



BROWN COMMUNITY MANAGEMENT, INC.
Community Association Management Services

GREENWAY PARC AT SURPRISE TWO
Wednesday December 16, 2020 Open Session Meeting
Virtual Meeting

Agenda

- I. Call to Order**
- II. Establish a Quorum**
- III. Approval of Meeting Minutes**
 - A. General Session Meeting – October 29, 2021
- IV. Treasurer’s Report**
 - A. Financial Statement: November 2020
- V. Old Business**
 - A. Termination of Yellowstone
 - B. Law Firm Selection – General Counsel & Delinquent Accounts
 - C. Wall Repair
 - D. Updated Fine Policy
 - E. Updated Collection Policy
 - F. Establishment of Transfer Fee – Resolution signed
 - G. Establish an Architectural Committee
 - H. Website Design/Maintenance - Ratify & Sign Resolution
 - I. Late Notifications
 - J. City Code Violations
 - Planting Bid
 - Granite Bid
- VI. New Business**
 - A. Pest Control Company Selection
 - B. Destruction Resolution
 - C. Playground Bids
- VII. Open Forum**

In accordance with A.R.S. Section 33-1804, an opportunity is provided to the homeowners to address the Board on items that are both on and not on the agenda. Homeowners will be allotted 3 minutes for their comments. Homeowner Forum will be closed if the Board determines it has become unprofessional.
- VIII. Next Meeting Date**

The next meeting is to be determined.
- IX. Adjourn**

The Board met in an Executive Session at 6:00 pm to discuss items related to A.R.S. 33-1804 (A) 3 and 5.



**GREENWAY PARC AT SURPRISE TWO
General Session Meeting**

Virtual Meeting

<https://meetings.ringcentral.com/j/1480396077>

Meeting ID: 148 039 6077

Thursday, October 29, 2020
3:30pm

Board Members Present:

Jason Etzel, President
Wayne Talbott, Vice President
LaNea Hysong, Treasurer

Management Present:

Annette McCraw, Community Manager
Melissa Overgard, Recording Secretary

Board Members Absent:

Kyle Dress, Director at Large

Guests

David Gillies, Consultant
Chris Bartram, BrightView Landscape

I. CALL TO ORDER/ESTABLISH A QUORUM

At 3:30 pm Jason Etzel called the meeting to order.

II. BOARD MEMBER DESIGNATION

This item was added to the agenda after the meeting was called to order by the Board President.

A motion was made by Wayne Talbott, seconded by Jason Etzel to change LaNea Hysong from Treasurer to Director at Large. With no additional discussion the motion carried unanimously.

A motion was made by Jason Etzel, seconded by Wayne Talbott to add the Treasurer position to Wayne Talbott. LaNea opposed the motion, motion carried 2 to 1.

III. VENDOR PAYMENT

The board requested to add this item to the agenda to address payment to Calibre Academy for prior room usage.

A motion was made by Wayne Talbott, seconded by Jason Etzel to issue a payment of \$400.00 to Calibre Academy to pay towards the outstanding invoice. With no additional discussion the motion carried unanimously.

IV. APPROVAL OF MINUTES

A. General Session: September 29, 2020: The minutes from the September 29, 2020 were provided in the Board package for review.

A motion was made by Wayne Talbott, seconded by Jason Etzel to approve the September 29, 2020 minutes as presented. With no additional discussion the motion carried unanimously.

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V. FINANCIAL REPORT

- A. Financial Statement: September 30, 2020: The September financials were provided for the Board to review.
A motion was made by Wayne Talbott, seconded by Jason Etzel to approve the Financial Statements for the period ending September 30, 2020, pending audit review. With no additional discussion the motion carried unanimously.
- B. 2020 CPA Engagement Letter: A CPA engagement letter from Butler Hansen was provided for the Board to review for the 2020 taxes and compilation.
A motion was made by Jason Etzel, seconded by Wayne Talbott to accept the Engagement letter for Butler Hansen. With no additional discussion the motion carried unanimously.
- C. 2021 Budget: A draft of the 2021 budget was created by management and reviewed by the Association’s consultant. A zero increase would leave the Association in a deficit, so an increase is needed to zero out the budget.
A motion was made by Wayne Talbott, seconded by Jason Etzel to approve the 2021 budget. An increase in assessments to \$61.26/month (6.72% increase) will be required to zero out the budget. With no additional discussion the motion carried unanimously.
- D. Reserve Study: Bids to update the current Reserve Study were provided for the Board to review.
A motion was made by Jason Etzel, seconded by Wayne Talbott to accept the Father Daughter Reserve Studies proposal of \$450.00. With no additional discussion the motion carried unanimously.

