

**MINUTES OF THE MEETING  
OF THE GAINNEY RANCH COMMUNITY ASSOCIATION  
BOARD OF DIRECTORS  
September 21, 2010**

A Board of Directors meeting of the Gainey Ranch Community Association was held Tuesday, September 21, 2010, at 10:00 a.m. at the Daniel C. Gainey Estate Club, Scottsdale, Arizona.

**Members Present**

Dick Lockwood  
Eugene Kaulius by telephone  
Shannon Vaughan  
Patrick Collins  
Tom Cochill by telephone

Jim Funk, Donna Corcoran and Monika Goodwin were present by invitation.

Paul Hansen and Paula Pejsa (of Butler, Jones and Hansen) were also present by invitation.

Jay Levinsohn, homeowner, was present for a portion of the meeting.

Chairman Dick Lockwood called the meeting to order at 10:05 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 Lockwood directed that it be attached to and made part of the minutes.

Chairman Lockwood asked for any changes or corrections to the minutes of the June 18, 2010, meeting. A clarification regarding the positioning statement and brand voice was required as well as Collins' suggestion about online banking. The minutes were approved and accepted unanimously as amended.

Chairman Lockwood invited Paul Hansen and Paula Pejsa to present the audit report. One of the questions from the Board was the timeline for audit completion. Hansen explained the current timeline.

Chairman Lockwood expressed his personal satisfaction with Jim and Donna's work before calling for an executive session to discuss Hansen's management letter. Mr. Levinsohn left.

The Board reconvened at 11:05.

Chairman Lockwood Invited Corcoran to give the financial report. She noted that cash was down slightly. In November \$300,000 in CDs will mature. Corcoran also noted that between \$37K and \$38K in write-offs is possible and should be a budget consideration.

Corcoran next updated the Board regarding electronic payments. Yardi has designed a report to upload member statements monthly to a new web portal. Mass e-mail capability is available for approximately 76% of GRCA members. Members will have a choice to receive statements electronically or via US mail. The front end web portal will need to be custom developed at a

cost of \$6400 and completion is estimated for February or March of 2011. The Board unanimously approved \$6400 for the development of the Yardi portal.

Corcoran next reviewed the proposed GRCA Reserve Loan Policy with the Board and answered questions. After discussion, the term "loan balance" was changed to "loan availability," and the policy was approved as amended.

Chairman Lockwood asked Funk to report the progress of the Excellence Committee. The committee will develop a Capital List with the input from focus groups. One focus group already met and the group's comments are included in the agenda packet. After the input from the other focus groups, the Excellence Committee will focus on strategies to present a comprehensive list of improvements, costs and funding options to the members.

Chairman Lockwood requested Funk to give the Maintenance Committee report. Funk briefly reviewed the summary of information about the September 13 committee meeting included in the agenda packet.

Funk next updated the Board about the camera system and the recently installed access software from ABDi. The security staff is utilizing the access software and identifying any minor glitches. Homeowners will receive letters in October which will give them instructions about going to a website to change permissions and track guests and vendors.

Funk also spoke briefly about the water initiative, details are in the agenda packet. The highlight is a reduction of 12.5 million gallons domestic water used for irrigation during the same period – August 2009 through August 2010 – a 34% reduction.

Funk spoke about the Holiday Cocktail Reception at the Estate Club and the proposed \$20 per person cost. Anne Blazek's proposal was included with the agenda packet. After discussion, the Board approved reducing the cost to \$10 per person.

The Board requested distribution of the board books at least a week before a meeting and the draft minutes circulated for comment within ten days after each meeting.

Chairman Lockwood called for an executive session to review the legal summary and an update of employee insurance benefits programs.

The meeting was adjourned at 12:15 p.m.

Submitted,

Monika S. Goodwin  
Administrator