

Minutes of the Board of Directors Meeting
Sands McCormick Townhomes Association (SMTA)
October 19, 2023

Attendees:

Doug Eggleston, President
Jim Mercier, Vice President-Community Maintenance
Diana Nashban, Director-Landscaping
Dave Clouse, Treasurer
Dave Lattanzio, Secretary

The meeting was called to order at 6:00 p.m.

The minutes of the September 12, 2023 Board Meeting were previously approved electronically.

On September 13, 2023, the Board approved electronically winter overseeding excluding Via Linda & the Entry Island.

On September 21, 2023, the Board approved electronically the use of Travertine Noche as an alternative to the like-colored Belgard Quartzite Mountain 24" tile.

President:

Doug asked Dave C. to present his cash flow/cash balances projection for the balance of the fiscal year in advance of certain expenditures contemplated by the Board. Dave showed the expected revenue and expenses between now and January 31, 2024 excluding 2024/25 assessments typically received prior to January 31, 2024. Based on these projections, Dave believes our cash balances will be sufficient to handle the anticipated expenditures.

Pool. Regarding the pool "timers" or changing our APS use program to something more efficient, Jim learned from Tim that the pool motors must run 24/7 according to Maricopa County which tabled this idea. However, I still contacted APS because I was interested to see if there was any other option for savings on our community electric bill. APS reviewed the limited selections we have as a "Commercial Account" and determined that the account that we are on, which is called a "Small Account", is the most efficient by far than any other option that they offer. It was a nice dream that we could save more, but the reality is we are currently as efficient as possible.

Tennis court. The exterior screening was installed last month but was a two-person job to fully secure it. Jim and I took this on last week and completed the installation and secured it completely. We also wanted to find some kind of "sweep" to install on the gate as there is a wide opening under it where leaves blow into the court area. Jim, while cleaning out one of the

pool storage rooms, found a perfectly suited rubber baseboard that worked as a guard and sweep for the court entry gate. We used the self-tapping metal screws purchased for securing the screen to attach it to the gate. Jim returned the following day to blow, clean and vacuum out the remaining leaves from the court and it looks fantastic! Probably better than it has ever looked, and it should take substantially less effort to keep the court interior clean.

SMTA Entry Way Ficus trees. It is expected that a "thorough" pruning of the Ficus trees will be done in advance of finishing the entry island. Two of those four trees also block the stop signs for entry and exit to our neighborhood and the San Rafael / 87th street signs. They are also the trees that are currently the largest and hang over the sidewalk and into the street the most. This requires us to trim them the often as large delivery trucks, Scottsdale trash collection trucks etc., require a high clearance in that area. We will also want to do this prior to the entry wall and landscape remodel as we will be adjusting the location of the boulders at the entry, and it will affect where we put lighting too.

SMTA Wall, Sign, and Entry. We received a bid from Benny's Landscaping for raising the entry wall eight inches, replacing the "Sands McCormick" sign letters with 12" black raised letters and redoing the landscaping on the entry as discussed in past meetings. After obtaining several bids and meeting with over 6 landscapers, we have determined that Benny's Landscaping is not only very capable of doing a great job, but he has also demonstrated that he can keep the job within our budget. Accordingly, on a motion by Dave C. and seconded by Jim, it was moved that the estimate submitted by Benny's Landscaping be approved subject to our required revisions. The measure was approved. I will provide a sketch of the entry with the proposed changes outlined in the bid we will be reviewing.

Paint Colors for SMTA. Jim and I met with MRPOA early this month to propose the paint schemes the board decided to move forward with. He will discuss this shortly.

Car That Hit Tree. I did get a phone call and had a conversation with the driver of the SUV that hit the pine tree by the Via Linda entrance. After a lengthy exchange, he understands we will file a claim with his carrier to remove the tree as our HOA is responsible for any damage from falling limbs and the like.

Vice President-Community Maintenance:

A certified letter was sent to Mr. Yellowhorse regarding a request he contact us regarding insurance or reimbursement for his accident when he collided with our entrance sign. The letter was not signed for. Our insurance will be reimbursing us less our deductible. Doug will have more details on the quotes.

Coverstar of AZ came out in early October and performed a Preventative Maintenance on the Pool Cover. It was opened initially by Doug and me a week earlier as night-time temperatures

are causing the pool to lose heat. Opening the cover for the first time after sitting closed all summer is a two-person job. The heat causes the cover to stick to the pool deck and it needs to be manually lifted while opening. As it was opened, Doug and I power-washed the cover itself along with the guide rails that get clogged with dirt, which can prevent it from opening smoothly. After cleaning the cover, Doug and I went ahead and power-washed the pool deck. We next tackled cleaning the back Pool Utility room. Not sure this has ever been cleaned. Our Pool Maintenance person has some equipment to remove and seal some leaks and we will finish the cleaning after that.

Discussed with Tim Smith (Pool Dude) the possibility of putting timers on our pool motors to enable us to shut them down during the peak APS electric times. He said that we are considered a semi-public pool and are required to run the motors 24-7 by law.

