

**2011 ABEVA ANNUAL MEETING
FEBRUARY 7, 2011
MINUTES**

WELCOME

James Bell, President, called the 2011 Annual Meeting to order at 6:39 p.m. by welcoming the residents.

Mr. Bell thanked Andrew Stegen, General Manager of the Resort, for providing the room at a reduced rate and the complimentary cookies and beverages.

CONFIRMATION OF QUORUM

Marcia Finberg, Secretary, confirmed that Notice of the Annual Meeting was sent to all Members of records, and that there was a quorum represented. She verified that the Affidavit of Meeting Notice has been approved in accordance with Article V, Section 5.6 of the ABEVA Bylaws.

INTRODUCTION OF BOARD MEMBERS

Board Members Heather Litton, L.A. Larry Shafkind and Dr. Arnold Serbin were introduced. They are not seeking re-election at this time and were thanked for their many years of service. Board Members Harvey Shrednick, Stephen Hoffman, Marcia Finberg, Mark Monserez, Stephen Goldston, and Jay Swart were introduced. Board Member Camille Ercolano was unable to attend.

Other introductions included:

Roberta Peterson, Executive Director of ABEVA
Beryl Ross, ABEVA's Administrative Assistant
Jody Brown with Minutes & More

MINUTES

MOTION made and seconded to waive the reading of the Minutes of the 2010 Annual Meeting and to approve them as presented. The motion carried unanimously.

BALLOTS

The cut-off for mail-in ballots was Friday, February 4, 2011. Homeowners who have not voted or picked up a ballot at the door may obtain a ballot at this time so they can vote. These ballots will be counted and added to the mail-in ballots.

COMMUNITY UPDATE

Jerry Colangelo, one of the new Owners of the Arizona Biltmore Country Club, was introduced. He stated that his office is at 2400 Arizona Biltmore Circle, and

gave a brief review of other properties he is currently involved with. One of the projects he and his partners (Mel Schultz and David Eaton) had undertaken was to find distressed properties with a little positive cash flow. Arizona Biltmore Country Club is one of those properties, and is considered an iconic asset. Mr. Colangelo and his partners were given the opportunity to bid on the property through a Bankruptcy proceeding, and they were able to obtain the property at a very good price about fourteen or fifteen months ago. Their original focus was on the Wigwam which needed a lot of immediate attention. The entrance, lobby, and food and beverage areas have been completely renovated. The golf courses are in pretty good shape. The focus has now turned to The Biltmore. Mr. Colangelo stated his opinion that the assets (the hotel and the golf course) should never have been separated. They care about the property and do not intend to build a lot of condominiums or skyscrapers. They intend to maintain the golf courses, and have talked about a tear-down, build-out, or refurbishing. They will take care of the assets and will not do anything to embarrass the Homeowners or put their properties in danger. They do not intend to compete with the fine restaurants in The Biltmore, but do plan to bring the Adobe up to the standards of the community, with plans including a great menu (with delivery), longer hours, etc. He would love to hear from the Homeowners as to what type of items they would like to see on the menu. They will be sending a mailing to all Homeowners asking for input. Mr. Colangelo stated that response to the new golf club memberships have been positive and they are getting new members. They will be announcing their plans for memberships in the near future. He encouraged the Homeowners to be their largest supporters as all improvements will benefit the Homeowners. He stated that people need passion in all they do, and he and his partners are passionate in their involvement in The Biltmore.

There was a question from the floor as to whether the intent is to renovate the property and "flip" it. This is not the intent.

It was suggested that the extensive recycling program around the Adobe be extended to the golf course as well with recycling bins at each hole.

It was suggested that the tradition of golf be brought back with special walking rates at various times of the day.

Mr. Colangelo stated he has been selected to Chair the Arizona Commerce Authority which replaces the Department of Commerce. He stated his opinion that the State is on the way to privatization which would allow them to compete. He also feels that the level of education in the State is in need of a lot of help, and feels that Arizona should be in the top ten in all categories.

In response to a question from the floor, Mr. Colangelo stated that he will remain in communication as plans for improvements and renovations more forward.

It was stated that the golf course is now inundated with people walking their dogs, and it was suggested that the course once again have Marshalls to enforce the postings that this type of use is not permitted.

Andrew Stegen, General Manager of the Resort, was introduced. He stated happy hour prices at Frank and Alberts will continue through the spring.

He stated the Resort is very popular, and he is pleased that Mr. Colangelo has gotten involved in the property. He stated that the Chapter 11 Bankruptcy was done in an effort to help to reorganize and reduce the debt. Cash flow in the property is positive, and there is no danger that the doors will close. It is anticipated that the reorganization will make the property stronger. Business will continue as usual with the Hotel being 97% occupied at the present time. He stated that Phoenix is on the top tier in bringing business to the Valley.

