President Bing Miller called the monthly homeowners meeting to order at 6:59 PM. He then thanked the people who stayed here this summer and also welcomed back everyone.

Motion was made by Steve Daughton (263) and seconded to approve the Agenda. Motion carried.

Bing Miller introduced the Directors, Tom Finger 2nd Vice President, Irv St. John, Treasurer, Don Fourcade, Director, Jo Gregory, Director and Jim Bonnell, Director. Absent Cheri Whalen, 1st Vice President, Sandra Johnson, Secretary and Ernie Shoults, Director.

Minutes-Motion was made by Marilyn Johnson (284) and seconded to approve the published minutes of the last meeting (April 8, 2008). Motion carried.

Treasurer’s Report-Irv St. John gave the Treasurer’s Report:

<table>
<thead>
<tr>
<th></th>
<th>Bal. 9-1-08</th>
<th>Deposits</th>
<th>Interest</th>
<th>Disbursement</th>
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<td>$ 66,401</td>
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<td>$ 38</td>
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<td>$</td>
<td>$ 50,000</td>
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<tr>
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<td>$116,895</td>
<td>$ 3,291</td>
<td>$174,748</td>
<td>$125,549</td>
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In addition there are two $50,000 CD’s.

He also requested that any group that has not yet submitted their budget to do so tomorrow.

Motion was made by Ken Ziegler (217) and seconded to approve as presented. Motion carried.

Committee Reports:

Pool-Jo Gregory explained that due to the golf course preparation for winter seeding we have encountered problems with the pool water. Thanked the many residents that helped out at the pool this summer, with a special thanks to Wally. Due to the building coming down we will be losing some of the shade therefore we will remove two umbrellas and tables and install them on the opposite side of the pool and later purchase two additional umbrellas and tables. With the holidays coming we will be having many guests in the pool—please review the pool rules with your company. The Pool Committee will hold a Breakfast on November 11 from 7-11 AM at the gazebo. This fundraiser purpose is to raise monies for pool area items.

Bing Miller stated that when the budget requests were sent out with a letter asking groups to consider a fundraiser. Bingo will also be having a fundraiser-they will have an Omelet Breakfast in December.

Architectural-Jim Bonnell thanked Walt Winder with help from Paul Demond for a good job this summer. Last year for the 5 months of May through September we had 45 homes sales, this year there was only 12. Walt will now take a vacation while Paul and myself handle the winter.

Activities-Bev Fourcade reported on the events that are coming up: Welcome Back on November 14th, all groups welcome. Thanksgiving Dinner on November 27th, HOA will
provide turkey, stuffing and gravy. Residents attending will sign up for dish to bring, tickets for the event can be purchased for $1.

Craft Fair will be held on November 29th from 9 AM – 1 PM coffee and donuts will be available for purchase. There are still tickets available for the Lion King on January 21, 2009 at 7:30 PM. Tickets are $50 and an additional $10 to take the bus. Bev also stated that she needed volunteers to help out with the events in November.

**Building Maintenance**-Don Fourcade reported that golf carts are driving up on the sidewalk and damaging the library building. Please observe all posted signs. Don also thanked the AWCC for allowing the HOA to salvage many items from their building. These items will save the association $3-4,000.

The thermostat in each room is now set where a majority of homeowners are comfortable. Do not use the switch on the outside of the box for controlling the temperatures. This summer it cost the association $600 for a new board due to people switching the A/C on and off.

**Arbitration**-Tom Finger reported year to date his committee has received 133 concerns, many of them were for weeds. He thanked his summer committee of Tim Roach and Chuck Spurr for a remarkable job.

**Beautification**-Tom Finger thanked Steve Daughton and the summer crew for an excellent job they did with the tremendous weed growth and heat this summer. There has been new tools purchased and are ready for the winter crew to take over.

**Security Representative**-Jim Dorrance stated that PES did a fabulous job this summer, they had two felon arrests. One of the felons was wanted on two outstanding warrants. Jim sent a letter of commendation to their boss at PES. In addition we also had two Breaking and Entry, and homeowner’s that had graffiti written on their property. In the case of graffiti the homeowner must call the police themselves and report this type of activity. Jim also suggests that each homeowner put their street address on their tan garbage barrel so if they get blown away during a storm it can be returned.

