

**BELLASERA COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
Bellasera Community Clubhouse
7350 E. Ponte Bella Drive, Scottsdale Arizona, 85266**

December 9, 2010

MINUTES

Members Present

- Dennis Carson, President; Susan Loiselle, Vice President; Anne Chernis, Secretary; Ted Dixon, Treasurer and Bruce Martin, Director
- Absent: Anna Ingram, Director

Others Present

- Viola Lanam, Community Manager, AAM and Sharon Foxworth, Assistant
- Several committee members were present.

Call to Order

- Dennis Carson, President, called the meeting to order at 6:08 p.m.

Resident Questions

- There were no questions from the floor.

Approval of Minutes

- A motion was made to approve the minutes from the October 28, 2010, Board. Minutes were approved as submitted.

Treasurer's Report

- Ted Dixon discussed the transaction accounts.

A motion was made by Dennis Carson to insert the resolution from the Budget and Finance report print out. Motion carried.

NOW THEREFORE, IT IS RESOLVED, the President and/or the Treasurer of the Association are authorized and directed to convert the existing transaction account at MOB # 50543943 into a non-interest bearing transaction account as is necessary to ensure continued unlimited FDIC transaction account insurance as provided under the Dodd-Frank Act. Approved 12/09/10.

Budget and Finance

- Dennis Carson gave appreciation to the Budget and Finance Committee for their good work and involvement to stay on top of changes.
- Clayton Loiselle discussed the Budget and Finance report regarding the Assessment Collection Policy.
- Viola is to set up a meeting with the Brown Law firm to meet with the Board regarding collecting assessments.

Modification Committee

- None

Building and Grounds Report

- None

Communications Report

- None

Social Committee Report

- None

Community Manager

- The report is attached.

President's Report

- Dennis Carson announced that the key pad for the new Quick Pass system is installed but has not been activated. A community meeting will be held to announce that Phase One is complete and to inform residents regarding how to manage their account.
- The paving of the clubhouse parking lot, Ponte Bella and Corva will be completed on December 13th and 14th.

Old Business

- None.

New Business

- The Election Policy was presented and Dennis Carson made a motion to adopt the Election Policy as set forth in the Board Meeting Packet. After discussion, Bruce Martin moved to remove the dates and let each staff set the dates going forward. The amended motion did not pass. The original motion as stated passed with four yes votes and one no vote.

NOW THEREFORE, IT IS RESOLVED, effective immediately, the Election Policy adopted January 13, 2003, is revoked and the new election policy is set forth as adopted on December 9, 2010.

- The Board Training policy was presented and Dennis Carson made a motion to adopt the policy as presented. After discussion presented by Bruce Martin to remove the bold text from the last sentence the motion to remove the bold text did not pass. The motion to accept the policy as first presented passed four to one.

NOW THEREFORE, IT IS RESOLVED, that the Board Training Policy is adopted as set forth and adopted on December 9, 2010.

- The next meeting will be held on January 27th at 2:00 p.m.

Adjournment

- There being no further business, the meeting was adjourned at 7:20 p.m.

Respectfully submitted,

Sharon Foxworth

Sharon Foxworth
Recording Secretary

Approved by,

Anne Chernis

Anne Chernis
Board Secretary

Attachments:

Community Manager's Report
Board Election Policy
Board Training Policy
Budget and Finance Resolution

Bellasera Management Report
Viola Lanam
Board of Directors – Regular Session
Thursday October 28, 2010

FINANCIALS:

August and September Financials are attached. As of **08/31/2010** there was **\$101,749** in the Operating checking account, **\$667** in the Onsite checking account, totaling **\$102,416** in total working capital. A **Reserve Savings** balance of **\$920,419** is **62.82%** of the projected **\$1,465,120** Reserve Study goal for end of FYE 2010-11. The community was approximately **\$1,088 under** budget in operating expenses for August, and was **\$3,448 over** budget for FYTD.

