

BELLASERA COMMUNITY ASSOCIATION
Board of Directors Regular Meeting
April 25, 2005

MINUTES

The regular monthly meeting of the Bellasera Community Association Board of Directors was held on Monday, April 25, 2005 at 6:35 p.m. at the Bellasera clubhouse, the acting President being in the chair. A quorum was established.

Board Members Present: Jim Gleason, Acting President
 Carol Sotnick, Director
 Bruce Martin, Director
 Crawford Love, Director

CCMC Staff Present: Anne Marie Fitness, Community Manager
 Bart Park, President
 Jacqui Vigil, Controller
 Lisa Lorisich, CCMC Recording Secretary

HOMEOWNER QUESTIONS & ANSWER

Acting President Gleason asked for questions or comments.

A homeowner asked about the cost of a party held for former President Chenault. Acting President Gleason advised that this would be addressed later in the agenda.

A homeowner asked a question regarding the budget for FY 2005-2006. Acting President Gleason advised that this would be discussed later in the agenda as well.

A homeowner congratulated the new Board and inquired how the fifth position would be filled. Acting President Gleason advised that this would be discussed later in the agenda as well.

MINUTES:

Acting President Gleason moved to approve the minutes of April 8, 2005 as amended. The motion carried. The minutes were approved as amended.

Acting President Gleason moved to approve the minutes of April 18, 2005 as amended. The motion carried. The minutes were approved as amended.

BOARD VACANCY:

Acting President Gleason announced that Al Riccardi has chosen not to accept the appointed position on the Board of Directors.

Acting President Gleason moved to declare a vacancy on the Board of Directors and to notify the Community that the vacancy exists and request individuals to submit their interest and qualifications to the Board for consideration by Monday May 9, 2005. Motion carried.

Candidates will be interviewed prior to the next regular Board, and the final selection will be announced at the meeting.

Acting President Gleason moved to send a letter to Brian Ong stating that the Board has chosen not to appoint him to the Board of Directors unless he chooses to run again. Motion carried.

ELECTION OF OFFICERS:

A motion was made and seconded to nominate Jim Gleason for the office of President. Motion carried.

A motion was made and seconded to nominate Carol Sotnick for the office of Vice President. Motion carried.

A motion was made and seconded to nominate Bruce Martin for the office of Secretary. Motion carried.

The position of Treasurer will be left vacant until the next regularly scheduled Board of Directors meeting.

SELECTION OF BOARD MEMBERS TO STANDING COMMITTEES

Bruce Martin – Building & Grounds Committee

Carol Sotnick – Communications Committee and Governance Committee

Crawford Love – Modifications Committee

Treasurer (to be announced) – Budget & Finance Committee

Jim Gleason – Activities Committee

Vacant – Long Range Planning Committee

PARLIMENTARY PROCEDURES

A motion was made to continue to use Robert's Rules Procedures for Small Boards to conduct Board meetings. Motion carried.

PRESIDENT'S REPORT

Chairman Gleason reviewed a list of costs associated with the farewell party for Dick Chenault. These expenses are listed in EXHIBIT A attached.

TREASURER'S REPORT:

See attached EXHIBIT B.

MANAGEMENT REPORT:

Tennis Courts & Basketball Court

Chairman Gleason assumed the motion; Resolved, that the Board accepts the recommendation from the Community Manager and approves the proposal received from Sunland Asphalt to repair and resurface three (3) existing asphalt tennis courts and one existing concrete basketball court measuring a total of 26,350 sq. ft. for \$14,836.00. Funds for this shall be withdrawn from the Bellasera Reserve Funds. Motion carried

The clubhouse furniture has been ordered and is expected to arrive in 6-8 weeks.

The patio furniture cushions replacement has begun; the first part of the cushions has been removed and will be returned in 3-4 weeks; the second portion of the cushions will include the sofa and two chairs in the living

room to be reupholstered.

Four Peaks Landscaping Service has been awarded the Bellasera landscape service contract and will begin work on May 15th. Arizona Wild Desert has been notified of the change.

Excel Pool Care has been awarded the Bellasera pool/spa/fountain service contract and will begin work on May 15th. Aqua Pro Pool Service has been notified of the change. Roofing repairs have been completed and inspected by our consultant and he is satisfied with the work completed.

COMMITTEE REPORTS:

Activities Committee – The committee reported that the potluck was a success last week. Monthly potlucks and luncheons will be held. The committee is looking for additional members.

Building & Grounds – Most of what the committee has been working on was covered in the Management Report.

Communications Committee – The committee reported they have taken a first look at the resale assessment referendum and they anticipate having a draft for the May Board of Directors meeting.