Worked with Doug last week and we secured the new fencing he installed to help keep the blowing leaves and trash from getting on our tennis court. I came back the next day and blew all the leaves, etc., and vacuumed up the piles. I repainted the Pickleball Court. The court is ready for the Fall season.

Doug and I met earlier this month with MRPOA to propose new paint schemes which we had previously approved. We initially approved three new body colors with an option to retain the current Sands color plus two accent colors. The MRPOA have a different perspective than we do as they see the Sands as a park and Via Linda view, and they require a more consistent look for Sands McCormick. The MRPOA Board offered excellent insight and experience with color changes resulting from their interaction with other neighborhoods within McCormick Ranch. They liked the new colors but felt strongly that we need to limit the body colors to two options and one trim color. We walked away from the meeting with a clear picture of what the MRPOA would approve.

We met again with MRPOA with the two body and one accent colors which were approved. These will be presented to our homeowners at the annual meeting as well as the "block" concept promulgated by MRPOA.

Director-Landscaping:

Diana reviewed the issues with the Sissoo trees from the last meeting including why they should be removed and the complexities with killing the roots. After a discussion, on a motion by Dave C. and seconded by Jim, it was moved that the trees be removed but to be scheduled after February 1, 2024. The motion was approved.

Diana then reviewed with the Board the proposals from two vendors for tree trimming/removal. One bid was incomplete whereas Tree Doctors was complete and inclusive. Therefore, on a motion by Jim and seconded by Doug, it was moved to accept the bid from Tree Doctors. This matter was approved with work expected to commence at the end of October/beginning of November.

Diana said that the overseeding was complete and the stump at Via Linda had been removed.

Diana suggested an email blast be sent out at the end of October reminding homeowners of the need to remove weeds, clean-up the front yards and to comply with the 40% landscaping rule for front yards. Dave L. said he would contact Maureen to have the blast drafted for release.

Treasurer:

<u>Cash Balances</u>	<u>10/16/23</u>	<u>9/8/23</u>
Bank of America Checking	\$ 9,918	\$ 8,406
Bank of America Savings	101,706	111,374
Stearns Money Market	3,153	3,150
Stearns 6 Month CD	Matured	Matured
BMO 13 Month CD	<u>102,977</u>	<u>101,964</u>
TOTAL CASH	<u>\$217,754</u>	<u>\$224,894</u>

TREASURER HIGHLIGHTS SINCE THE JUNE MEETING

Since the September meeting, we've paid \$13,158.13 in expenses. Our large expenses in the past month were for lawn care and our annual insurance premium. All regular expenses are paid to date, we have another \$4,106.95 in expenses due for payment by the end of October.

We've received \$1,347.39 in interest income, and \$500.00 in assessment income since the September meeting. All the current assessments are paid, and no homeowners are past due. We have \$8,500.00 left in unpaid assessments for this fiscal year from 17 homeowners. These final assessment payments are due in full by November 1st. Thank you to our homeowners who continue to pay their assessment on time as they come due.

We transferred funds as necessary from the BOA Savings account to our BOA Checking account to cover payables as they came due. We will continue to make periodic transfers from this BOA Savings account into our BOA Checking account to cover payables as the need for funds requires. Our SMTA bank balances are quite healthy, even though we've done a number of large maintenance and ground care projects this year.

We will have a couple of larger expenses coming up if we remove the sissoo trees and redo the front entrance sign and the entry island. This will be partially offset by insurance proceeds.

There is a P&L comparison report for the board included with this report.

Sometime in December we will assess our account balances and take out one or more new CD's going into 2024, probably using a laddering strategy. Interest rates are relatively high, so we plan to take advantage of this higher rate environment. As a reminder, all our accounts are FDIC insured.

We are still on track to meet or exceed the earned interest income projections we discussed earlier this year. Some of this interest is paid monthly, some quarterly, and some when the CD matures. I expect to see SMTA earning more interest next year than this year. All of this is good news for the homeowners. We are in good financial shape 8.5 months into our current fiscal year.

Let me know if you have any questions.

Secretary:

Dave asked if we have ever considered placing a Sands McCormick signage at Via Linda and East San Rafael as many people enter our community from that location. The Board will take this under advisement but considers the idea a positive one.

Dave then reviewed with the Board the financials reviewed by Dave C. and him. He pointed out certain ratios that might be of some value going forward.

The Arizona Legislature passed HB2298 which will become effective on October 30, 2023. This bill requires us to call a meeting of our homeowners whereby they will be asked to vote on our HOA to continue to regulate our streets. We will take this matter to our homeowners for a vote at the next annual meeting as we clearly want to retain control of our streets.

Jim then asked if he could expand the discussion of painting being considered for next year and thereafter. MRPOA has made it clear that they view our homes as "blocks" and, as such, each block will be painted the same color. Because the Community Center needs painting and by doing so, would provide the homeowners with the new colors on a structure as opposed to a small swatch, he strongly believes we should agree to paint the Community Center as soon as possible. After a lengthy discussion, on a motion by Jim and seconded by Diana, it was moved to paint the Community Center—and the motion was approved.

The next meeting will be held on November 15, 2023 at a location to be determined.

There being no further business, the meeting was adjourned at 8:20 p.m.

Respectfully submitted,

David Lattanzio