As of **09/30/2010** there was **\$138,887** in the Operating checking account, **\$1,667** in the Onsite checking account, totaling **\$140,553** in total working capital. A **Reserve Savings** balance of **\$921,392** is **62.89%** of the projected **\$1,465,120** Reserve Study goal for end of FYE 2010-11. The community was approximately **\$1,514 over** budget in operating expenses for September, and was **\$4,963 over** budget FYTD.

MAJOR ITEMS COMPLETED SINCE LAST MEETING:

- Approved and coded invoices for AP processing
- Reviewed August and September financials and prepared MTD/YTD variance reports.
- Anne and I met with Wendi Cave of Creative Touch Interiors on September 1st and Susan joined us at the meeting on October 14. Anne and I met with Wendi on October 22nd to clarify some points after the Board of Directors' study session.
- Joe Carlon, Dennis and I met with Safeguard on October 26th.
- Acquired a written assessment from Raven Pool Service for the pool deck and heaters. I have contacted Shasta Pools and Arrowhead Chlorination Service for written assessments also.
- Due to unusual high water bills, Rainforest Plumbing was contacted to assess if there is a leak in the pool area and/or landscaping. (The meter in question is tied to both the pool and landscaping.)
- Holiday lights were installed by Holiday Lighting.
- Over seeding was completed by Four Peaks.
- Acquired a proposal for adding plants at the guard house where the bushes were removed.
- Sunstate Sweeping cleaned the roads after a heavy rain to remove sand and debris.
- DR Paint has been contacted as Sharon and I noticed that the parapet and chimney were not painted at the time the clubhouse was done.
- Please note that the storage room at the guard station was cleaned several months ago.
- Drain at the back gate was cleaned as requested. To prevent the standing water issue will require installing a larger pipe and drain.
- The outdoor pump room, compressor area outside of pump room and electrical room will be cleaned out on Wednesday October 20th.
- Outside shower head was repaired.
- Shower curtains have been ordered for both the men and women's locker rooms.
- See attached Maintenance Journal for all other items completed to date.
- The Resident Move-In report is attached for your review.
- Sharon and I continue to field telephone calls and e-mails.
- Community inspections have been completed

End

BELLASERA COMMUNITY ASSOCIATION, INC.
BOARD OF DIRECTORS ELECTION POLICY
Amending and Restating all prior policies/rules regarding the subject matter
Adopted and Effective December 9, 2010

WHEREAS, Section III, Article 3.3 of the Amended and Restated Bylaws of the Bellasera Community Association requires that nominations to the Board of Directors shall be made in accordance with policies and procedures established, from time to time, by the Board, and;

WHEREAS, Arizona Revised Statute 33-1812 provides the rules the Association must follow regarding absentee ballots, and;

WHEREAS, the Board has determined that the Election Policy adopted January 13, 2003, must be revised to conform to changes in the Bylaws and the law;

NOW THEREFORE, IT IS RESOLVED, effective immediately, the Election Policy adopted January 13, 2003 is revoked and the following Election Policy is adopted to be in effect during the 2011 election period.

ANNUAL MEETING To be held April 17, 2011, 2:00PM at Bellasera Clubhouse. Organizational meeting immediately following annual meeting.

BOARD APPLICATION A copy of the Application for the April 17, 2011 election is attached.

NEWSLETTERS January, February and March, 2011, newsletters to include the following information: Time and place of Annual Meeting; Two Directors' seats with two-year terms are open; Applications will be mailed to Owners on or before February 16, 2011; Applications will also be available at the Clubhouse office or at www.azbellasera.org; Completed applications must be received on or before 12:30 PM on March 3, 2011 (see below).

April newsletter to include reminder of "Meet the Candidates" night (if applicable) to be held on April 1, 2011, and will include list of candidates.

NOMINATIONS Mail applications to Owners on or before February 16, 2011. Application and cover letter to include the following statements:

a) "Copy of Bellasera's **mandatory** Board training requirements are included with the enclosed application form", and

b) "Applications for Board positions **MUST** be either hand delivered to the Bellasera Community Association clubhouse office or faxed to Viola Lanam at 602-870-8231 on or before 12:30PM on March 3, 2011, **LATE APPLICATIONS WILL NOT BE VALID FOR THIS ELECTION.**"

ADDITIONAL BALLOTS In addition to the election of Board Members, the Board of Directors shall determine other community-wide initiatives to be included on ballot.

