



**Approved Copy
555th Minutes of the
Hillcrest Improvement
Association
Board of Directors
July 8, 2025- 6 pm
(Zoom)**

Board Members Present: President, Steve Larson; Treasurer, Cheri Gries; Membership, Jeremy Grimm; Infrastructure, Dave Hendrickson; Landscaping, Judith Levin; Hospitality, Sandy Machette

Absent: Vice President/Architecture, Mike Yore; Secretary, Sandy Kaye

Joining from the Community:

Jayne and Gordon Weagle, Anne Compton, Michael Farrell, Kenny Roynestad, Wendy Sticht, Frank Lynott, Mark and Kathy Hellan, Vicki Greenfield, Molly and Kendra York, Elizabeth D'Huart, Nancy and Dick Krause, Nancy Kroening, Thomas Doely.

Steve Larson called the meeting to order at 6:00 p.m. MST

President's Report

- The President determined a quorum was present. He then provided meeting rules for motions, and being courteous when speaking and listening.

Public Forum: Nothing to report

Secretary's Report: Motion to approve the Minutes from the June meeting

- Motion by Cheri Gries: I move to approve the 6/10/2025 meeting notes. The minutes were approved unanimously.

Treasurer's Report:

- Cheri provided a summary of the June financial report.

Since the previous Board meeting on June 10, 2025:

Total Expenditures: \$ 26,768.16

- Larger expenses are due to the Eucalyptus branch that fell on the east side of the pool. Total cost of repairs were \$3025 - \$2100 for fence, \$750 for branch removal and \$175 to reset the light fixture.
- Broken Limb trimmed 102 palm trees at \$65/each - \$6630.
- Crack Sealing by AZ Asphalt & Paving - \$9986.
- There was a question about 1099s. Five 1099s were sent out in February.

Largest expenses:

- Crack Sealing: \$ 9986
- Tree Service: \$ 7380 - \$ 6630 palm trees trimmed + \$ 750 Eucalyptus branch removed
- Water: \$ 4194 - Last month was \$ 2316
- Landscaping: \$ 2092
- Pool: 1857 – (monthly maintenance + R+M + half of \$2100 - \$1050 fence

repair from Eucalyptus branch)

- APS: \$ 919 - Last month was \$ 840

Flourish interest earned on 6/03/25 - \$1328

Total Assets: \$ 381,967.37

- Motion by Cheri Gries: I move to approve the June financial report. The financial report was approved unanimously.

Old Business

Budget Maintenance Committee recommendation (as provided by Mike Farrell)

- The committee members are: Mike Yore (Chairman), Lynn Graham, John Bosch, Mike Farrell, Ed James, Wendy Sticht, Ellen Kirschbaum.
- The goal was to determine a process for generating reserve budgets for the future.

- Operational expenses are largely determined year to year based on recent costs. Reserve funding is trickier. We will need to determine how long assets normally last, and how much they cost.
- A driving force for this was the question of setting aside funds for street reconstruction.
- The reserve fund study is the first step in the process determining a future looking budget.
- The committee thought a good plan of attack is to engage a professional, as recommended by our attorney, to determine the reserve budget, with community approval of the reported numbers.
- The report on the reserve study is not a final say on the reserve study. The community can tweak the numbers as we see fit.
- The firm may punt on some items and require information directly from the board.
- The Board will need to make the decision on the rate of funding, and risks, for the reserve fund.
- The committee considered three different firms for the reserve study. They recommended moving forward with ARS ("Advanced Reserve Solutions").
- ARS provided three plans depending on price and time to produce a report:
 - \$1,200: Turnaround time of 7-9 weeks.
 - \$1,700: Turnaround time of 4-5 weeks.
 - \$2,200: Turnaround time of 2 weeks.
- There is an additional cost of \$160 for pictures to be taken.

Follow-up discussion:

- The Board generally expressed appreciation for the work of the committee.
- Steve Larson stated it is difficult to plan for the future without the reserve study. We need a baseline. He believes there was a non-professional reserve study created in 2011.
- Dave Hendrickson asked if ARS would do a thorough walk through the entire community? Per Mike Farrell, the firm will walk through our community, take pictures, and talk with board members to create an inventory.
- Sandy Matchette asked if we should have a capital buy-in for future home buyers. Per Mike Farrell, this is a potential option for the future. At the moment,

we're trying to estimate how long our assets last, and how much it cost to replace them.

- Vicki Greenfield: Did any other similarly sized HOA's recently go through a similar process, and have we spoken with them about the process? Per Mike Farrell: We don't know of any, nor spoken to them. However, he had previous lived in an 100+ property HOA that had done a reserve fund study.

