

**COTTONWOOD PALO VERDE AT SUN LAKES
BOARD OF DIRECTORS
MEETING MINUTES
March 31, 2021**

DIRECTORS PRESENT: Roger Beagle, Gay Zawatski, Frank Gould, Hank Unck, Don Hicks, Bud Jenssen, Irene D'Aloisio

DIRECTORS NOT PRESENT: None

ALSO PRESENT: General Manager, Steve Nolan

INVITED GUESTS: None

CALL TO ORDER:

President Roger Beagle called the meeting to order at 3:00 PM in the San Tan Ballroom. He stated the meeting was being recorded for the accuracy of the minutes.

President Beagle noted that homeowners can send in questions or comments by email, regarding items on the Agenda prior to the Board voting. Homeowners will have 5 minutes to submit their questions before the Board votes on the Agenda item. Questions or comments may be submitted to Boardmeeting@sunlakes2.com.

PLEDGE OF ALLEGIANCE:

Director Bud Jenssen led the audience in the Pledge of Allegiance.

APPROVAL OF THE FEBRUARY 24, 2021 BOARD MEETING MINUTES:

President Beagle called for the approval of the February 24, 2021 Board Meeting Minutes. ***Bud Jenssen made a motion, seconded by Gay Zawatski, to approve the February 24, 2021 Board Meeting Minutes.*** The floor was opened to Board & homeowner comments. There was no discussion. ***Motion carried unanimously.***

PRESIDENT'S MESSAGE:

President Beagle gave his President's Message at the Annual Meeting, following the Board Meeting.

EMPLOYEE OF THE MONTH:

Cathey Bernard is our March Employee of the Month. Cathey has worked for Cottonwood Palo Verde since October 3, 2015 in the Patrol Department. From her first day at work Cathey demonstrated the ability to work independently, taking on special assignments. She is always ready and willing to accept additional work. You may see her directing traffic, maintaining a closed area, checking dogs on leashes, or checking a Vacation Watch. She handles and resolves situations in a friendly and professional manner. She is approachable and always willing to talk with homeowners, residents and guests.

We are so glad she chose CWPV's Patrol team! She is a bright star who sets a good example for everyone to follow. Thank you Cathey.

TREASURER'S REPORT:

Treasurer, Frank Gould presented the February 28, 2021 Financial Summary. A detailed report will be available for viewing at Homeowner Services, by appointment. ***Hank Unck made a motion, seconded by Bud Jenssen to approve the February 28, 2021, pre-audited Financial Report.*** The floor was opened to Board & homeowner comments. There was no discussion. ***Motion carried unanimously.***

Sun Lakes Homeowners Association #2
Financial Summary
February 28, 2021

	Current Month ACTUAL	Year to Date ACTUAL	Year to Date Budget	Year to Date VARIANCE	Prior Year to Date Actual
Homeowner Services (1)					
Revenues	\$ 449,791	\$ 906,419	\$ 923,386	\$ (16,967)	\$ 876,405
Expenses	353,561	701,581	805,254	103,673	720,183
Net	\$ 96,230	\$ 204,838	\$ 118,132	\$ 86,706	\$ 156,222
Food & Beverage					
Revenues	\$ 274,020	\$ 506,435	\$ 746,009	\$ (239,574)	\$ 790,486
Expenses	247,827	493,829	736,751	242,922	746,520
Net	\$ 26,193	\$ 12,606	\$ 9,258	\$ 3,348	\$ 43,966
Golf					
Revenues	\$ 267,114	\$ 531,617	\$ 490,706	\$ 40,911	\$ 539,508
Expenses	228,219	442,860	435,829	(7,031)	430,267
Net	\$ 38,895	\$ 88,757	\$ 54,877	\$ 33,880	\$ 109,241
Association Net					
	\$ 161,318	\$ 306,201	\$ 182,267	\$ 123,934	\$ 309,429
Palo Verde Gate (2)					
Revenues	\$ 19,273	\$ 38,355	\$ 36,834	\$ 1,521	\$ 36,459
Expenses	17,636	36,392	36,836	444	36,606
Net	\$ 1,637	\$ 1,963	\$ (2)	\$ 1,965	\$ (147)

- (1) Homeowner Services includes Administration, Patrol, Recreation, Facilities, Custodial, Pools and Landscaping.
(2) Palo Verde Gate expenses are paid only by the Palo Verde residents.

