

**MINUTES OF THE MEETING
OF THE GAINNEY RANCH COMMUNITY ASSOCIATION
BOARD OF DIRECTORS
November 4, 2005**

A Board of Directors meeting of the Gainney Ranch Community Association was held Friday, November 4, 2005, at 8:30 a.m. at the Gainney Ranch Community Association Administration Building, Scottsdale, Arizona.

Members Present

Preston Miller
Barbara Daum
Fran Goldberg
Alan Lezak
Shannon Vaughan

Fred Thielen, Carol Collins and Monika Goodwin were present by invitation.

Chairman Preston Miller called the meeting to order at 8:40 a.m.

Monika Goodwin was asked for the Affidavit to verify that proper notice of the meeting had been duly given to all association members. Chairman Miller directed that it be attached to and made part of the minutes.

Chairman Miller asked for any changes or corrections to the minutes of the May 16, 2005, meeting. None were required and the minutes were approved and accepted unanimously.

Thielen reviewed the 2005 Reserve Account Status (attached) as well as the 2006 Reserve Study Summary (attached). Thielen noted that the \$50,000 used during 2005 to bolster the GRCA's operating cash was re-directed to the Gainney Excellence Program for 2006. Consequently, assuming the collection of \$60,000 in Community Enhancement Fee income during 2006, a total of \$159,576 is expected to be added to the Excellence Program balance during 2006.

Not counting the \$50,000 re-directed into Reserves, the total reserve requirement increased by 4.2% for 2006. The portion of the total reserve requirement collected from member assessments increased 2.1% for 2006. Thielen also reviewed the new items added to the 2006 Reserve Study as well as several material increases to the reserve requirement for 2006. Thielen and Carol Collins answered several questions.

Thielen next reviewed the Capital Expenditures Reports, both the 2005 Status (attached) and the 2006 projected expenses (attached). He then reviewed some needed but unexpected computer and small maintenance equipment repair and replacement expenditures in 2005. There were also a few budgeted items not needed and the net difference was \$8062 over budget. Carol Collins reported that computer upgrades are not totally complete; the Estate Club will receive a POS (point-of-sale) system next year, which is in the 2006 Capital Expenditures budget. Realizing how volatile Capital Expenditures are from year to year, it was noted that the 2006 Capital Expenditures budget was down 50% from 2005.

The Board tentatively approved the 2006 Reserve Analysis and Capital Expenditures reports but deferred final approval until the remaining 2006 budget components are reviewed at the December 8 meeting.

Thielen summarized the Executive Director's Annual Compliance Report. He indicated that inspections of all Gainey Ranch common area improvements had been completed and that documentation is on file at the GRCA Administration Office. Next, the Work Order Status reports were reviewed. This year's compliance inspections generated 310 work order tickets. Regarding open work tickets, most of the work tickets that were open on August 31 have since been closed and the remaining few have a November completion date. Since January 1, 2005, the Maintenance Department has processed and completed 3,142 work tickets through August 31, or about 4,700 on an annualized basis.

Thielen reported that the Excellence Program expenses to date had been \$17,688 of the \$131,810 available funds. Therefore, \$114,000 will be carried forward for future use. Chairman Miller asked about the Scottsdale Road – Doubletree Ranch Road intersection project. Thielen explained that the City of Scottsdale has additional requirements. The plans will next be reviewed by the City's Design Review Committee. The project will be presented for Board approval after the bidding process is completed. Work is expected to start in January.

The Board next considered the revised and amended GRCA Architectural Committee Rules. A motion was made to adopt them. It was seconded and passed unanimously. The revised Architectural Rules will be posted on the GRCA website. Chairman Miller asked about the status of the addition of homeowners to the Committee. Thielen answered that an article requesting applicants was in both the October and November issues of the *Gainey Gazette*. To date, one application has been received. The deadline for submitting an application is November 30, 2005.

The Board will meet on Wednesday, November 9, to review the homeowner survey results.

The meeting was adjourned at 10:15 a.m.

Respectfully submitted,

Monika S. Goodwin
Administrator