- Steve Larson: The Mulcahy legal firm recommended we perform a reserve fund study.

- Jayne Weagle: *[Editor's Note: Jayne had a great deal of detail in her commentary and the board wanted to make sure her thoughts were accurately recorded. She has provided her commentary notes, and we have added them as an addendum to the bottom of this document.]*

- Wendy Sticht: *[Editor's Note: Wendy has also provided her commentary notes. We have added her written comments as an addendum to the bottom of this document.]*

- Nancy Kroening posted in the Zoom chat, "Can we get free bids on projects we see? And can we take the photos and save that money? I request that this be put to a vote of the membership. I have been here long enough to have seen so many projects. It seems that we need to maintain the facilities with \$2300. Thank you!" *[sic]* She is opposed to doing this reserve fund study and suggested the topic could be raised at the next annual meeting.

- Gordon Weagle stated that a separate account should be created specifically for the reserve funds. They should not be commingled with the operational account. Cheri Gries replied that she is willing to separate the operational and reserve accounts.

- Wondering about the separation of operational and reserve accounts, Wendy Sticht asked, "What is the minimum amount of funds for a Flourish account? Perhaps the reserve account can still be a Flourish account."

- Jayne Weagle asked if the \$25,000/year been put into the Flourish account?

- Steve Larson then ended the discussion which was starting to drift away from the topic of performing a reserve fund study.

- Motion by Judith Levin: I move to adopt the recommendations of the Budget Maintenance Committee, which cost \$2,200 + \$160 for photos, with an estimated turnaround of two weeks.

-Steve Larson, Dave Hendrickson, Jeremy Grimm, Judith Levin, and Sandy Matchette vote 'Yea'. Cheri Gries voted 'Nay'. The motion passes.

Old Business Continued: Signs: Entry way, parks

Signs for the West gate and parks (as provided by Elizabeth d'Huart)

- There are three primary considerations for the new signs: Wording, placement, and materials.
- Placement: On the right side of the entry is not a good place as there is limited space.
- Materials: For the west gate, use the design of stacked signs, which could be replaced over time, as needed. Suggested topics include: 15 MPH, Keep right when driving, No Soliciting, Leash your dog, Cleanup after your dog. The panels could be wood or acrylic. No cost estimate was provided, however, able-bodied community members could also make the signs.
- Metal 'Cleanup after your dog' signs could be placed at the north park. A cost estimate would be about \$22/sign.

Follow-up Discussion:

- Steve Larson asked if we could we break up the decision on the signs to separated by what would be at the West gate, and what would be in the North park.
- Judith Levin, Jeremy Grimm approved of the recommended sign options. Wendy Sticht approved of the stacked sign option. Steve Larson thinks the stacked signs looked distinctive.
- Dave Hendrickson voiced concern about the stacked signs in the West gate, and thought people just ignore them. Elizabeth suggested we could increase the font size, or come up with a new design.
- Dave Hendrickson also asked, "Where would the dog signs be placed?" Per Elizabeth, we could put two in the North park. They could be staked in the ground or on the walls.
- Steve Larson asked if the dog signs were made of metal? Per Elizabeth, yes they are.
- Cheri Gries suggested a maximum of two dog signs in the North park, but she thinks people need to be aware of the law.
- Vicki Greenfield: Approves of the dog signs, but is wondering if there needs to be a legal reason for the sign.
- Dave Hendrickson: The sign stores he has visited have dog signs with the legal reason. They cost about \$20.

- Steve Larson has shelved this topic as there wasn't a decision forming quite yet. This topic will be moved to the August meeting.

New Business

Pool Pavilion Furniture

Pool desk chair replacement options (as provided by Sandy Matchette)

- Two deck chairs/loungers have been decommissioned as they are disintegrating. Sandy has found some high-density, polyurethane alternatives. They would provide a wood appearance, but some durability. The discussed option would be 4 chairs and a 2 seat slider, with 2 footstools, and cupholders = \$1579. If delivered and put together, the cost would be \$1750 for the new deck furniture.

Follow-up Discussion:

- Steve Larson: Which account would the funds for this furniture come from?
- This topic will be moved to the August meeting as an 'old business' item.

Committee Reports:

Architecture – Mike Yore

ARCHITECTURAL REPORT

July 8, 2025

There was one request for architectural approvals since the last board meeting.

