

**MINUTES OF THE ANNUAL MEETING
THE ESTATES AT GAINNEY RANCH
HOMEOWNERS ASSOCIATION**

March 23, 2021

This was a virtual meeting due to COVID 19 concerns.

A quorum was present by absentee ballots received. The minutes of the 2020 annual meeting were approved. Regarding the election, there were no write-ins and the five candidates on the ballot were elected – Deb Teitelbaum, Bob Wilson, Kevin McCord, Barry Talley and Doug Dewar.

Financials are good. The monthly dues will go up from \$280 to \$300 to help rebuild operating as well as reserves since money was spent on many projects in 2020. The projects of 2020: Painting and repair of the walls facing the golf course; entry and exit gates were stripped and repainted and the rollers were replaced. The card reader had an update of security codes. The architectural committee reviewed 14 submittals of which two projects included major exterior redesign and construction. The landscape committee replaced plants and shrubs in islands and along loop road that were not performing well.

State of the Ranch – Jim Funk

Jim Funk talked about the state of the ranch. Came out of 2020 really strong. Cash basis was good due to 107 sales , highest amount in last 20 years, and generated \$370K. in 2017, 103 sales generated \$305K. Average increase in value has been between 10%-20%.

Got \$600K operating capital and \$395K in reserves capital and \$670K in capital fund. The overages will be used to invest in the club.

The heat affected GRCA. Record heat of over 100 days of over 100 degrees which helped to identify weaknesses in the irrigation system. Replaced a lot of irrigation lines. New plantings and better irrigation system were installed in the center islands of the road. The city wanted to do minimal landscaping so GRCA took on the responsibility. They do get a little bit of money from the city but its roughly nickels to dollars spent.

The new trimming program consists of dividing every community into fourths. Every quadrant is addressed every month. Many communities are quite pleased with the managing of plants.

Funk talked about the Estate Club. In November they received a building permit but waited for a civil permit. Scottsdale delayed the civil permit and did not receive it until the first week of February. This is why not much work was done. They knew there were some issues with electric but didn't know was the power feeds to tennis courts had melted. Gas lines were not up to code. A number of little things like that held up progress. The sewer line was replaced and the moved the gas and water line were moved. Still working on other gas and electric items. The timeline was projected to be 70% complete around April. This has moved and now is looking to be 50% complete by July, that's the bad news. The good news is, that it is still on target to open in November of 2021.

In 2019, Gainey had an estimate based upon a variety of assumptions, the project would cost approximately \$5,325, 000. The committee realized they were buying into basically a vanilla building. So they decided to do upgrades in the front entry, nicer floor tile in the social area and exterior patio. Also ceiling upgrades in fitness and social area and game/wine room. The furniture throughout the facility will be better quality and virus/bacteria prevention added to ventilation. There were also lighting improvements, plumbing and restroom improvements, unanticipated utility upgrades, and catering kitchen and bar equipment. Now the price is at \$5,615,000. There is no increase in the loan. All improvements are being paid by using the capital fund.

Some of the stats of the club: total area went from 6000 to 15,609 sq feet. Of that, the lobby is 600, over 6000 sq ft of fitness (up from 1500 in the old club) and about 4100 sq foot for the social and main meeting room. The outside covered patio is about 3000 sq feet but can grow to 5000 sq ft. There will be a lot of opportunity to do things. There will be a catering kitchen available for services to use. Window walls open up to the pool area and a bar is located in the corner area.

The floor was opened to questions. A member asked what kind of ventilation upgrades were installed. UV chamber and ionization.

There were no other questions, the meeting was adjourned.

Respectfully submitted,

Deborah Goodwin