VI. MANAGEMENT REPORT

October Management Report: The Community Manager, Annette McCraw, read the management report for the current month, to the Board and the Homeowners.

VII. PENDING BUSINESS

- A. Law Firm Selection – General Counsel/Delinquent Accounts: Information for various law firms for general counsel and collections was provided to the Board for review.
A motion was made by Jason Etzel, seconded by Wayne Talbott to table until the next meeting. With no additional discussion the motion carried unanimously.
- B. Overseed: A proposal from BrightView was provided for the Board’s consideration for winter seeding of the turf.
A motion was made by Jason Etzel, seconded by Wayne Talbott to not overseed this year based on the recommendation provided by Chris Bartram with BrightView. With no additional discussion the motion carried unanimously.
- C. Escalated Landscape Clean-up Bid: At the beginning of the contract, BrightView was asked to provide an escalated clean up bid. Due to the timing of the Board

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meetings, this work was already completed and a decision on the estimate is not needed.

- D. Collection Policy: The current Policy is from 2001 needs to be revised and a draft was provided for review.

A motion was made by Jason Etzel, seconded by Wayne Talbott to table until the next meeting. With no additional discussion the motion carried unanimously.

- E.F. Line Policy: The current Policy is from 2001 needs to be revised and a draft was provided for review.

A motion was made by Jason Etzel, seconded by Wayne Talbott to table until the next meeting. With no additional discussion the motion carried unanimously.

- F.L. Late Notifications: Prior management stated that the Board instructed them to not charge delinquent accounts late fees due to Covid-19. This matter needs further discussion as the Association's governing documents and ARS 33-1803 do not allow for the withholding of late fees.

A motion was made by Jason Etzel, seconded by Wayne Talbott to table until the next meeting. With no additional discussion the motion carried unanimously.

VIII. NEW BUSINESS

- A.B. Board Position Vacancy: Kellie Killmain resigned and her position is open and needs the Board to appoint someone to fill the position.

A motion was made by Jason Etzel, seconded by Wayne Talbott to table until the next meeting. With no additional discussion the motion carried unanimously.

- B. Website Expenses: Included in the Board Package for discussion was an email submitted to management from the Board President seeking payment for the Association's website services. The email was requesting payment for \$1,300.00 broken down into \$1,000.00 for the website creation and \$100.00 per month for maintenance for July, August, and September. Then each month going forward a \$100.00 payment would need to be made.

A motion was made by Wayne Talbott, seconded by Jason Etzel to table until the next meeting. With no additional discussion the motion carried unanimously.

- C. Seasonal Flower Installation: Two proposals were submitted for the Board to review from BrightView Landscaping to add seasonal flowers to the two monuments.



A motion was made by Wayne Talbott, seconded by Jason Etzel to approve both of BrightView Landscaping proposals for \$484.77 for Flower installation at each monument. With no additional discussion the motion carried unanimously.

IX. HOMEOWNER FORUM

No Homeowners present.

X. UPCOMING MEETING

To Be Determined

XI. ADJOURN

There being no further business to discuss, a motion was made by Wayne Talbott, seconded by Jason Etzel to adjourn the meeting at 4:13 pm.

Respectfully Submitted By,
Melissa Overgard
Recording Secretary

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Greenway Parc at Surprise Two Community Association
Balance Sheet
11/30/2020

	<u>Operating</u>	<u>Reserve</u>	<u>Total</u>
Assets			
<u>Operating Cash</u>			
1010 - CIT Operating 7054	\$88,312.68		\$88,312.68
1020 - Cash - Previous Mgmt.	(\$16,199.76)		(\$16,199.76)
<u>Total Operating Cash</u>	\$72,112.92		\$72,112.92
<u>Reserve Cash</u>			
1220 - Cash Res Prev Mgmt		\$141,163.88	\$141,163.88
1270 - CIT Reserve 3575		\$19,320.34	\$19,320.34
<u>Total Reserve Cash</u>		\$160,484.22	\$160,484.22
<i>Assets Total</i>	\$72,112.92	\$160,484.22	\$232,597.14
Liabilities & Equity			
<u>Liabilities</u>			
3310 - Prepaid Assessments (Unearned Income)	\$15,437.84		\$15,437.84
<u>Total Liabilities</u>	\$15,437.84		\$15,437.84
<u>Retained Earnings</u>	\$56,729.77	\$126,991.16	\$183,720.93
<u>Net Income</u>	(\$54.69)	\$33,493.06	\$33,438.37
<i>Liabilities and Equity Total</i>	\$72,112.92	\$160,484.22	\$232,597.14

