

## MINUTES OF THE MEETING

### THE COURTS AT GAINNEY RANCH

#### BOARD OF DIRECTORS

JULY 23, 2024

**Board members present:**

Jason Rio

Ashlyn Melendez

**Board not members present:**

Kevin Coble – Currently in London – Will watch Zoom recording and draft minutes

Jim Funk, Heather Anderson were present by invitation.

President Jason Rio called the meeting to order at 4:04 pm.

Quorum was confirmed by Jim Funk.

Jason Rio and Heather Anderson both discussed the need for a more proactive approach to both maintenance and security needs for the community.

Jim Funk went through the June 2024 financials, which now reflect a positive balance. Barring any major expenses, the balances should continue to grow, which will help put us in a better position by EOY.

There was another main water break on roughly June 19<sup>th</sup> under the driveway of Unit 245 which cost ~\$4,900, not including water.

Ashlyn Melendez reiterated the point from David Merrill stating The Courts reserves should currently hold approximately \$45,000 in the account at this point of the year, with an annual reserve balance of roughly \$92,000

Jason Rio and Heather Anderson discussed tiling needs to access the flat roofs, primarily for A/C repairs/replacements. Tiles are kept in reserve by maintenance, and the board will explore alternatives to allowing them to continually be broken.

Jim Funk recapped the financial picture by stating The Courts is gaining ground, and while there is more work to be done, are on a better trajectory than in the past.

Jason Rio addressed the vote for the special assessment for the water main replacement, which ultimately failed to pass by 1 vote or approximately .5%. The issues is likely to continue and will need careful management to ensure the balance sheets aren't compromised.

The Board approved a \$50 increase to the HOA to account for the water main repairs. If unused, it will still sit in the reserve.

Question was asked regarding alternative financing options for the water main repair. Jim explained the standard process GRCA uses for these types of loans and how it is highly unlikely to be able to find a longer term loan for this particular project.

Resident from Unit 158 asked for clarification regarding the scope of the water main problem. Jason walked her through the progression and explained how the \$50 HOA increase serves as a Band-Aid when more breaks occur. If nothing breaks and the water main issue comes back up for a vote, that money set aside can be applied toward the water main replacement or another project requiring repair. Outside of a larger (\$6k) special assessment, this project will always require a loan.

Ashlyn Melendez pointed out The Courts water usage YTD as already being \$9,000 over the annual budgeted amount. Residents should be aware of these costs associated with the water main breaks.

Resident of Unit 245 asked for better communication regarding work orders throughout the community as there was a disconnect between the resident, maintenance, and the contractor when working under his driveway.

Jim Funk explained the differences in cash flow at \$110 vs \$160 in monthly assessment fees. Water alternatives were also discussed, but Jim believes any savings would be minimal. Jason also discussed The Courts shift to more drought resistant trees and plants. Watering responsibilities were addressed primarily around the oleanders along the east property line of The Courts.

The meeting shifted to maintenance and Ashlyn Melendez asked for clarification around the YARDI system, which tracks work orders. The Board would like to understand the cost and resolution around these repairs. Ashlyn Melendez requested great communication between maintenance and residents regarding items requiring urgent action on the part of the homeowner, particularly around windows and issues with water.

When items are determined to be a homeowner's issues, especially windows that are leaking, it is up to The Board to take additional steps to ensure repairs are carried out accordingly.

Jason Rio discussed the need for more preventative maintenance to occur and proactive steps to be taken to address potential issues earlier.

Ashlyn Melendez shifted the conversation to termite maintenance. Heather Anderson explained how the treatment process is handled and is confident the current plan in place is sufficient.

Jim Funk explained how the garage door replacements fall onto the HOA after a memo from 1996 changing the original CC&Rs. The current Board maintains garage doors are Limited Common Elements and therefore should be the responsibility of the homeowner as originally intended. Garage doors will be addressed in the next HOA meeting.

Regarding other HOA responsibilities, Jim Funk explained how patios affecting residents below should fall under the association to ensure swift action/repair. For future boards, it would be helpful to have all documentation affecting the community. Jim Funk to speak with attorney to confirm The Board's authority in these matters (garage doors and patio membrane/tiling). Ashlyn Melendez had consulted with attorney on this previously.

Ashlyn Melendez proposed a motion to place the garage doors back onto the homeowners. It was seconded by Jason Rio. The motion passed 2-0.

Decks/patios were due to be refinished in 2024, but was moved to 2025 for now at the recommendation of David Merrill.

Jason Rio to address a homeowner's concern regarding a crack in their driveway and will ensure it is handled correctly. Possible leak from last February?

Enforcement of rules and regulations were brought up by Ashlyn Melendez. Under current CC&Rs, garage doors are to remain closed unless being actively used, not sitting in them. The Board believes it is important to update the rules and regulations to align with the vision of the community. From there, whatever is decided upon needs to be enforced for consistency.

Pets were the next topic brought to the floor. There have been instances where a resident has up to 5 dogs in/on their property. The Board is leaning toward implementing a two pet limit.

Ashlyn Melendez cited the bylaws regarding homeowner maintenance responsibilities (Section 3.1). If a resident does not complete required work, as deemed necessary by maintenance within 30 days, The Board has the authority to carry out said repairs and recoup compensation from the homeowner for the completed work.

It will be necessary to explore reasonable action for violations (notices, fines, etc.) and have a transparent plan for implementation. For example, after appropriate notices, maintenance will remove a resident's garbage can and store at their lot for recovery.

The Board reiterated the need for better communication regarding security and maintenance needs, especially with issues that have gone on for a longer period (sprinklers running too long, leaks, trash left out). Security should be working in concert with maintenance to identify problems like this.

Anytime the community sees a problem, these issues need to be reported immediately. Valves are slowly being replaced with smart valves, which come out of the general fund.

Grass in the neighborhood needs some attention from maintenance. Jason asked for the status of the overseed, which was done in October of 2023, but not over this summer. Heather Anderson explained changes to the various sprinkler systems to help improve the Bermuda growth. The Board maintains it is currently in an unacceptable state. Next meeting to address the grass areas and possible alternatives. Currently sits at \$14/sq foot for turf.

Residents discussed garbage and recycling bin sizes. The belief is Scottsdale will allow the purchase of smaller cans.

The meeting was adjourned on July 23, 2024 at 5:26pm.

## AGENDA

1. **Meeting called to order.**
2. **Quorum**
3. **2024 June Financials**
4. **Recent cost of water repairs**
5. **Reserve study**
6. **Maintenance**
  - Caulking and sealing doors and windows**
  - Major beam replacement – discussion**
  - Termite contract**
  - Maintenance work order system**
7. **Rules**
  - Garages open during day**
  - Decorations exterior of home**
  - Pet policy**
8. **GRCA and Courts board**
  - Communication**
  - After hour needs**

**Enforcement of violations**

9. **Questions from members**

10. **Adjourn**

**MINUTES**

Called to order by President Jason Rio at 9:XXam