Special Funds
February 28, 2021

	Capital Reserve Fund (1)	Capital Improvement Fund (2)	Palo Verde Gate Fund (3)	Voluntary Contribution Fund	Special Assessment Fund
Fund Balance January 1, 2021	\$ 6,074,911	\$ 1,397,576	\$ 8,834	\$ 250,891	\$ 297,442
Additions from Dues, Fees, etc		103,646	-	-	-
Interest Earned	22,840	332		3	4
Expenditures for:					
Golf Courses & Equipment	(93,845)				
HOA-Several Items	(154,006)	(38,504)	-	-	
Fund Balance February 28, 2021	\$ 5,849,900	\$ 1,463,050	\$ 8,834	\$ 250,894	\$ 297,446

Notes:

- (1) Funds set aside to replace worn out equipment, building parts, etc.
(2) Funds set aside to improve and/or add to existing facilities.
(3) Funds set aside to replace worn out parts and improve the PV gate (funding from PV residents only).

Number of homes sold this month is 24, 57 YTD is resulting in revenue of \$85,500.00 ytd.

COMMITTEE AND TASK FORCE REPORTS:

The following Committee did not meet in March: Recreation/ Entertainment.

Architectural Compliance Committee: The report was given of their meetings held on March 9 and 23. Among the subjects discussed at the meetings were: 202 permits were approved, 1 permit denied, 0 permits past due. Their next meetings are April 13 and 27 at 8:30 AM in the Saguaro Room. They have three (3) recommendations for the Board: Update ACC Guidelines for Garages, Carports, and Golf Cart Enclosures (Page 13, #14, Item E-2); Update ACC Guidelines for Garage Doors (Page 18, #21, Item D); and Revise Board Policy 10-01, Committees to increase the term for ACC Committee Member to 3 years.

They have no recommendations for Management.

Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Audit & Finance Committee: The report was given of their meeting held on March 4. Among the subjects discussed at the meeting were: monthly reports were given, year end financials. Their next meeting is April 1 at 3:00 PM in the Phoenix Room.
They have no recommendations for the Board or Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Communications Committee: The report was given of their meeting held on March 1. Among the subjects discussed at the meeting were: monthly reports were given. Their next meeting is April 5 at 9:00 AM in the Phoenix Room.
They have 1 (one) recommendation for the Board: to approve Ricki O'Keeffe and Bill Carpenter to the Committee.
They have no recommendations for Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Election Committee: The report was given of their meeting held on March 4. Among the subjects discussed at the meeting were: monthly reports were given, Meet the Candidate and election procedures, group setup to investigate future on-line voting. Their next meeting is September 2 at 1:00 PM in the Phoenix Room.
They have no recommendations for the Board or Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Facilities & Grounds Committee: The report was given of their meeting held on March 2. Among the subjects discussed at the meeting were: monthly reports were given, homeowner proposal was presented to Committee. Their next meeting is April 6 at 10:00 AM in the Phoenix Room.
They have one (1) recommendation for the Board: to adopt the revised 2021 Capital Project List.
They have no recommendations for Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Food & Beverage Committee: The report was given of their meeting held on March 4. Among the subjects discussed at the meeting were: monthly reports were given. Their next meeting is April 1 at 9:00 AM in the Phoenix Room.
They have no recommendations for the Board or Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Golf Committee: The report was given of their meeting held on March 3. Among the subjects discussed at the meeting were: monthly reports were given, review "play" after COVID-19 restrictions. Their next meeting is April 7 at 2:00 PM, in the Phoenix Room.
They have one (1) recommendation for the Board: to approve Diane French as the PV Lady's Association Representative and Bette Buchanan as the CW Lady Niners Representative to the Committee.
They have no recommendations for Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Recreation / Entertainment Committee: No Meeting in March. Their next meeting is October 4 at 1:30 PM in the Phoenix Room.

Safety & Security Committee: The report was given of their meeting held on March 3. Among the subjects discussed at the meeting: monthly reports were given. Their next meeting is April 7 at 9:30 AM in the Phoenix Room.
They have no recommendations for the Board or Management.
Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

PROJECT REPORTS:

Three (3) New Pickleball Courts: Mr. Nolan reported the fencing was recently installed with a few minor items remaining, next will be the completion of the finish concrete, electrical work and the final court surface. Completion is scheduled for May 1, 2021.