**Exercise or Publicity**-No report as Cheri Whalen and Ernie Shoults were not present.

**Old Business**-None

**New Business**-We received bids for blacktopping at the Elson Building and Softball Field. The contractor backed out of the bid due to escalating oil prices, we asked him to re-bid, which came in $20,000 higher. The Board made the decision to table this expenditure due to income being down. We need to take care of our present parking lot that is in bad shape. If we slurry seal we could get about 10 years use before having to repave. Bing stated that Citizen’s Time will be held on November 3rd and December 1st at 9 AM. If you have concerns or suggestions you would like to talk about call the office to setup your 15 minutes time appointment.

**Open Forum**-A resident questioned why only half of the jets were working in the hot tub. Jo Gregory responded to the lady, by saying that we have a total of 10 jets, 5 of which are turned on at the present leaving the other side of the hot tub for people who like to sit in the hot tub without the bubbles. Jo asked Jim Bonnell to reply. Jim stated that if we want to be able to switch from 5 to 10 jets we will need another motor (2 motors).

Ruth Holmes-Stood up and wanted to talk about water on the golf course, Bing Miller told her that this item was going to be discussed at the October 16th Board Meeting.
Ron Woodward (#275)- Wanted to know if there were other special projects other than the asphalt that needed to be done in the future. Bing explained that there were many, we have two ways to raise the money; one is to raise the dues 10% and the other is get more real estate sales. As we improve the community and make it a better place to live and do some amenity things here that we need to do. We also need to start Reserve Accounts so when items need fixing we have the funds.

Another resident asked if we receive any revenue from the ballfield. Nothing at the present, but this may change in the future. No charge for our ballplayers, but cost for outside players so much per player per game. But on the same token some time in the not to distant future we are going to get to a point in this community that the functions going on need to be a little more self sustaining. In other words it’s one thing for the masses to provide the space, however it is part of the clubs’ responsibility to raise revenue to enhance the facility and carry on their activities.

Brain Johnson (#368) regarding the dust from the ballfield parking lot, charge the people using the field and then bring in a water truck until we can afford to take care of it the right way.

Bev Fourcade (#199) One of the things that I am hearing is that we need to do away with the ballpark or we need to start charging people. In order for people to buy into Apache Wells we need to have the amenities; we have about a 1/3 of the amenities that most of the other committees around here have. We lose people to other parks.

Adjourn-Motion to adjourn the meeting by Steve Daughton, seconded. Motion carried.

Respectfully submitted,

Jo Ann Gregory,
Secretary pro-tem

THESE MINUTES ARE UNAPPROVED FOR INFORMATIONAL PURPOSES ONLY SUBJECT TO CORRECTION

APACHE WELLS BOARD OF DIRECTORS MEETING
THURSDAY, OCTOBER 16, 2008

OBSERVERS: Mickey Jung #1437, Elsie Fugman #207, Lois Stevenson #1056, Bev Fourcade #199, Dee Miller #62, Cheryl Shadle #1147, Brian Johnson #368, Steve Daughton #267, Gene Wedic #620, Marlene Singer #1053, Pat St. John #1114, Joyce Long #1227, Ruth Holmes #1071, Judi Teague #196, Bill Dixon #826.

CALL MEETING TO ORDER: President Bing Miller called the meeting to order at 8:06 AM. Directors present: Irv St. John, Jo Gregory, Jim Bonnell, Don Fourcade and Tom Finger. The following directors were absent: Cheri Whalen, Ernie Shoults and Sandra Johnson.

BOARD APPROVAL OF AGENDA: The following item was removed from the agenda, item #3 Donation to CAI until the next meeting. President Miller asked for a motion to approve the agenda. Don Fourcade made the motion. Tom Finger seconded the motion. Motion passed unanimously. President Miller then gave a brief description of each Capital Expenditure on the agenda and asked if there was any input from the
membership on any of these items. Website-Lois Stevenson wanted Computer Club to take care of own expenses, Bing stated this Website was for our own HOA. Mickey Jung then asked about a non-Capital Expenditure item. Bing stated that he could not answer that at this time, as he wanted to restrict comments to items on agenda. Steve Daughton asked that trees be added to agenda as we have lost many over the last few years.

Maintenance-Lois Stevenson suggested that Terry Roach be contacted regarding the maintenance position. Don Fourcade stated that he has already talked to him and he is not interested. Drainage-Ruth Holmes left a report and pictures for the board regarding the flooding on Higley Road. She also stated that she has never seen so many board members come across the land and look at this area. Weeds- Bev Fourcade stated that weeds and specifically empty lots were abominable. Lois Stevenson asked can’t you contact the caretakers. Bing replied that we have no obligation to the caretaker; the obligation is between the association and the homeowner. There were no questions on the following items Election Committee, sale of Marcy Equipment and Alarm Room “A”.

