myself on how to use the equipment. It will take a lot of time to be trained and master the multiple functions and uses for the equipment. Rick wanted to let the board know that the use of the new lift for the install and adjustments were not only needed but appreciated. The lift was used for 3 days (not consecutive) which would have cost us \$620.00 in rental fees plus tax.

The Web Team has requested additional software for the website. The input received was that it was easy to use and helpful to Ralph. Not all committee members are using it, but they will when they return to MBV for the winter.

Activity Committee: Julie is reporting; "After much discussion at the Activity Committee Meeting on June 3, 2009, the Activity Committee decided we should allow an additional class. This class will be taught by resident Ann Rasmussen from 10-11 a.m. This class will be an Advanced Water Aerobics Class and there will be no charge for the class. The only stipulation by the Committee is that they stay at one end of the West Pool so that others may still utilize the West Pool during that hour. I contacted Ann and she agreed to the stipulation wholeheartedly." This is to start December 2009 to March 2010.

Activities:

"Let's Do Dinner" for June 24 has 60 people signed up to attend to eat at De La Cruz. Julie has planned additional trips in July.

Whine and Cheese has been well received from the ladies. They meet every Monday at 4 pm.

WII had a large turn out and meets Thursday's at 1 pm.

Julie had planned two additional Diamondback games this summer.

July 25 is Cowboy days at MBV. We are participating in the art and crafts show.

Plans are being discussed with the activity committee for the first week of August, MBV Carnival Days. This is a three day event.

Donations: (UPDATED for June 2009)

Coy Landscaping \$1,000.00

GV Publications	\$2,000.00
Noble Air	\$1,000.00
Ray's Printing	\$1,000.00
Right Away Disposal	\$ 500.00

Sam's Club Gave cost on each TV (difference of \$295.00 ea. original cost \$1,495.00) and gave four \$100.00 gift cards. For a donation total of \$1,580.00.

Sub Total Donation:	\$6,580.00
Rossmar Donation:	<u>\$1,200.00</u>
Total Donation:	\$8,280.00

Cost on TV's including tax:	\$5,159.40	Discount Included	
Cost on bracket:	\$276.91		
Sub Total:	\$5,436.31		
Gift Cards/Credit:	\$(400.00)		
Cords and Adaptors	\$160.00	(added/update)	
Four WII's and Remotes	\$1671.01		
Total:	\$6867.32		\$1412.68 on hand

David Jones was directed to contact Ace for additional information needed regarding traffic control during construction. Obtain information if the easement on MountainBrook Drive that they had when it was planned to be a through street. Larry England clarified that there is no easement and no right of way. There was discussion regarding the performance bond and cash bond making the cost of the job \$5,000.00. Bill Griggs stated that it is the cost of the contractor not MountainBrook Village.

Bill Griggs made the motion to approve the advanced aerobics water class taught by Ann Rassumussen. Claudia Vaughan seconded the motion. The motion carried unanimously

Claudia Vaughan made the motion to receive and file the Managers Report. Bill Griggs seconded the motion. The motion carried unanimously.

NEW BUSINESS

Bill Griggs made the motion to remove SRP's electric and water meters from selected areas in Hidden Canyon which is compiled on a list recommended on the hand out provided to the Board of Directors from Rick Peters, Jerry Atwell seconded the motion with the amendment to include the water meter and shut off valve. Motion carried unanimously.

Programmable thermostats were placed on hold to obtain additional information.

Jerry Atwell made a motion to assign an ad hoc committee to review and recommend pool furniture replacement. The committee will consist of Nancy Bozek, Dick Rydin, Ralph Krueger and Jim Chamberlin with Joe Juresich acting as Board liaison.. Motion was seconded by Bill Griggs Motion carried unanimously

DISCUSSION ITEMS

Claudia Vaughan made the motion to adjourn the meeting. Jackie Gatewood seconded the motion. The motion carried unanimously.

Meeting was adjourned at 11:40 pm