

**MINUTES OF THE MEETING
OF THE GAINEY RANCH COMMUNITY ASSOCIATION
BOARD OF DIRECTORS
May 31, 2018**

A Board of Directors meeting of the Gainey Ranch Community Association was held Thursday, May 31, 2018, at 9:00 a.m. at the Daniel C. Gainey Estate Club, Scottsdale, Arizona.

Board members present

Karen Epstein
Shannon Vaughan
Doug Phares
Earlene Nelson
Eugene Kaulius via Skype (conference call)

Jim Funk, David Merrill and Monika Goodwin were present by invitation.

Also, Paul Hansen and Neal Butler, representing Butler Hansen PC, were present for a portion of the meeting.

President Karen Epstein called the meeting to order at 9:08 am.

Monika Goodwin was asked for the Affidavit to verify that proper notice of the meeting had been duly given to all association members.

President Epstein asked for any changes or corrections to the minutes of the March 22, 2018, meeting. None were required and the minutes were unanimously approved as published.

President Epstein invited Paul Hansen (of Butler Hansen) to present the audit report. Paul spoke about the report and recognized David Merrill and Kathy Zavala as contributors to the excellent controls practiced at GRCA. As in previous years, the GRCA will receive an unqualified opinion. The Board thanked the auditors and they left.

David Merrill reviewed the April 30 financials with the Board. The money from the sheriff's sale is in a holding account until the legal redemption period is over. Water, across the Ranch, is mostly over budget as are legal expenses. The reserves look good and the capital budget is very good. There are no significant aged receivables.

The Board next reviewed the 2018 – 2019 employee benefit renewal with David. The Board unanimously approved and accepted the recommendation to renew Aetna Banner Medical insurance and offer all three plans; to switch dental coverage to Delta Dental of Arizona; to renew the basic life insurance; to renew the Long Term Disability coverage; to offer Teladoc benefit to all employees; and to offer an HSA matching up to \$50 per month to all employees who select the high deductible health plan.

Jim Funk explained the City of Scottsdale's plant density requirement as it affects the previously Board-approved Scottsdale Road Frontage Project. Specifically, the City requires that there be no more than seven (7) feet between plants. The Board reviewed the revised, City-approved plan created by Tim McGough. The Board unanimously approved the use of \$65,000 Capital Funds to implement the contract with Arbor Care and allow Jeff Rons to furnish and begin to add decorative rock to the Scottsdale Road frontage.

Jim and the board next reviewed and discussed the previous asphalt overlays as well as current bids. Bids were received from Regional Pavement Maintenance of Arizona, Road Runner Pavement and Asphalt Maintenance of Arizona and Sunland Asphalt & Construction, Inc. The

Board unanimously approved a 1 ½ inch overlay of the loop road and 1 inch overlays of Gainey Club Drive, the 10A roadway, and the two Vaquero Drive entries. The Board also approved a one-time \$5,000 expenditure to engage the services of an asphalt consultant to analyze samples of asphalt mix at 4 specific locations along the loop road. Road Runner was selected as the asphalt contractor of choice.

At the last (March) meeting, the Board authorized Jim to investigate the possible legal land uses of GRCA owned property, specifically the Estate Club, and to return to the Board with recommendations. Jim, Karen Epstein and Club Director, Anne Blazek, visited clubs of similar age (20 to 30 years) in five upscale Phoenix and Scottsdale communities. The Estate Club no longer is able to meet member expectations and a remodel will not resolve the issue. A new, modern, well-designed facility could meet the anticipated future demand of members. The Board unanimously approved \$20,000 from capital funds to pay for architects' land and space planning time. An ad hoc committee will also be appointed.

At 10:17, President Epstein called for an executive session (ARS 33-1804, paragraph 2) .

At 10:31, President Epstein closed the executive session.

The meeting was adjourned at 10:31 am.

Submitted,

Monika S. Goodwin,
Administrator