Greenway Parc at Surprise Two Community Association
Income Statement - Operating
11/1/2020 - 11/30/2020

Accounts	11/1/2020 - 11/30/2020			1/1/2020 - 11/30/2020			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Income							
<u>Operating Income</u>							
6310 - Assessment Income	\$13,263.58	\$15,727.60	(\$2,464.02)	\$166,087.69	\$173,003.60	(\$6,915.91)	\$188,731.20
6315 - Working Capital	(\$114.80)	\$0.00	(\$114.80)	\$401.80	\$0.00	\$401.80	\$0.00
6340 - Late Fee Income	\$0.00	\$0.00	\$0.00	\$1,204.40	\$0.00	\$1,204.40	\$0.00
6344 - Insurance Claim	\$0.00	\$0.00	\$0.00	\$1,794.80	\$0.00	\$1,794.80	\$0.00
6357 - NSF Check Fee	\$0.00	\$0.00	\$0.00	\$25.00	\$0.00	\$25.00	\$0.00
6360 - Misc. Owner Income	\$228.70	\$0.00	\$228.70	\$228.70	\$0.00	\$228.70	\$0.00
6370 - Owner Collection Costs	\$0.00	\$0.00	\$0.00	\$969.90	\$0.00	\$969.90	\$0.00
6510 - Transfer Fees	\$0.00	\$0.00	\$0.00	\$6,827.80	\$0.00	\$6,827.80	\$0.00
6910 - Interest Income	\$4.03	\$0.00	\$4.03	\$48.49	\$0.00	\$48.49	\$0.00
6920 - Misc. Income	\$0.00	\$0.00	\$0.00	\$852.30	\$0.00	\$852.30	\$0.00
6990 - Reserve Income Allocation	(\$3,000.00)	(\$3,000.00)	\$0.00	(\$33,000.00)	(\$33,000.00)	\$0.00	(\$36,000.00)
Total Operating Income	\$10,381.51	\$12,727.60	(\$2,346.09)	\$145,440.88	\$140,003.60	\$5,437.28	\$152,731.20
Total Income	\$10,381.51	\$12,727.60	(\$2,346.09)	\$145,440.88	\$140,003.60	\$5,437.28	\$152,731.20
Expense							
<u>Contract Service Expense</u>							
7010 - Management Fees	\$1,349.00	\$1,273.00	(\$76.00)	\$15,700.00	\$14,003.00	(\$1,697.00)	\$15,276.00
9610 - Lawn Maint. & Landscaping	\$18,013.00	\$4,210.00	(\$13,803.00)	\$53,473.00	\$46,310.00	(\$7,163.00)	\$50,520.00
9750 - Pest Control/Extermination	\$34.00	\$125.00	\$91.00	\$1,592.00	\$1,375.00	(\$217.00)	\$1,500.00
9770 - Playground Maintenance	\$0.00	\$60.00	\$60.00	\$162.00	\$660.00	\$498.00	\$720.00
Total Contract Service Expense	\$19,396.00	\$5,668.00	(\$13,728.00)	\$70,927.00	\$62,348.00	(\$8,579.00)	\$68,016.00
<u>General & Administrative</u>							
7015 - Web Hosting	\$0.00	\$0.00	\$0.00	\$284.92	\$0.00	(\$284.92)	\$0.00
7020 - Accounting Fees/Tax Prep	\$0.00	\$0.00	\$0.00	\$366.27	\$0.00	(\$366.27)	\$0.00
7140 - Audit/Compilation	\$0.00	\$65.00	\$65.00	\$595.00	\$715.00	\$120.00	\$780.00
7164 - Legal Fees - Collections	\$0.00	\$600.00	\$600.00	\$1,551.80	\$6,600.00	\$5,048.20	\$7,200.00
7250 - Bank Charges	\$0.00	\$0.00	\$0.00	\$10.00	\$0.00	(\$10.00)	\$0.00
7260 - Postage & Mail	\$2.00	\$200.00	\$198.00	\$3,043.91	\$2,200.00	(\$843.91)	\$2,400.00
7280 - Insurance	\$0.00	\$500.00	\$500.00	\$4,020.00	\$5,500.00	\$1,480.00	\$6,000.00
7282 - Storage	\$0.00	\$0.00	\$0.00	\$285.00	\$0.00	(\$285.00)	\$0.00
7296 - Enhanced Compliance	\$50.00	\$0.00	(\$50.00)	\$50.00	\$0.00	(\$50.00)	\$0.00
7320 - Office Supplies	\$0.00	\$90.00	\$90.00	\$139.75	\$990.00	\$850.25	\$1,080.00
7357 - NSF Fee	\$10.00	\$0.00	(\$10.00)	\$10.00	\$0.00	(\$10.00)	\$0.00
7400 - Copies & Envelopes	\$3.95	\$150.00	\$146.05	\$2,448.38	\$1,650.00	(\$798.38)	\$1,800.00
7420 - Property Taxes	\$341.14	\$0.00	(\$341.14)	\$341.14	\$0.00	(\$341.14)	\$0.00
7430 - Income Tax	\$0.00	\$25.00	\$25.00	\$100.00	\$275.00	\$175.00	\$300.00
7450 - Other Taxes, Permits & Fees	\$0.00	\$0.00	\$0.00	\$10.00	\$0.00	(\$10.00)	\$0.00
7890 - Misc. General Administrative	\$0.00	\$61.35	\$61.35	(\$4,276.97)	\$674.85	\$4,951.82	\$736.20
7895 - Billing Statements/Coupon Book	\$0.00	\$822.00	\$822.00	\$6,304.10	\$9,042.00	\$2,737.90	\$9,864.00
Total General & Administrative	\$407.09	\$2,513.35	\$2,106.26	\$15,283.30	\$27,646.85	\$12,363.55	\$30,160.20
<u>Utilities</u>							
8910 - Electricity	\$251.54	\$160.00	(\$91.54)	\$1,606.69	\$1,760.00	\$153.31	\$1,920.00
8920 - Water & Sewer	\$0.00	\$2,756.25	\$2,756.25	\$16,139.76	\$30,318.75	\$14,178.99	\$33,075.00

