UNAPPROVED MINUTES
APACHE WELLS BOARD OF DIRECTORS MEETING
THURSDAY, NOVEMBER 6, 2008

OBSERVERS: Elsie Fugman #207, Dennis and Joice Lange #1205, Cheryl Shadle #1147, Ruth Holmes #1071, Kit Fremouw #100, Dee Miller #62, Sharron Miller #905, Carolyn Agee #415, Joe Hahn #1004, Jess Stinnett #118, Steve Daughton #263, Phil White #1131, Bill Dixon #826, Bev Fourcade #199, Barb Fancher #1171.

CALL MEETING TO ORDER: President Bing Miller called the meeting of the AWHOA Board of Directors to order at 8:04 AM. Directors present: Jim Bonnell, Don Fourcade, Irv St. John, Cheri Whalen, Jo Gregory, Ernie Shoults, Tom Finger, and Sandra Johnson. Enga Bach, Office Manager.

BOARD APPROVAL OF AGENDA: President Miller noted that not listed on the posted agenda is the 2009 Budget, which will be the first item under New Business. Pres. Miller then reviewed the other items to be covered under New Business. Pres. Miller asked if there were any comments from the membership. Lois Stevenson #1056 wanted to know when a copy of the budget would be available. Response was once it is approved. Pres. Miller asked for a motion to approve the agenda as posted and presented. Jim Bonnell made the motion to approve the agenda. Don Fourcade seconded the motion. No further discussion. Motion carried.

MINUTES OF OCTOBER 16, 2008: Pres. Miller noted a correction to the Minutes posted on the Bulletin Board which were dated October 17th and should be dated October 16th. Pres. Miller asked for a motion to approve the corrected minutes. Irv St. John made the motion. Jo Gregory seconded the motion. No further discussion of the minutes as posted. Motion carried.

TREASURER REPORT: Irv St. John gave the Treasurer’s report for the month of October.

<table>
<thead>
<tr>
<th></th>
<th>Bal. 10/01/08</th>
<th>Deposits</th>
<th>Interest</th>
<th>Disbursement</th>
<th>Bal.10/30/08</th>
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<tbody>
<tr>
<td>Checking</td>
<td>81,464.93</td>
<td>47,737.18</td>
<td></td>
<td>48,870.86</td>
<td>80,331.25</td>
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<tr>
<td>Savings</td>
<td>41,325.00</td>
<td></td>
<td>26.25</td>
<td></td>
<td>41,351.25</td>
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<tr>
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<td></td>
<td></td>
<td>100,000.00</td>
<td></td>
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<tr>
<td>MM</td>
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<td></td>
<td>957.17</td>
<td>48,870.86</td>
<td>3,716.28</td>
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<tr>
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<td>47,737.18</td>
<td>983.42</td>
<td>48,870.86</td>
<td>225,398.78</td>
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</tbody>
</table>

In addition there is a Reserve Account CD with a balance of $50,493.46.

Pres. Miller asked for a motion to approve the Treasurer Report. Jim Bonnell made the motion. Don Fourcade seconded the motion. After some discussion for clarification the motion carried.

ENGA’S REPORT: Enga Bach reported the HOA received a notice of another property going into a trustee sale to take place in January. This property is not delinquent on funds. We will be filing liens on two delinquent accounts. Pres. Miller explained the procedure on the property sale. Cheri Whalen added information on AZ foreclosure rights pertaining to the HOA. Enga stated there are currently six delinquent accounts.

COMMITTEE DIRECTOR REPORTS:
Swimming Pool – Jo Gregory: Trouble with spa motor has been repaired by Jim Bonnell and now all ten bubblers are working. Purchased two orange life rings. Interviewed four pool companies and given invitations to bid by mid-November. If a new contractor is hired it will be for January 1, 2009. Pool Breakfast is scheduled November 11th from 7 AM to 11 AM. Volunteers have been wonderful. Money is to go toward new waste containers and another spa motor to enable either 5 or 10 bubblers. Closing the pool will be covered under New Business.

Exercise Room – Cheri Whalen: The Marcy Gym was sold on Craig’s List. New owners dismantled and removed it. Carpet remnant will replace current carpet that is 20 years old. This will be done Saturday. The carpet was purchased from Mesa Sales for $8.00/sq. yd. Regular price was $15.00/sq. yd. Group of volunteers will be refreshing the paint on Friday morning. The new equipment to replace the Marcy gym should be in next week. Homeowners are invited to come in to see this new equipment which is designed to help rehabilitate after joint surgery.


Maintenance – Don Fourcade: Nothing to report. Jim Bonnell stated the power was out in Room A and Quilting Room while Don was gone. Breaker was shut off.