- Scott Fanning wanted to remove two bushes so he can repair his block wall in the front of the house. Request was approved

Submitted by Mike Yore

Membership – Jeremy Grimm

Data Current, As Of: 7/6/2025

Last HOA meeting: 6/10/2025

Home Sales Closed Since Last Meeting: 1

- 19 East Boca Raton Road

Homes In Escrow: 0

Homes for Sale: 5

- 34 East Boca Raton Road
- 113 East Boca Raton Road
- 136 East Boca Raton Road
- 38 East Calavar Road
- 6 East Piping Rock Road

Rentals: 2

- 3 East Piping Rock Road
- 14029 North Medinan Drive

Vacant properties: 0

Properties with under age 55 occupants: 2 (17 allowed):

- 9 E Calavar Road
- 109 E Tam Oshanter Drive

Hospitality - Sandy Matchette

- Condolence cards were sent out to the Huffman, Whitson, and Law, families that have recently lost a loved one.

Infrastructure – Dave Hendrickson

HILLCREST IMPROVEMENT ASSOCIATION

INFRASTRUCTURE REPORT

JULY 8, 2025

Pool:

Our pool continues to receive quality care from our vendor and from our pool testers, Barbara, Vicki, and Clay.

Thanks go out to Randy Parker for letting me know that the pool light was not coming on. Turns out, it was just a burned-out bulb that has since been replaced by our pool vendor. Thanks Randy!

Recent high winds turned our sparkling clean pool into a swamp overnight. Thanks to the hard work of our pool vendor, the pool was restored to its normal cleanliness. Part of that hard work was adding 40 pounds of salt to help with the chlorination process.

I was able to convince our pool vendor to return to servicing the pool on Tuesday and Friday in lieu of the current schedule of Wednesday and Friday. The current schedule left too much time between the Friday service and the Wednesday service. During that length of time, we found our chlorine levels dropping too low and would not meet County standards. The new service schedule should begin soon.

Damaged wall light:

Raptor Electric inspected the wall light damaged by the falling Eucalyptus tree branch at the east gate to the pool. They determined the wiring was intact and was not damaged, and they were able to secure the light with concrete anchors to the top of the wall; but they could not repair the metal cage surrounding the light. The cage is bent at the base and will require heating the metal cage and bending it back into position, as well as some minor welding repairs. Kenny Roynestad has spoken with a handyman that has the required equipment to make the repairs, and the handyman will be contacted.

Damaged wall fencing:

The damaged metal railing on top of the block fence at the east gate to the pool has been replaced by the same contractor that initially installed all the metal railing and gates at the south park. Thanks go out to Kenny Roynestad who was onsite, due to my absence, during the installation.

Street crack sealing:

Street crack sealing was performed on June 24 and 25. The Board and the contractor wish to thank our members for their cooperation during this very inconvenient time. We know the parking and traffic situations were less than ideal, but with everyone's cooperation the job was done without delays. I want to reiterate what I have said on many occasions; that a regular program of crack sealing and seal coating of our streets can greatly extend the life of our streets at a much less cost than total replacement. These programs are an inconvenience for two days. Can you

image the inconvenience of having our streets torn up for a week so they can be totally replaced, or having the top inch milled off and a new asphalt overlay applied?

Island lighting:

I spoke with Kenny Roynestad about the status of new lighting for our cul-de-sac islands. He, along with Ed Jeter and Steve Hayes have been looking into this issue. Kenny suggests a bollard type LED light that is much sturdier than typical solar lights, is 2-3 feet above ground, and can withstand the abuse from landscapers, contractors, and delivery people, especially if strategically positioned. We can reuse the original LED transformer boxes which are still installed on each island, so there's a cost savings there. A decision on this should be coming soon.

Backflow prevention inspections:

We received our annual letter from the City of Phoenix requiring us to have our 12 backflow preventers inspected and repaired, if necessary. BPD1 is the company that has inspected our backflow preventers for several years, and will be onsite soon.

Hose bib and hose repair:

Kenny Roynestad has replaced a faulty hose bib on the west Tam island, and installed new hose end connectors on the island hose. Thanks Kenny, what would we do without you?

Infrastructure renovation committee:

When the weather cools down, a lot, I will ask for a few community volunteers to join me in a review of all our infrastructure features. This will include block walls, gates and fences, concrete slabs, buildings, patio covers, kitchen and bar facilities, etc. I want to evaluate the needs and develop a "wish list" of things that need attention now, and what can wait until later. For example, do our block walls need to be sand blasted, caulked, re-stucco'd, and repainted, or just caulked and painted? This will be much like the committee that determined the renovation needs of our bar, kitchen, and restrooms at the south park. I already have a list of some of the items that need attention, but I'd like to have input from our members. I plan to do this assessment in October or November, so if anyone is interested, please contact me.

