

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

**MONDAY, MAY 15, 2017; 10:00 A.M. (MT)
VILLAS OF CAVE CREEK**

MINUTES

I. CALL TO ORDER / ROLL CALL

The meeting was called to order at 10:06 a.m. (MT) by Board President, Jeffrey Abramowitz. Mr. Abramowitz welcomed everyone to the meeting.

Board members and guests in attendance were:

Board of Directors:

Jeffrey Abramowitz	President
Bryan Dodd	Vice President (<i>via telephone</i>)
John Holwager	Treasurer (<i>arrived at 10:36</i>)
Rosemary Callard-Szulgit	Secretary
Daniel Shaffer	Director

Trading Places International:

Joanne Hallert	Director of Resort Operations
Kristen Makinen	Administrative Assistant

Villas of Cave Creek:

Trish Dye	Manager
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Guests

Mike Fitzgerald	Fitzgerald & Associates
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II. APPROVAL OF AGENDA

Joanne Hallert suggested adding three items to the agenda: ABC Policy Review under New Business as well as adding Owner Correspondence and Management Contract Renewal under Executive Session.

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. APPROVAL OF MINUTES

A motion was made by Daniel Shaffer and seconded by Rosemary Callard-Szulgit to approve the minutes of the February 13, 2017 board meeting. The motion was approved unanimously.

IV. REPORTS

FINANCIAL

Monthly Statements

The board reviewed the financials through March 2017.

A motion to accept the March 2017 financials was made by Rosemary Callard-Szulgit, seconded by Daniel Shaffer and unanimously approved.

Delinquency/Collections/Foreclosure Update

Joanne Hallert reviewed the delinquency report for the board, stating that she would identify the reason the delinquency rate had increased from the same time period last year. There were more accounts in collections this year; however, there were also weeks now owned by Welk that had received timely payments.

Jeffrey Abramowitz requested management look into the high number of bankruptcies and if they can be reduced in the future by approaching owners once they have gone delinquent past 90 days with an offer to deed back.

The board discussed adding the deed back offer within the newsletter, as well as adding a relief company warning.

A motion to send a deed back offer for all delinquent inventory, closing fees to be negotiated, was made by Daniel Shaffer, seconded by Rosemary Callard-Szulgit and passed unanimously.

March Group Portfolio

The board reviewed the portfolio.

HOA INVENTORY

The board reviewed the HOA inventory when discussing the delinquency and foreclosure updates.

RENTAL REPORT

Jeffrey Abramowitz reviewed the report, noting the positive increase in the average daily rate.

OCCUPANCY REPORTS

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

PROPERTY OPERATIONS

Manager's Report

Trish Dye reviewed her Manager's Report for the board. She advised maintenance weeks were underway and they were re-painting the accent wall. New water valves were being installed in front of all units, new rock was purchased, the Wi-Fi and television reception was greatly improved and there were no negative items to report.

John Holwager arrived at the meeting at 10:36. a.m.

V. OLD BUSINESS

ADA Compliance Update – Parking Spaces

Two spaces had been installed and were operational. The city of Cave Creek approved the location of the spaces.

Housekeeping

Trish Dye advised that the company currently being used for housekeeping was doing well on-site, but that the invoices were an issue as they were not being sent in a timely manner.

Ms. Dye stated she was happy with the current company so long as their invoicing improved. The board agreed to give the company six months to improve and revisit the issue.

Dishware Replacement

Trish Dye suggested using American Hotel Register to replace the dishware. Their bid had come in only slightly over budget.

Dan Shaffer moved to replace the dishware through American Hotel Register at a cost of \$8,062.54, as quoted. Rosemary Callard-Szulgit seconded and the motion passed.

VI. NEW BUSINESS

2018 Meeting Dates

Joanne Hallert requested moving the August meeting to September again in 2018 and perhaps pushing October to December for both 2018 and 2017.

A motion to approve the calendar as amended was made by John Holwager, seconded by Rosemary Callard-Szulgit and approved.

The meeting dates approved for 2018 were:

February 19th – Telephonic
May 14th – Board and Annual
September 17th – Budget
December 3, 2018 - Telephonic

The 2017 October meeting date was moved to December 4, 2017 at 2:00 p.m. (PDT).

2017 Reserve Projects

The board reviewed the upcoming projects on the reserve report.

Jeffrey Abramowitz suggested Ms. Dye obtain bids for a salt water conversion for the pool.

Ms. Dye will obtain proposals for window covering repair.

A motion to approve outdoor stone table and bench replacement with a product similar to the new ADA compliant table in the pool area in an amount up to \$6500 was made by Dan Shaffer, seconded by John Holwager and approved.

The board discussed a downstairs bathroom/kitchen remodel and planning for this in the future. Ms. Dye will obtain additional proposals and this will be highlighted in the newsletter as a plan the board is looking to implement in the future. The board would welcome owner comments to help them in making improvement decisions. This project will be considered once the reserve account is stronger.

2016 Audit

Mike Fitzgerald presented his 2016 draft audit, welcoming board questions.

Mr. Fitzgerald reported the association was in good standing. The reserves were healthy and he cautioned on moving any surplus income into reserves at the current time. He suggested always keeping at least three months of operating costs ready for use if needed.

A motion to approve the 2016 audit and authorize President Abramowitz to sign the representation letter was made by Daniel Shaffer, seconded by John Holwager and approved.

ABC Policy

The board discussed the policy of requiring prepayment for owner use time when booking future years' use. The board agreed by consensus that the current policy was in place for valid reasons and should not be changed. The board noted that exchange companies require and confirm payment in full before accepting deposit of any week.

VII. EXECUTIVE SESSION

A motion to move into Executive Session was made by John Holwager and approved.

The board moved into executive session at 11:42 p.m. (MT).

The board adjourned the executive session at 11:54 a.m. (MT).

VIII. ADJOURNMENT

The meeting was adjourned at 11:54 a.m. (PDT).

Next Meeting Date

<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Place</u>	<u>Type</u>
Monday,	September 18, 2017	10:00 a.m.	Lake Forest	Budget

Respectfully submitted,

Accepted by,

Joanne Hallert, Director of Resort Operations
Trading Places International

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