

ABEVA BOARD OF DIRECTORS MEETING

Arizona Biltmore Estates Village Association Office
2525 E. Arizona Biltmore Circle D-145 Phoenix, AZ 85016
January 19, 2015

Board Members Present: Jim Bell, George King, John Chilcott, Judith Shafkind, Michael Leeman, Michael Braden, and Mark Monserez

Board Members Absent: David Damron and Rebecca Heath

Management Present – Carol Jones

Homeowners Present – Larry Shafkind and Regina Miskewitz

Guest – Scott Ring, Community Manager for Biltmore Greens III

- I. **Call to Order** – The Board of Directors meeting was called to order at 5:30 pm by Board President Jim Bell.
- II. **Open Session** – The following matters were discussed in open session:
 - Arroyo cleaning – Homeowner Larry Shafkind commented that the initiative to clean up the arroyo should be part of the monthly landscaping contract and performed by the contracted Landscaper at a predetermined rate specified in the existing contract.
 - Access Protocol for ABEVA Traffic – Community Manager Scott Ring was present on behalf of the Biltmore Greens III Homeowners Association to request the opportunity to review the existing access protocol agreement between ABEVA and the three sub-associations, Colony at Biltmore Greens, Biltmore Greens III, and The Courts which was written in 2002. A discussion ensued and it was agreed that the sub-associations would submit a proposal to include updated details on specific findings relating to the existing agreement and requested modifications and later report back to the ABEVA Board of Directors with the revision.
- III. **Approval of Minutes** – A motion was made by Mark Monserez to accept the December 15, 2014 Board of Directors meeting minutes as submitted. The motion was seconded by George King and carried unanimously by the Board.
- IV. **Financials** – A motion was made by Treasurer Judith Shafkind to accept the December 2014 financial reports as submitted. The motion was seconded by George King and carried unanimously by the Board
- V. **Management Report** - Manager Carol Jones reviewed the following details of her management report with the Board:
 - Grandfathered Lots – Courtesy notices have been mailed to these lots requesting dues contributions.
 - 2015 Annual Homeowners Meeting agenda was reviewed
 - Insurance – A motion was made by George King to accept the Mahoney Group insurance policy renewal. The motion was seconded by Judith Shafkind and carried unanimously by the Board.
 - Revised Board Package – A motion was made by Mark Monserez to adopt the proposed amendment to the New Board Member package welcome letter (see attached Appendix 1). The motion was seconded by Judith Shafkind and carried unanimously by the Board.
 - Street Maintenance – Manager Carol Jones reported that she participated in a drive along with engineer Michael Frank of Frank Civil Engineering

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and streets in need of maintenance were noted. Carol requested to meet with the ABEVA Finance Committee to review proposed street maintenance expenditure planning.

- Property Taxes – Carol Jones reported that she has made progress on the effort to dissolve the existing trust, which is hindering the combination of tax parcels to reduce future tax liabilities for the Association.
- Grand Paseo – Per Carol, Chicago Title is researching the title to the Grand Paseo to determine if documentation exists regarding any easements.
- 11 BED – A meeting has been scheduled with ABEVA’s Legal Committee and the owner of Lot 11 Biltmore Estates Drive. An update will be provided at the next ABEVA Board of Directors Meeting per Carol.

VI. Calendar –The 2015 Annual Homeowners meeting will be held on February 10, 2015 at 6:30 pm and the next regular Board of Directors meeting will be held on February 16, 2015.

VII. Adjournment – There being no further business to discuss a motion was made by Mark Monserez to adjourn at 6:30 pm. The motion was seconded by Judith Shafkind and carried unanimously by the Board.

Respectfully Submitted,
Jennifer Harris
Recording Secretary

APPENDIX 1

Dear Board Member:

Congratulations on your election/appointment to the Board of Arizona Biltmore Estates Village Association (ABEVA). The purpose of this letter is to acquaint you with the standard of conduct that is expected of community association board members in Arizona. The law imposes certain legal obligations on all board members. Failure to fulfill these obligations could lead to a lawsuit against the association, the board, and even you personally. Arizona law requires that you perform your duties as a board member in good faith and with the degree of care that an ordinary prudent person would use under similar circumstances, being at all times loyal to the association and its best interests.

But, in practice, it gets a little more complicated than that. While it's impossible to review every possible situation you might face, here are some basic guidelines to follow. As a board member you must:

- 1.** Act in the association's best interests at all times. Your decisions must be based on what's best for the association as a whole. Making decisions or taking actions that put the interests of yourself, your friends, or your supporters above those of the association or its members may be a breach of your legal duties to the Association.
- 2.** Act with care, including seeking advice from experts when appropriate. When making decisions or taking actions, you must exercise the degree of care than an ordinarily prudent person would under the circumstances. Among other things, this means that if, for example, the board must make a decision involving an issue that no one on the board is an expert on, the board should consult an expert.
- 3.** Act within the scope of your authority. Your authority is defined in the association's governing documents and by applicable state and local law. It's important that you understand the scope of your authority and not exceed it. If a board action violates the duly adopted bylaws, declaration, or other governing documents, or state or local laws, the board may have breached its fiduciary duty and the action may have to be invalidated. An example of this would be failing to comply with procedural requirements for community elections.
- 4.** Act in good faith. Board members' motives must at all times be to further the legitimate best interests of the association. If board members make decisions based on favoritism, discrimination, or malice – or make arbitrary decisions – they're breaching their fiduciary duty. This doesn't mean that the board can't create a rule that affects some members differently from the way it affects others, such as a no-pets rule. It just

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means that the decision to create the rule must be based on board members' honest and best judgment of what is best for the association as a whole.

5. Avoid the following common mistakes. You'll have to use your best judgment in determining what your duty requires of you in any specific situation. But there are several common mistakes that you should avoid:

- Don't take personal advantage of business opportunities that should benefit the *entire* community (but it is acceptable to find business opportunities in your network of people you get to know including fellow members of the Board of Directors – if you are a Certified Financial Planner and you provide advice to fellow Board members, that is acceptable).
- Do business with the association after you disclose that you are involved and get the appropriate approval from the Board to do so.
- Don't give preferential treatment to friends and supporters, or expect it for yourself from others.
- Don't accept gifts from vendors or others doing business – or seeking to do business – with the association.

You have undertaken an important job in the ABEVA community, and we appreciate your service.

Thank you.