

**COTTONWOOD PALO VERDE AT SUN LAKES
BOARD OF DIRECTORS MEETING
MINUTES
March 28, 2012**

Directors present: Rich Featherstone, Bud Jenssen, Woody Neiman, Mel Rasmussen, Kathy Skrei and George Thomas

Directors absent: Paul Graebke

Also present: Steve Nolan, General Manager

Board President, Rich Featherstone called the meeting to order at 5:35 p.m. He stated the meeting is recorded for accuracy of the minutes. He stated that the Annual Meeting will follow this meeting at 6:30PM.

Mel Rasmussen introduced WWII Army Veteran Ed Troche who led the Pledge of Allegiance.

George Thomas made a motion, seconded by Woody Neiman, to approve the minutes from the February 29, 2012, Board Meeting. Motion carried unanimously.

PRESIDENT'S MESSAGE: Rich Featherstone announced that the President's Report will be given at the Annual Board Meeting at 6:30 p.m.

TREASURER'S REPORT

The February 29, 2012, pre-audited financial report was given.

Bud Jenssen made a motion, seconded by George Thomas, to approve the February 29, 2012, pre-audited financial report. Motion carried unanimously. The final financial summary will be available in Homeowner Services.

**Sun Lakes Homeowners Association #2
Financial Summary
February 29, 2012**

	Jan. 1 to Feb. 29, '12 Budget	Jan. 1 to Feb. 29, '12 Actual	Jan. 1 to Feb, '11 Actual	Actual Month Feb 2012	Actual Month Feb 2011
• Assessments, fees, & other amounts paid by Homeowners	\$609,976	\$621,362	\$602,803	\$312,100	\$293,955
• Homeowner Association Services [1]	-\$605,695	-\$557,115	-\$520,132	-\$296,390	-\$263,313
• <u>Food & Beverage</u>					
Revenues	\$431,227	\$437,142	\$408,814	\$232,893	\$216,217
Expenses	-\$448,505	-\$432,746	-\$422,794	-\$222,554	-\$213,531
F&B Net income (+) or Loss (-)	-\$17,278	+\$4,396	-\$13,980	+\$10,339	+\$2,686
• <u>Golf</u>					
Revenues	\$442,281	\$392,013	\$394,749	\$190,361	\$204,414
Expenses	-\$368,868	-\$348,558	-\$319,261	-\$170,254	-\$161,292
Golf Net income (+) or Loss (-)	+\$73,413	+\$43,455	+\$75,488	+\$20,107	+\$43,122
• Net Income (+) or Loss (-) of Assn	+\$60,416	+\$112,098	+\$144,179	+\$46,156	+\$76,450
• Palo Verde Gate Net Income or Loss [2]	-\$1,246	+\$2,009	+\$821	+\$884	-\$684

Notes:

[1] Homeowners Services include Administration, Patrol, Recreation, Facilities, Custodial, Pools, and Landscaping.

[2] Palo Verde Gate expenses are paid only by Palo Verde residents.

Special Funds
February 29, 2012

	Capital Reserve Fund [a],[c]	Capital Improvement Fund [b],[c]	Palo Verde Gate Fund [d]	Special Assessment	Voluntary Contribution
Fund Balances, January 1, 2012	\$4,779,595	\$746,013	\$61,309	\$24,469	\$4,455
Additions from Dues, Transfer Fees, etc.	\$541,146	\$977,110	\$0	\$1,571	\$757
Interest Earned	\$2,126	\$40	\$3	\$1	-
Expenditures for:					
<i>Robson Lot Purchase</i>	-\$896,430	-\$896,455			
<i>Rezoning Expense</i>				-\$10,680	
Golf	-\$18,575	-			
Food & Beverage	-	-			-
Homeowner Association Services	-\$16,726	-\$500			-\$3,400
Landscaping	-\$13,389	-			
Palo Verde Gate	-	-			
Fund Balances February 29, 2012	\$4,377,747	\$826,208	\$61,312	\$15,361	\$1,812

- [a] Funds set aside to replace worn out equipment, building parts, etc.
- [b] Funds set aside to improve and/or add to existing facilities.
- [c] Only items readily identifiable by serial number or location and having a useful life of at least three years may be paid from the Capital Reserve and Capital Improvement Funds.
- [d] Funds set aside to replace worn out parts and improve the Palo Verde Gate.