ELECTION PROCESS Mail-in ballots will be opened at the annual meeting. Owners who do not mail in a ballot may receive and cast a ballot at the meeting. Four Owner-volunteers will read the ballots, tally and record the votes. Volunteers must be unrelated to nominees. The final summary shall be prepared by the Community Manager and announced by the President.

FORMAL NOTICE Formal Notice of the Annual Meeting Ballot and Candidate Information Sheet shall be mailed to Owners on or before March 18, 2011. The formal notice shall include the following:

a) Notice of the manner in which votes shall be counted, audited and announced.

b) Notice of a meeting of the Board of Directors immediately following the annual meeting to elect Officers and other agenda items.

c) The following statement:

"Arizona law prohibits the use of proxies, therefore, the 2011 election will be conducted by mail-in absentee ballot or ballots personally presented at the annual meeting. Nominations from the floor or write-in nominations cannot be considered due to the inability of Owners voting by absentee ballot to consider these nominations."

**MEET THE
CANDIDATES NIGHT**

If more applications are received than there are open Director seats, a "Meet the Candidates Night" will be held on April 1, 2011, at 6:00PM.

**APPLICATION
FOR ELECTION TO
BELLASERA BOARD OF DIRECTORS**

Members of the Bellasera Community Association will elect new Board Members at the Annual meeting on April 17, 2011. Applications for Board positions must be hand delivered to the Bellasera Community Association clubhouse office on or before 12:30PM on March 3, 2011, or faxed to Viola Lanam at 602-870-8231 on or before close of business on March 3, 2011 to be effective.

LATE APPLICATIONS WILL NOT BE VALID FOR THIS ELECTION.

All candidates for the Board positions must be Homeowners; in good standing and not delinquent in the payment of their assessments. No more than one representative from a particular Lot may serve on the Board at the same time. In the case of a Homeowner which is not a natural person, any officer, director, partner, or trustee of such Homeowner shall be presumed to be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Homeowner. No Homeowner may have more than one such representative on the Board at a time.

A Director is also required to serve on at least one standing committee.

**ALL MEMBERS OF THE BOARD ARE REQUIRED TO COMPLETE ALL OF THE
TRAINING DESCRIBED ON THE ATTACHED TRAINING REQUIREMENTS
POLICY.**

All information provided will be made available to voting members prior to the election.

Your Name: _____ Local Phone: _____

E-mail Address: _____

Your Bellasera Address: _____ Lot

Please provide a brief description of your qualifications and experience: (Attach a statement if necessary)

Do you have previous experience serving on a Board of Directors/Committee for a Homeowners Association? Please indicate community/location, position and term. _____

As a Board Member, on which particular aspects of the Bellasera Community do you intend to focus?

By signing below, I certify that I meet the qualifications required to serve on the Board and that I am not in arrears for any assessments for my Lot.

Signature _____

DATE: _____

RESOLUTION
BOARD TRAINING REQUIREMENTS
BELLASERA COMMUNITY ASSOCIATION

Adopted and Effective December 9, 2010

WHEREAS, pursuant to Article III, Section 3.1 of the Bylaws of the Bellasera Community Association, Inc., (Bylaws), all directors shall complete, as soon as practicable, such training requirements as established by the Board; and

WHEREAS, the Bellasera Board of Directors recognizes the importance of Board Members' understanding of all facets of planned community management, Arizona law and Bellasera's governing documents;

NOW, THEREFORE, IT IS RESOLVED that the current training requirements for the Bellasera Board of Directors shall be:

Within 45 days of election, each Board member shall:

1. Study and be familiar with Bellasera's CC&Rs, Bylaws, Design Guidelines, Title 33, Chapter 16, of the Arizona Revised Statutes and current AAM Contract.
2. Study and be familiar with Bellasera's policies including: Violation Enforcement; Operation of Committees; Purchasing and Contracting; Meeting Protocol; Access to Records; Use of Recreational Facilities; Assessment Collection.
3. Attend an in-house training session to review CC&Rs, Bylaws, Design Guidelines and Arizona law as it pertains to planned communities.
4. Attend a Bellasera-specific training session which covers information including, but not limited to, fiduciary duty; administrative and meeting protocol; finance; and powers and duties of Board members. This session to be planned and administered by Associated Asset Management.