Governance Committee – The committee reported that the CC&Rs have been reviewed and the committee will next be reviewing the Design Guidelines.

Modifications Committee – The committee reported that they have had their final review with the Modifications & Homeowners Group that has provided a base to start discussion with Pederson. The committee has been working with the Coalition of Pinnacle Peak. The committee would like to thank all homeowners that have turned in a survey. The Modifications Committee and the Bellasera Board of Directors will meet Monday, May 2nd at 6:30 p.m.

Long Range Planning Committee – No report.

Ad Hoc Reserve Study Committee – The committee has not met but reported that they do concur with the Budget & Finance Committee on the resolutions that will be presented tonight.

Budget & Finance Committee–

Chairman Gleason assumed a motion to accept the resolution from the Budget & Finance Committee (See Exhibit C) regarding management of owners' equity: The Bellasera Community Association shall manage the budget so that owner's equity shall be maintained at a level of approximately three months of expenses for categories:

- 1 Administrative & General*
- 2 Repairs & Maintenance*
- 3 Parts & Supplies*
- 4 Utilities*
- 5 Taxes*
- 6 Insurance*

Such target level fund in owner's equity to be attained over five year period retroactive to begin with FY 2003-2004. Motion carried.

UNFINISHED BUSINESS:

Motion to approve the 2005 – 2006 proposed budget –

Chairman Gleason proposed, with Board agreement, that the Reserve Fund Plan be discussed and approved before discussion and approval of the Operating Budget.

Reserve Fund Plan –

Director Martin assumed the following motion:

RESOLUTION BOARD OF DIRECTORS

Whereas. The Declaration of Covenants, Conditions, and Restrictions for Bellasera, Article V, Paragraph 5.1 provide that

The Association shall maintain and keep in good repair the Area of Common Responsibility

Whereas. The Declaration of Covenants, Conditions, and Restrictions for Bellasera, Article X, Assessments, Paragraph 10.5 requires that:

The Board shall prepare, on an annual basis, reserve budgets.

Whereas. The current Board of Director's policy is 100% funding of Reserves on a straight-line segregated basis.

Whereas. The recommendation from the Budget and Finance Committee and Reserve Committee is in contradiction to the current policy.

Resolve. To set aside the Board of Directors current Reserve policy for one year and accept the recommendations of the Reserve and Budget and Finance Committees on a one-year only provisional basis, and that

1. The Board of Directors within 3 months convene an 05-06 Reserve Study by Board Members to further analyze the proposed Reserve Plan, assets, methodology and costs.

2. The Board will provide the 06-07 Reserve Committee instructions for a Board of Director's policy by September 30, 2006 on asset inclusion, asset life expectancy, methodology, and per cent to be funded.

Motion failed, Director Martin voting yay and Directors Gleason, Sotnick and Love voting nay.

Director Love moved to delay any decision regarding the Reserve Funding for 30 days in order to allow a third party to review all reports before proceeding. Motion failed, Directors Love and Martin voting yay and Directors Sotnick and Gleason voting nay.

Chairman Gleason moved to reinstate assets, eliminated by the Ad Hoc Committee, for replacement with a 35 year remaining and useful life. The assets include:

*Club House Slate Tile Floor, Club House Folding Partition,
Club House Metal Roof, Lounge Furniture, Metal Fence, Parking Lot Lights,
Basketball Lights, Tennis Lights, Tennis Courts, Guardhouse Tile Floor (See Exhibit D.)*

Motion carried, Directors Gleason and Sotnick voting yay, Director Love voting nay and Director Martin abstaining.

Chairman Gleason moved to accept the Reserve Funding Plan as proposed by the Ad Hoc Reserve Study Committee with the inclusion of assets that were removed from the replacement column. Motion carried, Directors Sotnick, Gleason and Martin voting yay and Director Love voting nay.

2005-2006 Operating Budget

Chairman Gleason moved to approve the Operating Budget for FY 2005-2006 as proposed by the Budget & Finance Committee. Motion carried.

Director Martin moved to amend the motion to approve the budget amended to increase the line item Professional Fees \$2,000 to hire a third party consultant to perform task analysis & a time management study to determine the need for an Administrative Assistant. Motion failed, Directors Sotnick and Martin voting yay and Directors Gleason and Love voting nay.

NEW BUSINESS:

None.

NEXT/UPCOMING MEETING DATE(S):

The next regular scheduled Board meeting will be held June 1, 2005.

The meeting adjourned at 10:20 P.M.

Respectfully submitted,

Approved,

Lisa Lorsch
Recording Secretary

Bruce Martin
Secretary