Over the past two years, over \$30 million has been put into the property. All of the ballrooms have been renovated, Frank and Alberts was added, and many other projects were completed. He again stressed that the Resort is cash-positive.

There was a question with regard to the repaving of Thunderbird Trail. Mr. Stegen stated that this will be a priority in 2012. In the meantime the landscaper will help to keep the road passable. It was suggested that rubberized asphalt be considered when the road is repaved.

TREASURERS REPORT

Steve Hoffman, Treasurer, reported that there will be no increase in Association fees; they will remain at \$275.00 annually after having been reduced from \$360.00 to \$300.00 in March 2004 and from \$300.00 to \$275.00 in April 2005.

Homeowners were given a copy of the past fiscal year-end financial report synopsis. A full Reserve Study was completed in July of 2008 and there will be another done in 2011. With the excess funds transfers and prudent fiscal management over the past years, the Association is on target with the Reserve Study. ABEVA is facing challenges with very low interest rates on operating and reserve funds and collections as of February 2, 2011 of \$25,000.00 or about 82 homes. There are sixteen pending Trustee Sales or Bankruptcies of which eight owe ABEVA dues. When a Trustee Sale takes place, ABEVA collects assessments from the day the property reverts to the bank, however the banks are delaying Trustee Sales leaving them up to 17 months in the pending stages.

The annual review has been completed by Cleveland, Estes and Avellone. Homeowners can get a copy of the review by contacting the ABEVA office.

Mr. Hoffman stated that ABEVA is in very good financial shape.

STATE OF THE ASSOCIATION

Mr. Bell reported on the following:

- Homeowners are kept informed about the business of the Association through the ABEVA Brief newsletter.
- **Endorsement of Roving Patrol:** The Roving Patrol responded to 6,232 calls in the past year. Calls included alarms, burglaries and robberies, suspicious persons, disturbances, emergency vehicles, property damage, property theft, vehicle theft, water leaks, open windows and garage doors, and open pool gates. Over 1,000 calls were for open garage doors during the night.
- ABEVA maintains ongoing relationships with the Resort, Golf Club, Fashion Park, Wrigley Mansion, and Condo Developer.
- ABEVA keeps abreast of zoning issues via a Board Member on the CEVPC. Jay Swart serves as Chair of the CEVPC.
- ABEVA is a member of Community Association Institute (CAI) which is a national organization dedicated to fostering vibrant, competent, harmonious community associations. This organization monitors all current legislation and trends. There are currently 15 bills before the legislature which could affect HOA's. The ABEVA Executive Director takes an active part working with the legislature.
- ABEVA was nominated and won a Certificate of Appreciation from the Police Department for being a caring community. ABEVA maintains an ongoing relationship with Officer Ben Carro from the Squaw peak Police Department Neighborhood Enforcement team.
- ABEVA has an active Security Committee which is chaired by Jay Swart.

Security Committee

Jay Swart has served as Chair of the Security Committee. He stated he had retired from law enforcement and was excited to be involved in the security aspects of the Community. The Committee has done an aggressive, extensive review of security issues and concerns and developed plans which included changes to patrol techniques and changes in staffing (staff members now have law enforcement or military backgrounds).

The Committee will be talking with Mr. Colangelo about what can be done on the golf courses to control some of the issues such as walking pets, entrance to and from the community via the golf course, etc.

The Committee has a list of eight to ten items that have been summarized in a document that Homeowners can refer to (ABEVA Emergency and Information Guide). The Guide includes CPR, what to do in case of fire, what to do in case of poisoning, what to do in case of a burglary, etc. Homeowners are encouraged to keep this Guide in an area that is easily accessible and to refer to it often.

ELECTION RESULTS

There are currently five available positions on the Board. Election results were tabulated by the accounting firm of McEntee and Associates, with 534 Homeowners voting in this Election.

The new Board Members are Jay Swart, David Damron, Marcia Finberg, Richard Arroyo and Judith Shafkind.

HOMEOWNER FORUM

La Rita Mason stood and announced that she is attempting to revive a version of the Biltmore Lady's Lunch Club. The first new meeting is Wednesday, February 9 at Frank and Albert's.

In the past ABEVA has been asked to consider water conservation issues and concerns. Mr. Bell stated that the areas that Biltmore control are limited, and the water savings would be minimal. There has been discussed about the use of artificial grass, however the board and many homeowners remain opposed to this.

There was a question regarding whether the Security Committee would be willing to evaluate some security companies to compile a list of preferred companies for residents to use. Mr. Swart stated he would look into the legality and liability of the Association; however he would be glad to speak to anyone personally.

There being no further business to come before the Membership, the 2011 ABEVA Annual Meeting was adjourned at 7:45 p.m.

Respectfully submitted,
Jody Brown, Recording Secretary

MINUTES & MORE

ABEVA
February 7, 2011
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