MINUTES OF APRIL 17TH, 2008: President Miller asked for a motion to approve the minutes as presented. Motion made by Jim Bonnell. Seconded by Don Fourcade. Motion passed unanimously.

CORRECTION TO TREASURER’S REPORT: Grand Total in Operating Funds end of September $225,549.

ENGA’S REPORT: Motion to allow for the national election that a portion of the parking lot be marked off by the committee. Jo Gregory made the motion. Jim Bonnell seconded the motion. Motion passed unanimously. A resident wants to rent area to sell her artwork and place signs within the community. A motion that we continue to allow the Gazebo to be used by individual members of this community but that we are not allowing signs to be posted on our property for commercial purposes. Jim Bonnell made the motion. Jo Gregory seconded motion. Motion passed unanimously. Enga made a recommendation to the board that they have a professional reserve study done and have it update no less than every three years. Enga has checked with the insurance agent regarding title and insurance on golf carts. The association’s insurance agent has responded that all golf carts in the possession of the association need to be titled in the association’s name and insured. Enga reported that she has completed her classes and is now a Certified Arizona Association Manager.

(Irv left the meeting 8:45 AM)

PRIORITIZING THE CAPITAL ITEMS: To aid in budget process the board will discuss the Capital Expenditures and put them in the order of importance. Jo Gregory told the board that the pool deck did not need to be replaced at this time but only repaired so therefore I will revise the request to $7000. The Admin Bldg reconfiguration of $30,000 put on hold. Cost of $30,000 to slurry seal blacktop and striping important needs to be done as we have a serious problem with cracks that are 1-1 ½” wide. Exercise equipment request of $18,600 for weight sets, bikes, treadmill and matting systems suggested $10,000. Price to built wall around well site in parking lot actually has come down slightly in price $10,000 should cover wall and the gates. Cost of $10,000 pool security fence will need to be built when the country club building comes down. The country club will share in the cost. Tables for Room A” $6000 recommend purchasing only ten tables this year saving about $3000. The $5000 for the Pool Committee needed to purchase new tables and umbrellas, as we will loose shade when
the building comes down. All windows in the strip mall need to be replaced because it is plate glass. Jim Bonnell and the woodworkers will help Don Fourcade build new framing for all windows, therefore holding the cost down to $10,000. To save on heating/cooling and to modernize the Ceramics Room a drop ceiling is being considered at a cost of $2500. Bing spoke on the necessity of Apache Wells having a website that is accommodating to the residents and vitally important to this community, budget cost $5,500. I think we only look at the very excellent job that Bob Teague has done on the SAW’s website, although I don’t always agree it is an excellent website and has a lot of good public information. Yearly contribution of $25,000 to put in savings account for Elson parking lot in a few years we will have enough to do the work. Software system for the HOA $4,700.

PART-TIME MAINTENANCE HELP: Jim Bonnell and Don Fourcade have come to the realization that it is time to hire a person to take over maintenance and Don will assist him. There is $25,000 in budget for this item.

DRAINAGE: West side of #16 fairway Jim Bonnell and Bing Miller will get together with Jesus from the golf course to open that area up, association will pay for material and country club will pay for labor.

WEEDS: Attorney will be contacted to find out if the process of having the property cleaned can be expedited.

ALARM ROOM “A”: Don suggested an alarm and guarded keyway be installed in Room “A” to protect the new TV.

ELECTION COMMITTEE: President Miller has appointed Sandra Johnson to chair this committee. She has been working with Maricopa County.

MARCY EQUIPMENT SALE: Cheri Whalen had listed this equipment on craigslist for $450, the only offer she received was for $150 and he will wait for our new equipment to arrive and then will come get the equipment. A motion was made by Don Fourcade to sell the Marcy Gym Equipment to the gentlemen that has deposited the $150. Jim Bonnell seconded. Motion passes unanimously.

President Miller then asked Enga to a give synopsis of the CAI class that she took this summer. Provide information, training and leadership to the board and committees. Assist the board of director’s decision-making process by providing information and fact-finding support; implement the decision of the board; and administering services, programs and operations of the community association within the policies and guideline set by the board. Why a Reserve Study is important and how to budget for these future expenses: Maintaining a replacement fund meets the board’s legal and fiduciary duties. Equalizes the contributions of old and new owners. Could enhance the resale value of homes. Always seek competent advise from professional in their field of expertise. We need to get a maintenance schedule set up to identify physical assets that need to be maintained.

Motion to adjourn made by Jim Bonnell. Seconded by Don Fourcade. Passed unanimously.

Respectfully submitted,
Jo Gregory, Secretary pro tem