Activities – Bev Fourcade: Welcome Back is the 14th of November. Thanksgiving Dinner tickets will be on sale at the Welcome Back. Help is needed in identifying shut-ins in order to provide them with dinner. Craft Show is November 29th. Bike Club will be doing Coffee and Donuts in the morning. Movie Night will be starting in November. It will be the 3rd Friday of the month at 6:30 PM. If a conflict, it will be held the 4th Friday. Working on getting Popcorn machine. There are two 58-passenger buses going to the Lion King performance. There will be a Christmas Dinner in December.

Beautification – Tom Finger: Winter residents are returning. Getting caught up on trimming and transplanting. Lost several trees this summer. Concentrating on improving common areas and areas in front of Administration Building and Library.

Arbitration – Tom Finger: A total of 156 complaints filed year to date. Four are still open. Record year for complaints due to summer rains. Only three concerns filed in October due to fear that their names will be divulged. Receiving more phone calls. Names on concern forms are never divulged. Arbitration is not going to patrol neighborhoods looking for violations. It is residents’s responsibility to monitor their own neighborhood and report violations. Take note of the hanging flower baskets along the activity rooms. Thanks to Jim and Jo Bonnell for the planting and the automatic watering system.

Publicity – Ernie Shoults: Nothing to report.

OLD BUSINESS: Nothing on the Agenda.

NEW BUSINESS:

1) 2009 Budget: Pres. Miller stated that the Budget for 2009 was added to the agenda and asked Irv St. John to comment. Irv St. John, Budget Co-Chairman introduced the Budget Committee for 2009 as follows: Phil White, Sharron Miller, Joe Hahn, and the other Co-Chairman, Steve Daughton, who will make the presentation to the Board. After thanking the Board for their input and suggestions, Mr. Daughton presented the proposed budget line by line and answered questions from the Board. Following the presentation the Board
discussed the key items and the amounts budgeted. Irv St. John thanked the Budget Committee. President Miller asked for a motion to approve the Operating Budget for 2009 as presented with the exception that item #1675 read 10 tables not 21 tables and item #1630 allow some of that money to be used for dust control if needed in areas of Elson Building and Softball field. Cheri Whalen made the motion. Jim Bonnell seconded the motion. Motion carried unanimously.

2) **Donation to CAI:** Pres. Miller explained that CAI is an organization representing HOAs. They provide schools and seminars. We pay annual dues of $150.00. CAI provides a liaison between HOA and the State Legislature. CAI requests donations from HOAs for this purpose. Pres. Miller asked for input from the Board. Comments were made regarding all the benefits they provide. Pres. Miller asked for a motion. Cheri Whalen made a motion to make a $500.00 donation out of our 2008 Operating Funds. Don Fourcade seconded the motion. No further discussion. Motion carried unanimously.

3) **Pool and Exercise Room Closure:** Pres. Miller informed the Board that Marv Larson will put out an e-mail informing residents that the Pool and Exercise Room will be closed during periods of time between November 10th and the 28th. The Pool at the Village will be open for their use and during these closure times they should call the Administration Office to verify the times the Pool will be closed. Discussion was had on handling the various details.

4) **Reserve Study Research:** Pres. Miller asked Cheri Whalen to present information. (Bing Miller left the meeting at 9:35.) Cheri discussed with our accountant for clarification purposes, the accounting of our assets, the depreciation, and IRS tax accounting mechanism. There are some non-partial, third party companies for a minimal fee who will come in and review all the assets of a community, put a life span on them for tax purposes, for depreciation. It affects our accounting and if we are going to have our financial statements audited they need to have accurate information. The Reserve also has practicality because this group comes in and reviews all the assets and puts an economical life span on your assets. It is recommended by the AZ Legislature and as well as community associations, that every operation start funding a reserve fund to replace your fully depreciated assets. (Bing Miller returned to meeting at 9:36) We do not have the expertise to do this where as a Research company does. They will put together a report with recommendations. Cheri recommended that the Board do more research, have them come in to speak to members of the Board, if merit, decide if we should go forward with it next year. A reserve study is a budgeting tool for the Board. After some discussion, Bing, Irv and Cheri will do additional research.

5) **Legal Representation:** Pres. Miller brought up our current law firm of Jackson, White and the changes in legal representation that has occurred in the last three years. Pres. Miller recommended looking for a firm that specializes in representing HOAs. There are three in the Valley that strictly represent HOAs. The Board discussed the matter and agreed to do some research into those firms.

**ITEMS TO LATE FOR AGENDA:** Nothing added.
EXECUTIVE BOARD SESSION:  Pres. Miller called for a motion to adjourn to Executive Session.  Irv St. John made the motion.  Don Fourcade seconded the motion.  Motion carried.

Board Meeting Adjourned at 9:40 AM.

Respectfully submitted by,

Sandra M. Johnson, Secretary