COMMITTEE REPORTS:

Architectural Compliance Committee: The report was given of their meeting held March 1. Next meeting is April 5, 8:30 a.m., in the Phoenix Room. There were no recommendations for the Board at this time.

Audit & Finance Committee: The report was given of their meeting held March 13. Next meeting is April 10, 1:00 p.m., in the Saguaro Room. They asked that the Board and management review the format used for the presentation of the monthly financial report at the monthly Board meeting. Complete minutes of this committee's meetings are available for viewing at Homeowner Services. Rich Featherstone was thanked for his service and congratulations were given to newly elected Board members. There was discussion at this time.

Communications Committee: The report was given of their meeting held March 7. Next meeting is April 4 at 7:00 a.m. in Ceramics Room. There were no recommendations for the Board at this time. Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Election Committee: The report was given of their meeting on March 6. Next meeting is April 3, 1:00 p.m., in the Phoenix Room. She reported on the recount of the return envelopes and the results of the vote count. There were no recommendations for the Board at this time. Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

At this time, the Election Committee was thanked for their work on the Board Election.

Facilities & Grounds Committee: Rich Featherstone was thanked for his service and congratulations were given to the new Board members. The report was given of their meeting held March 6. Next meeting is April 3, 10:00 a.m. They have one recommendation for the Board to approve the appointment of Sidney Reiff to the Facilities & Grounds Committee replacing former member Paul Koehler. 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 March 1. Next meeting is April 5 at 9:00 a.m. in the Saguaro Room. There were no recommendations for the Board at this time. Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Golf Committee: Rich Featherstone was thanked for his service and congratulations were given to the new Board members. The report was given of their meeting held March 1. Next meeting is April 5 at 3:00 p.m. in the Ceramics Room. There were no recommendations for the Board at this time. Complete minutes of this committee's meetings are available for viewing at Homeowner Services. There was discussion regarding the status of the new Chelsea program.

Recreation Committee: The report was given of their meeting held March 5. Next meeting is April 2, 1:30 p.m., in the Phoenix Room. . There were no recommendations for the Board at this time. Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Safety, Security & Access Committee: The report was given of their meeting held March 7. Next meeting is April 4, 10:00 a.m., in the Saguaro Room. There were no recommendations for the Board at this time. Complete minutes of this committee's meetings are available for viewing at Homeowner Services.

Administration Building Replacement Task Force: No report given.

PROJECT REPORTS:

Palo Verde Pool Restroom: No report given.

Rezoning: No report was given.

Pickleball Report: No report was given.

Fountain Report: A report was given on the status of the fountain project.

There was discussion regarding the new podiums and completion of the fountain at the front of the PV Clubhouse.

MANAGEMENT REPORT: The management report will be given at the Annual Meeting at 6:30 p.m.

DIRECTORS COMMENTS: The Directors comments will be given at the Annual Meeting at 6:30 p.m.

CAPITAL RESERVE REPLACEMENT FUND REQUESTS: NONE

PV GATE RESERVE FUND: NONE

CAPITAL IMPROVEMENT FUND REQUESTS: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

Mel Rasmussen made a motion, seconded by Woody Neiman, to approve RFP (Request for Proposal) qualification letter and documents for the selection of an architect in support of the Administration Building Project. There was discussion. Motion approved unanimously.

Bud Jossen made a motion, seconded by George Thomas, to approve the appointment of Sidney Reiff to the Facilities & Grounds Committee replacing former member Paul Koehler. Motion approved unanimously.

FIRST READINGS:

B.P. 4-07 Purchasing and Contracts was discussed and tabled due to necessity of further evaluation.

HOMEOWNER COMMENTS:

The following subjects were commented on and discussed:

-Regarding homeowner input and location of the new Admin. Building and forthcoming workshops.

The meeting adjourned at 6:20 p.m.

Respectfully submitted,

Bud Jossen, Secretary