

**MINUTES OF THE MEETING
OF THE GAINEY RANCH COMMUNITY ASSOCIATION
BOARD OF DIRECTORS
January 23, 2020**

A Board of Directors meeting of the Gainey Ranch Community Association was held Thursday, January 23, 2020, at 9:00 a.m. at the Daniel C. Gainey Estate Club, Scottsdale, Arizona.

Board members present

Karen Epstein
Eugene Kaulius
Earlene Nelson
Doug Phares
Shannon Vaughan

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

President Karen Epstein called the meeting to order at 9:03 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 December 6, 2019 meeting. None were required and the minutes were unanimously approved as published.

Funk reported that the 2019 – 2020 Nominating Committee did not meet since the only applicants were the incumbents, Karen Epstein, Eugene Kaulius and Shannon Vaughan.

The Board approved the various annual meeting documents. The end-of-year financial document (December 31, 2019) and the 2019 annual meeting minutes will be available to view on the GRCA website.

Mr. Bob Keolker, Ms. Pat Carleton and Mr. John Michalik were appointed as potential election inspectors for the 2020 meeting.

Regarding the Estate Club Project, Funk spoke about funding. Four commercial loan banks were approached to bid on funding the project and three responded: Mutual of Omaha, MidFirst Bank and Harris Bank. The Board selected Mutual of Omaha for several reasons; one being the existing loan (from 2014) at 4.8%, for which Mutual will reduce the interest rate to 4.1% and incorporate into the new loan. Payments on the 2014 loan will continue at the current amount, approximately \$302,000 per year, which will reduce the balance to less than \$900K by March, 2021. The new loan of \$6.5M will be at 4.1% and annual payments (for 19 years) of around \$493K. The initial year will consist of a 12-month draw period with interest only payments. A condition of the Mutual of Omaha loan is that GRCA complete a reserve study. GRCA management had previously planned a reserve study with Facilities Advisors for this year and asked the company to complete the study by early February, 2020.

The proposed .25% increase of the GRCA Enhancement Fee (from ½% to ¾%) failed to receive sufficient votes. Members did approve a change to the language of the enhancement fee cap to increase the cap by the Consumer Price Index starting in January 2021. Additionally, the Estate Club portion of the assessment will increase by \$15, effective April, 2020, to facilitate loan payments to Mutual of Omaha.

GRCA management, working with Finn architects, made progress on the interior planning of the project. Once the interior plan is created and priced, GRCA management will provide for comment to committees and the general community.

The Board next approved these four ad hoc committees and their members: Fitness Committee, Pickleball Committee, Social Committee and Estate Club Operations Committee.

The Board created a social event to test pickleball play on February 28 at the Estate Club. In addition to Gainey members, an acoustic engineer will attend, and will provide a report on the impact and possible mitigation of pickleball noise.

Management has been discussing alternate venues with Anytime Fitness and the Scottsdale YMCA to provide fitness classes and equipment for GRCA members during construction.

At 10:20 am, President Epstein called an executive session to consider GRCA staff financial information (A R S 33-1804, paragraph 3).

The meeting resumed at 10:45 am. The bonuses were approved as presented. The meeting was adjourned at 10:48 am.

Submitted,

Monika S. Goodwin,
Administrator