

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

**MONDAY, MAY 13, 2019; 9:00 A.M. (MST)  
VILLAS OF CAVE CREEK  
CAVE CREEK, AZ**

**MINUTES**

**I. CALL TO ORDER / ROLL CALL**

The meeting was called to order at 9:00 a.m. (MST) by Board President, Jeffrey Abramowitz. Mr. Abramowitz thanked everyone for attending and welcomed them to the meeting.

Those in attendance were:

**Board of Directors:**

Jeffrey Abramowitz	President
John Holwager	Treasurer
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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**Guest:**

Mike Fitzgerald	Fitzgerald & Associates
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**II. APPROVAL OF AGENDA**

Trish Dye asked to add 2019 meeting dates to the agenda.

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

### **III. APPROVAL OF MINUTES**

*A motion was made by John Holwager and seconded by Rosemary Callard-Szulgit to approve the minutes of the February 11, 2019 board meeting as presented. The motion was approved unanimously.*

### **IV. REPORTS**

#### **Financial**

##### **MONTHLY STATEMENTS**

Joanne Hallert advised the board that Edgar Sierra would be their new association accountant.

Trish Dye noted the positive variance to budget; she stated it was primarily a result of her assisting and training at another resort as that association had paid her salary during her time there.

##### **DELINQUENCY/COLLECTIONS REPORTS**

The board reviewed the delinquency report and the collection report.

There was discussion of possible solutions to the continuing problem of high delinquency rates.

#### **HOA Inventory**

The board reviewed the HOA inventory report.

There were no weeks in foreclosure at the time. The board discussed if they wanted to begin another round of foreclosures and it was agreed that they would revisit this in September.

#### **Rental Report**

The board reviewed the rental report. The rental program generated additional income for the association, which helped offset delinquent accounts.

#### **Occupancy Reports**

Joanne Hallert reviewed the occupancy reports.

Owner occupancy was up from last year.

The board requested that Bonus Time be included in each newsletter. They also discussed increasing the rate from \$99.00; however, no action was taken. After learning that only two reservations were booked in 2018, the board decided to focus on advertising this benefit to owners.

Jeffrey Abramowitz suggested adding a TRX hook in the game area and offering the training system for check-out at the front desk. Mr. Abramowitz felt the suspended training system could serve the needs of millennials and rental guests who might enjoy this type of workout. The board agreed to consider it.

## **Property Operations**

### **MANAGER'S REPORT**

Trish Dye welcomed the board to ask questions regarding her report.

Ms. Dye updated the board on her progress with NADS. She'd been unable to accomplish much since the last meeting, so the board discussed maybe looking into a competing company that might be more responsive.

### **ACTION ITEMS**

The board reviewed the action items.

Ms. Dye had been unable to meet up with the general manager of The Boulders. Jeffery Abramowitz said there were quarterly meetings and confirmed that Ms. Dye was welcome to attend.

## **V. OLD BUSINESS**

### **NADS**

This was discussed earlier.

## **VI. NEW BUSINESS**

### **2019 Meeting Dates**

Trish Dye asked if the board members would be able to move the September meeting date from Monday the 16<sup>th</sup> to Tuesday the 17<sup>th</sup>. The board agreed to the adjustment; management would adjust the board's reservations and update the calendar. The board dinner would be scheduled for the night of the 16<sup>th</sup>.

## **2020 Meeting Dates**

The board reviewed the draft of their 2020 calendar.

The board and annual meetings were switched from May to June, with the meetings scheduled for the 1<sup>st</sup> of June. The board directed management to alert owners of the change in the newsletter and it would also be announced at the annual meeting.

The 2020 draft calendar was approved as amended.

## **2019 Reserve Projects**

Trish Dye stated the second bid for tile/carpet replacement that the board requested had come in at \$16K per unit. She recommended going with the original bid, which was closer to \$10K per unit and wished to begin the project this year.

*A motion to accept the bid from Red Star Handyman & Remodeling, LLC and to complete 12 rooms at the original bid price was made by John Holwager, seconded by Daniel Shaffer and approved.*

## **2018 Audit**

Mike Fitzgerald presented his draft audit; he stated that he was able to provide a clear audit opinion and that all documents he had requested were provided with no limitations.

Mr. Fitzgerald noted that in general, the association was in good condition. He mentioned his only point of concern was reserve funding. Mr. Fitzgerald discussed with the board options to improve their funding over time. Mr. Fitzgerald did note the property was in excellent condition, thus the low funding was not quite as concerning. The board asked that Mr. Fitzgerald provide a report on the year-end reserve balances for the past 5 years.

Mr. Fitzgerald commended Trish Dye for keeping operational expenses low.

*A motion to approve the draft audit and to direct Jeffery Abramowitz to sign the audit representation letter was made by Daniel Shaffer, seconded by John Holwager and approved.*

## **2019-2020 Insurance Coverage**

The board discussed the increase in their insurance rates due to a liability claim that had been settled. They wished to learn why the insurance company had settled the claim and asked that Joanne Hallert inquire to see what information could be provided.

**VII. ADJOURNMENT**

Trish Dye presented to the board a gift program that could be implemented to recognize owners or those guests celebrating a special occasion. The gift was two small wine bottles (about one glass each) and a presentation box that could be given upon check-in or left waiting in the room. There was a possibility to have the VCC logo and/or a message on the bottle as well.

The board liked the idea and directed management to look into it further and implement if it could be done within budget.

*A motion to adjourn was made by John Holwager, seconded by Daniel Shaffer and approved.*

The meeting was adjourned at 10:16 a.m. (MST).

**Next Meeting Date**

<b><u>Day</u></b>	<b><u>Date</u></b>	<b><u>Time</u></b>	<b><u>Place</u></b>	<b><u>Type</u></b>
Tuesday	September 17, 2019	10:00 a.m.	Lake Forest, CA	Budget

Respectfully submitted,

Accepted by,

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Joanne Hallert, Director of Resort Operations  
Trading Places International

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