In addition to the above, each Board member shall attend no less than one meeting of Bellasera's Budget and Finance Committee, as soon as practicable after election, and attend other training sessions as determined by Board President during director's term of office.

These training requirements are mandatory for all Board members. Dates and times for training, as set forth in paragraphs two and three, shall be set at the organizational meeting following the election of directors. **IN ACCORDANCE WITH BYLAW 3.5, BOARD MEMBERS WHO FAIL TO COMPLETE THESE TRAINING REQUIREMENTS MAY BE REMOVED FROM THE BOARD OF DIRECTORS.**

Bellasera Community Association
Board of Directors Resolution
December 9, 2010

WHEREAS the Bellasera Community Association ("BCA") currently has a significant banking relationship with Mutual of Omaha Bank ("MOB") which includes a transaction account, a petty cash account, a money market account, and a Certificate of Deposit Account Registry Service ("CDARS") account, and

WHEREAS MOB currently participates in the Transaction Guarantee Program which will terminate on December 31, 2010. (This program provided unlimited FDIC insurance on BCA's transaction account.)

WHEREAS The Dodd-Frank Act (signed into law on July 21, 2010) provides for unlimited FDIC insurance on all non-interest bearing, transaction bank accounts from December 31, 2010, to December 31, 2012.

WHEREAS BCA's current transaction account at MOB does **NOT** qualify for unlimited FDIC insurance under the Dodd-Frank Act.

NOW, THEREFORE, BE IT RESOLVED that the President and/or the Treasurer of the Association are authorized and directed to convert the existing transaction account at MOB # 50543943 into a non-interest bearing transaction account as is necessary to ensure continued unlimited FDIC transaction account insurance as provided under the Dodd-Frank Act.

NOTES:

1. BCA's transaction account balance (i.e. NOW account to be converted) is \$150,096.15 as of December 9, 2010.

Bellasera Community Association, Inc.
7350 E. Ponte Bella Dr.
Scottsdale, AZ 85266
Special Meeting January 5, 2011

Board Members Present: Dennis Carson, Ted Dixon, Anne Chernis, Susan Loiselle and Bruce Martin.

Absent: Anna Ingram

- Two homeowners were in attendance.
- The meeting was called to order by Dennis Carson at 3:05 p.m.
- Dennis Carson moved to adopt the following resolution, as amended by motion made by Bruce Martin:

RESOLVED: The board approves the following work and expenditures in accordance with attached spreadsheet:

1. Purchase and installation of carpet in the Activity Room, the sitting area and the office from Carefree Floors as set forth in attached Scope of Work and bid.
2. Purchase and installation of window coverings on all Clubhouse windows from Blinds Mart as set forth in attached Scope of Work and bid.
3. Purchase furniture from Bassett Furniture Direct as set forth in attached sales order.
4. Approve paint/stain/glaze of interior walls, doors and trim of the clubhouse by DR Paint as set forth in attached Scope of Work and bid, subject to final approval of sample wood glaze/stain to the satisfaction of two Officers. If the two Officers are dissatisfied with the quality of work sample submitted by DR Paint, the two Officers may accept the bid of either Alliance or Malone if they are satisfied with a sample of work either submitted.
5. Any two officers of the Association shall sign the contracts for the above work, such contract terms subject to the Officers discretion.
6. The Board authorizes any two officers to execute Change Orders to any of the above contracts or for incidental items in an amount not exceeding 15% of the total contracts.

7. All costs for this project shall be allocated to the appropriate accounts in the Reserve Fund.

After discussion, the resolution was unanimously approved.

The meeting adjourned at 3:40 p.m.

Respectfully submitted by,

Sharon Foxworth
Sharon Foxworth, Recording Secretary

Ann Chernus

Attachments