

CORTESSA COMMUNITY ASSOCIATION
P.O. BOX
25466 TEMPE,
AZ 85285

Open Session Meeting Tuesday, April 20, 2021
7:00 PM
Teleconference

Minutes

Board Members Present:
Jeremy Bethancourt,
Larry Schone,
John Aguilar,
Beth Simek

Management Present:
Peri Swenson, KMS
Pete VanderStoep, KMS Zoom

- I. Jeremy Bethancourt called the meeting to order at 7:03PM
- II. Review and approval of the Board of Directors Meeting Minutes from March 16, 2021

Motion to approve made by Larry Schone, second by John Aguilar, unanimous acceptance.

- III. Review and acceptance of Income Statements dated March 31, 2021
Larry Schone gave a review of the income statement. A couple of our CDs are nearly fully matured. Peri suggested that we cash out one of the CDs as we have several projects that we will need cash for and to reinvest the other CD. Jeremy asked about interest earned on the CDs. Peri will get information to us. Jeremy asked about tax on the money earned. Larry said income from the CD that will be cashed out is taxable but what is reinvested is not taxed. Jeremy asked about cashing out principal but rolling into the CD. CIT account \$255209.11, Goldman Sachs \$245K. This does not include interest earned. Discussion continued with ideas of what to do with the CDs.

Motion to move forward with cashing out CIT CD and reinvest the Goldman Sachs CD made by Larry Schone. Second made by John Aguilar. Unanimous acceptance.

- a. Invoice approval: BKB Pressure washing, irrigation repairs, monument planting
Motion to approve and pay invoice made by Larry Schone. Second by John Aguilar. All in favor.
Jeremy asked to have a discussion next meeting to increase the amount Peri can spend on our behalf. Peri advised that KMS policy is that managers cannot approve expenses over \$500.
- b. Operating surplus 2019-2020 to Reserves for tax reduction
Larry Schone shared that per our accountant, making this transfer will save us 10% on our taxes to our ICS account. Motion made by Beth Simek to make the transfer. Second by Larry Schone. Unanimous acceptance.

IV. Old Business:

- a. Caretaker: Phase 2 of Sisso tree removal project
Turf reduction project
Summer flower install

Sisso tree removal is continuing. Turf reduction project will be going on for next 6 weeks or so. There will be curbing installed and adjustments to the irrigation. Granite install will be out first week of June to fill in and refresh all granite on west side of Cortessa parkway. This is a continuation project from 2019. Flower install is complete.

- b. Follow-up discussion on pending legislation regarding vacation rentals
Beth Simek shared that the legislative bill is on hold at the moment. The legislature is busy with other bills. Her opinion is that this bill will not be heard in the house at this late stage of the session and will die. Jeremy said that if the bill dies, hopefully the original bill sponsor resurrects it next year if it matters enough to people.

V. New Business:

- a. Review of proposals from BKB for damage repair and painting of fencing/wall on 186th Lane

There is a salt vein is running through this area and is deteriorating the footing of the wall. BKB provided proposal for cleaning up and repairing wall. There is a second proposal to replace section with the footing damage. Jeremy asked about preventative measures. Peri advised BKB will examine but the wall has been there for 13 years and in rebuilding wall, it will be better than original wall and will get at least 13 years out of it again. Jeremy asked Peri to talk to BKB if there is anything else we can do to prevent the salt from damaging the cement in the future. Peri will get back to us.

Item tabled until next meeting

- b. Review of proposals for gated parcels road maintenance

John Aguilar shared the proposals. Although both contractors have competitive pricing, in John's opinion, Contractor A seemed more experienced with what this project entails and working with HOAs. Jeremy requested that both contractors be aware of how important public safety is to us. John said Contractor A was already very clear on the public safety requests with a traffic control plan, safety markings, etc. John recommended we move forward and engage with Pro Consult and work with Contractor A.

Motion to engage with Pro Consult and move forward with Contractor A made by Beth Simek. Second made by Larry Schone. Unanimous acceptance. John assured board when we will get monthly updates.

- c. DRC discussion - specific paint color review

John Aguilar provided synopsis of paint schemes for homes, doors, and shutters. John advised that there have been homeowners who are seeking out more tones to our color schemes. Lightest color we have is Navajo White. Owners are requesting more bright whites, light to medium tones of greens, and medium grays tones. Discussion ensued about processes, tones, and challenges. John shared that garage doors are a particular bone of contention. His suggestion is that the color as either house or trim and he mistakenly approved a blue garage recently. John requested that the board make a decision about the garage door issue so as to give the DRC a firmer guideline.

Motion made that garage doors must be the same color as the body or trim of homes and that a guideline would be provided to homeowners to help with the process of painting their homes. John Aguilar second. Motion carried.

VI. Pending items

a. Granite refresh project - When turf reduction is complete-Previously discussed.

VII. Open Discussion: Homeowner asked about how the DRC approved a home in the gated section that includes walkway, bollards, etc in which is way beyond the scope of the southwest feel that is our norm. John Aguilar shared about the process and the approval. John reiterated that with the exception of a couple of planters, the entire project was pre-approved. Owner volunteered to be part of the DRC and will connect with Peri about the particulars.

VIII. Adjournment-Larry Schone moved at 8:43PM Second by Beth Simek. Unanimous acceptance

Minutes prepared by Beth Simek, Secretary

Approved by: _____

A handwritten signature in blue ink is written over a yellow highlight on a horizontal line. The signature is stylized and appears to be 'W. D. Schone'.