

**VILLAS OF CAVE CREEK OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING**

**Monday, December 12, 2016; 2:00 p.m. (PST)
Telephonic**

MINUTES

I. CALL TO ORDER / ROLL CALL

The meeting was called to order at 2:08 p.m. (PST) by Vice President, Bryan Dodd. Mr. Dodd welcomed everyone to the meeting.

Board members and guests in attendance were:

Board of Directors:

Jeffrey Abramowitz	President (<i>joined meeting at 3:08 p.m.</i>)
Bryan Dodd	Vice President
John Holwager	Treasurer
Rosemary Callard-Szulgit	Secretary
Daniel Shaffer	Director

Trading Places International:

Joanne Hallert	Director of Resort Operations
Gary Fraizer	HOA Accountant

Villas of Cave Creek:

Trish Dye	Manager
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Guests

Scott McGinness	Gregory & Appel Insurance
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II. APPROVAL OF AGENDA

Joanne Hallert suggested that Old Business, Item C. Business Interruption Insurance, be moved to the beginning of the agenda for convenience.

A motion to approve the agenda as amended was made by Rosemary Callard-Szulgit and seconded by Daniel Shaffer. The motion was approved unanimously.

III. BUSINESS INTERRUPTION INSURANCE

Scott McGinness explained the need for Business Interruption Insurance to the board. He stated that the association currently has BI insurance up to \$500,000. Mr. McGinness recommended increasing the coverage to \$1,000,000 or looking at monthly limitation coverage as the current coverage would result in a co-insurance penalty if a claim was made. The Board requested that Mr. McGinness provide pricing for both options for a board decision at the February meeting.

Mr. McGinness left the meeting at 2:28 p.m.

IV. APPROVAL OF MINUTES

A motion was made by Rosemary Callard-Szulgit and seconded by Daniel Shaffer to approve the minutes of the September 19, 2016 board meeting. The motion was approved unanimously.

V. REPORTS

FINANCIAL

Monthly Statements

Gary Fraizer reviewed the financials for the period ended October 31, 2016 and noted that while there was currently a negative variance to budget, a positive variance was anticipated by year end due to the sale of HOA owned intervals.

A motion to accept the October 2016 financials was made by John Holwager, seconded by Daniel Shaffer and unanimously approved.

Delinquency/Collections/Foreclosure Update

Gary Fraizer reviewed the delinquency report for the board. The board also reviewed the 2016 collections report.

Joanne Hallert presented the foreclosure update to the board. She advised that the 2nd batch of foreclosures was recently completed and she was just waiting on the title transfer into the association's name.

March Group Portfolio

The board reviewed and discussed the portfolio. Joanne Hallert and Gary Fraizer explained that the CD maturity dates were designed to coincide with the dates funds would be needed

based upon the reserve study. The board requested that Mr. Fraizer confirm the minimum guaranteed interest rates and report back to the board.

HOA INVENTORY

The board reviewed the HOA inventory.

OCCUPANCY REPORTS

Joanne Hallert reviewed and discussed the occupancy reports with the board.

PROPERTY OPERATIONS

Manager's Report

Trish Dye reviewed her Manager' Report for the board. She stated that maintenance weeks were now complete and that the resort had again received Gold Crown status from RCI. Ms. Dye requested that the board authorize the second phase of the laundry room replacement project. Ms. Dye advised the board that she is still looking into a different housekeeping contract due to the increase in pricing from the current vendor.

A motion was made by Daniel Shaffer and seconded by Rosemary Callard-Szulgit authorizing Ms. Dye to continue with the second phase of the laundry room project in an amount not to exceed \$10,000. The motion passed.

Action Items

The board reviewed the Action Items and noted that all were complete. Ms. Callard-Szulgit noted that she would be out of the country for the meeting scheduled for February 20, 2017. The board decided to change the meeting date to February 13, 2017 at 2:00 p.m. PST.

Mr. Dodd and Mr. Fraizer left the meeting at 3:04 p.m. Mr. Abramowitz then joined the meeting.

VI. OLD BUSINESS

ADA Compliance Update – Project Update

The board tabled discussion on the parking space bids until February as Ms. Dye had been recently requested to expand the bid to three spaces. The board also requested that Ms. Dye research the price difference between asphalt and concrete.

Board Travel Policy

The board reviewed the proposed board of director's travel and expense policy. Ms. Hallert suggested proposed language regarding air fare and the board requested that the time limit for requesting reimbursement be increased to ninety days.

A motion was made by Rosemary Callard-Szulgit and seconded by John Holwager approving the travel and expense policy as amended. The motion passed.

Floor Covering for Games Area

The board elected to table further discussion on this matter until the February meeting, following Mr. Abramowitz's visit to the resort later in December.

VII. EXECUTIVE SESSION

The board moved into Executive Session at 3:31 p.m.

The board moved back into regular session at 3:32 p.m.

VIII. ADJOURNMENT

There being no further business to come before the board, the meeting was adjourned at 3:45 p.m. (PDT).

Next Meeting Date

<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Place</u>	<u>Type</u>
Monday,	February 13, 2017	2:00 p.m.	Telephonic	Board

Respectfully submitted,

Accepted by,

Joanne Hallert, Director of Resort Operations
Trading Places International

Rosemary Callard-Szulgit, Secretary
Villas of Cave Creek Owners Association