Thanks:

Continued thanks go out to our lamplighters, Steve Hayes and Kenny Roynestad, for keeping our parks and entrances lit up. Thanks guys!

Landscaping

Committee Report - Landscape:

Dead tree removed at the entrance

Kenny did hand pruning of the Yellow bells that are intruding in a Moon Valley Residence yard.

We have learned that Impact, our vendor, does not hand prune and we are considering

hiring someone or self performing, which might include volunteers from our community

to do this important task to care for plants that have other plants intruding upon them,

have numerous dead branches or grass intruding on other plants.

Judith is in ongoing communication with Impact concerning all landscaping matters and

finds that often they are following up, however, ongoing communication is necessary to

address water issues and other issues brought to her attention. Thank you for those of

you who are noticing landscaping problems and sharing with the Board or Judith.

Kendra and Molly have harvested Agave pups. Some will be used for landscaping common areas, and some will be made available to homeowner July 12 th at the pool

area and in the North park under the Sumac in the shade (South side).

The Agave stalks will be removed at the end of their life cycle.

Next Meeting: August 12, 2025

Adjourn: To be added

Addendum - Jayne Weagle's commentary (in her words) regarding the Budget Maintenance Committee's recommendation:

Any of the residents of Hillcrest that moved in after 2019 have no knowledge of our past Boards great stewardship of our beautiful community. In 2010 that Board proclaimed that each year 25,000 would be put into a separate reserve fund account. That money would accrue each year and be used for any capital improvements that were needed. They established a committee to develop a long-range plan so that all residents would know when and for what each dollar was going towards.

Every community asset was looked at, when was it last put in, renewed, etc. What was the cost and what was the life time expectation. Inflationary rate was applied and the year and expected cost was projected.

Every year this was looked at and updated as appropriate. Every year it was presented at the annual meeting where every member could see the amount of carry over assets, new money added, how much was spent and for what. TOTAL TRANSPARENCY

When we increased the dues, 10% in 2015 and another 10% in 2016 it was to be able to replace all our irrigation systems, upgrade our landscaping and decrease the amount of grass watering needs by around a third. For transparency, the spreadsheet showed that instead of 25,000 put in it was 39,000 and 54,000. What happened to this? I can only guess that those two increases, once the irrigation landscape projects were completed went into the operation budget as skyrocketing inflation caused a need for more money there. What happened to the original 25,000 that was to be put in to the reserve fund yearly? At some point the reserve fund was put together in one bank account with the operating funds, diminishing it's importance and transparenence.

We have had several dues increases in the last several years supposedly going into the reserve fund line. I do not even know if the 25,000 is going into that line every year along with the dollars from our raised dues. Last months treasures report indicated that there was 78,000 in the reserve fund line. I know there have been expenses coming out of reserves but I shouldn't have to be guessing what happened to the money.

What I do know is that we have access to all the information we need to update our own long range plan. A plan that is transparent to all and provides all \$\$\$

information. There is no need to hire a company. How many of you on the board or on this committee know what we paid Frank Civil Consulting? It was in all of the pages you as concerned individuals got. Maybe two of you! We wasted that \$7,263 and now you want to waste another \$2,300. What can they tell us for \$2300. They can give you a bunch of pages of information that only tells us what we already know internally.

Addendum – Wendy Sticht’s commentary (in her words) regarding the Budget Maintenance Committee’s recommendation:

As a member of the Maintenance Budget committee, I have a Dissenting Opinion from those who are recommending we obtain a professional reserve study:

We already have an excellent reserve study and long term plan and what we really need is expert advice on long term maintenance requirements for private streets from someone other than an asphalt company, unlike the expensive Frank Civil Consulting report that gave us an extensive unnecessary analysis of the condition and composition of our streets at that time. The only thing it told us about what to expect in the future was that “considerable pavement repairs will be needed in 2027” which we can plainly see is not the case. Regular maintenance has kept our streets in excellent condition.

We just need to update our existing Capital Expenses spreadsheet and continue to use it and continue depositing at least \$25,000 per year into a separate reserve fund. If we have been using reserve funds to cover operating expenses, we might need to raise dues for operating but we have no idea whether we need more money for streets or other assets. I believe that our existing reserve plan does cover adequate funds for future street maintenance. Some entities recommend that HOAs obtain reserve studies every three years but ours was, until Mr. Lavender became treasurer, updated every year and automatically calculated changes through to year 2039. It is a very impressive long range plan.