MANAGEMENT REPORT:

Steve Nolan gave his management report at the Annual Meeting, following the Board Meeting.

DIRECTORS COMMENTS:

Directors Comments were given at the Annual Meeting, following the Board Meeting.

CAPITAL RESERVE REPLACEMENT FUND:

President Beagle introduced Capital Reserve Replacement request #11, Item A.

Don Hicks made a motion, seconded by Gay Zawatski, to approve the replacement of a 7.5 ton HVAC unit located at the Cottonwood Ballroom with a Trane 7.5 ton HVAC Unit for a total cost of \$10,150 from Alpine Air. The floor was opened to Board & homeowner discussion. President Beagle asked why there is a difference in price/unit from last month's approved HVAC Unit. Mr. Miller noted heating capabilities and fresh air intake justify the differences in cost from the previous unit. ***Motion carried unanimously.***

President Beagle introduced Capital Reserve Replacement request #11, Item B.

Hank Unck made a motion, seconded by Gay Zawatski, to approve the replacement of the current ice machine at the Palo Verde Bar with a Manitowoc model 1YF0900N ice machine for a total cost of \$8,375 from Fair Refrigeration. The floor was opened to Board & homeowner discussion. Ms. Zawatski asked when this ice machine was previously replaced. Mr. Reichert noted this ice machine has never been replaced and it is 11 years old. ***Motion carried unanimously.***

PV GATE RESERVE FUND: NONE

CAPITAL IMPROVEMENT FUND: NONE

VOLUNTARY CONTRIBUTION FUND: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

President Beagle introduced New Business request #16, Item A.

Bud Jenssen made a motion, seconded by Hank Unck to approve new Communications Committee members Ricki O'Keeffe and Bill Carpenter. The floor was opened to Board & homeowner discussion. There was no discussion. ***Motion carried unanimously.***

President Beagle introduced New Business request #16, Item B.

Don Hicks made a motion, seconded by Gay Zawatski to approve new Golf Committee members Bette Buchanan as the CW Lady Niners Representative and Diane French as the PV Ladies Representative. The floor was opened to Board & homeowner discussion. There was no discussion. ***Motion carried unanimously.***

President Beagle introduced First Reading request #17, Item A which was moved to New Business.

Don Hicks made a motion, seconded by Gay Zawatski to adopt the revised 2021 Projects List as previously provided to the Board. The floor was opened to Board & homeowner discussion. President Beagle noted there is a scheduled Board Workshop on April 16 @ 2:30pm in the Saguaro Room to review the 2021 Project List. Mr. Neuer asked if the Board Workshop would be Live Streamed. Mr. Nolan responded yes. Bob Neuer asked if the items on the list are already approved projects. President Beagle noted it is an adopted list as presented by the F&G Committee in which projects are prioritized. Mr. Neuer commented that homeowners seem to have little input regarding the project list. President Beagle noted the project list comes from the F&G Committee, the Board reviews and adopts the project list, at which time a workshop is set up. Concerned homeowners should attend Committee meetings if they want input into projects. Capital projects are approved based on spending capabilities. Mr. Neuer asked about the project to replace sand in the bunkers. Mr. Nolan noted this was not an approved project. ***Motion carried unanimously.***

FIRST READINGS:

The Board of Directors unanimously agreed to place the following into First Readings:

- ACC Guidelines for Garages, Carports, and Golf Cart Enclosures; Page 13, #14, Item E-2.
- ACC Guidelines for Garage Doors; Page 18, #21, Item D.
- Changes to Board Policy 10-01, Committees.

HOMEOWNER COMMENTS:

- Mr. Neuer voiced concern over loud landscaping work being done by the PV Clubhouse at 4:45am. Scott Anderson said they would look into revising the schedule, but need to get work done before golfers/homeowners are out. Mr. Nolan noted with warmer weather outside work will need to start earlier in the day. We are zoned Agricultural and work can begin at 4:00am.

The meeting adjourned at 3:50 PM

Respectfully submitted,



Bud Jenssen, Secretary