



## Annual Meeting

January 23, 2019 Scottsdale Ranch Community Center 7:00 p.m.

**PRESENT:** Debra Castro, Barry Bader, Robin Silberman, Doug Clark, Hilda Banyon

**CALL TO ORDER:** President Castro called the meeting to order and introduced the HOA Board of Directors and Committee Members.

**APPROVAL OF MINUTES:** Banyon moved, Castro second that the minutes of the January 24, 2018 be approved. **Motion approved.**

**NOMINATIONS FOR 2019-2020 BOARD MEMBERS.** Castro asked for nominations from the floor for two open seats on the HOA Board of Directors. Hearing none, the nominations were closed. Robin Silberman will count ballots brought tonight, adding to those mailed in and report results at the end of the meeting.

Castro thanked everyone for attending the annual meeting and thanked Board Members and Committee members for their time and efforts on behalf of our community. She stated that all board members take their responsibilities seriously and are committed to maintaining our beautiful community. During the past year, the Board presented two Amendments to our CC&R's – one regarding Short Term Leases and the other being discounts for paying HOA dues in full in one payment. Both passed by the required 75% vote of our community. However, Scottsdale Ranch did not approve the amendment providing for a discount. The Board also implemented a new fine policy for ACC issues and a tree removal policy. A reserve study was conducted, and the Board is now using that study a number of different things. Ten homes were sold during 2018. Special thanks to Leslye and Ron Labakken for their continued oversight of our pool.

**FINANCE:** Treasurer, Doug Clark, presented the 2018 financial report and narrative (on file) and the new 2019 Operating Plan. Clark discussed how the recently completed Reserve Study helps in developing budgets and forecasts. This was the first one conducted on behalf of CdC in its 33-year history. It is not "required" but is "recommended" that be done regularly every 3-5 years. The Study points out life expectancy of assets and projects costs for repairing/replacing. We used this Study in preparing the 2019 Operating Plan. The Reserve Study examines and reviews the common area assets of the community which, in our case, largely represents the Pool Complex but also the Entranceway Common Areas and the Perimeter Walls.

The purpose is primarily to determine whether Casa del Cielo is adequately funded to meet the required future capital expenditures on the Common Area Assets. While Casa del Cielo does not have a designated Reserve Fund (although stipulated in our CCRs), our Bank savings account has been considered our 'de facto' Reserve Fund. While the goal is to have 100% coverage, the apparent norm for HOAs is in the 70-100% range. Casa del Cielo is at 59%, which indicates potential need for future additions to our savings balance or Reserve Fund.

As part of Reserve Study, the useful remaining life of the Common Area Assets has been identified, together with the estimated cost to replace and/or upgrade. Some of the Common Area Assets which require Replacement and/or Upgrade soon have been included in the 2019 Operating Plan.

The HOA dues will be increased by 5% (\$6) for 2019 bringing monthly dues to \$126.00.

The most pressing issue this year will be the pool. This is a 33+ year old pool and as such requires a lot of ongoing repairs and maintenance.

We remain financially strong, in part, because of the efforts of the Committees and Board members. We are also financially strong because we have a committed group of homeowners.

**HOMEOWNERS FORUM: Question: What is the Board's disposition on staying "self-managed"?** Silberman reported that the Board is doing their due diligence in researching the advisability of hiring a Management Company. To date, eight companies have been reviewed and two are being considered for further discussions. There are several circumstances that impact how the Board is looking at this. One is whether we want to look at a different way of managing our financials. At this time, we are using Ann Couch, CPA located in Phoenix. She is a small CPA firm and we are her only HOA client. We are happy with most of her work. One request that we have from residents is to debit their accounts directly for HOA dues. Currently, Couch does not provide this service. That is clearly one area that we would be looking at if we look at a new company, among other things. Another issue is getting people to run for Board positions. We have a "hands on" Board and finding people who want to commit the time needed to manage a community is not easy. If we can continue to have residents who are interested in running for the board and maintaining a self-managed community, that is what we will continue to do. The Board must however be prepared if we need to go a different direction.

Question: **What specifically would a Management Company do?** Management companies provide a lot of different services. It is up to the Board to determine exactly what services we would hire them to perform. One main question our Board has asked is if we can continue with our current Landscape Company. The answer to that question is yes. The contract with the Management Company would be negotiated and current needs would be foremost in the discussions.

Question: **Will the Board hire a Management Company without discussing with the residents?** No. Clark indicated that no dollars have been added to the budget for a Management Company at this time. Bader responded that no decision would be made by the Board on this matter without discussion with and involvement of the entire community.

Discussions continued regarding the hiring of a Management Company. Since this is currently only in the very preliminary stages, it was suggested that we table this discussion at this time.

**NOMINATIONS:** Silberman announced Randy Vogel and Hilda Banyon were elected to the board beginning Jan 2019 – Dec 30, 2021.

Meeting adjourned 7:55 p.m.

Respectfully submitted,

Hilda Banyon  
CdC Board  
Secretary