Greenway Parc at Surprise Two Community Association
Income Statement - Operating
11/1/2020 - 11/30/2020

Accounts	11/1/2020 - 11/30/2020			1/1/2020 - 11/30/2020			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Total Utilities	\$251.54	\$2,916.25	\$2,664.71	\$17,746.45	\$32,078.75	\$14,332.30	\$34,995.00
<u>Maintenance</u>							
9005 - Plants/Shrubs/Flowers	\$484.77	\$0.00	(\$484.77)	\$484.77	\$0.00	(\$484.77)	\$0.00
9010 - Tree Maintenance	\$13,415.00	\$0.00	(\$13,415.00)	\$13,415.00	\$0.00	(\$13,415.00)	\$0.00
9015 - Sprinkler/Irrigation Repair	\$583.63	\$300.00	(\$283.63)	\$2,509.89	\$3,300.00	\$790.11	\$3,600.00
9029 - Pest Control	\$0.00	\$0.00	\$0.00	\$1,459.00	\$0.00	(\$1,459.00)	\$0.00
9037 - Landscape - Other	\$0.00	\$350.00	\$350.00	\$6,336.21	\$3,850.00	(\$2,486.21)	\$4,200.00
9040 - Storm Damage	\$0.00	\$125.00	\$125.00	\$450.00	\$1,375.00	\$925.00	\$1,500.00
9055 - Tree Trimming	\$0.00	\$800.00	\$800.00	\$13,915.00	\$8,800.00	(\$5,115.00)	\$9,600.00
9110 - Gen. Maint. & Repair	\$0.00	\$50.00	\$50.00	\$914.95	\$550.00	(\$364.95)	\$600.00
9117 - Backflow Repair	\$0.00	\$5.00	\$5.00	\$55.00	\$55.00	\$0.00	\$60.00
9235 - Playground Repair/Maint.	\$0.00	\$0.00	\$0.00	\$1,999.00	\$0.00	(\$1,999.00)	\$0.00
Total Maintenance	\$14,483.40	\$1,630.00	(\$12,853.40)	\$41,538.82	\$17,930.00	(\$23,608.82)	\$19,560.00
Total Expense	\$34,538.03	\$12,727.60	(\$21,810.43)	\$145,495.57	\$140,003.60	(\$5,491.97)	\$152,731.20
Operating Net Income	(\$24,156.52)	\$0.00	(\$24,156.52)	(\$54.69)	\$0.00	(\$54.69)	\$0.00

Greenway Parc at Surprise Two Community Association
Income Statement - Reserve
11/1/2020 - 11/30/2020

Accounts	11/1/2020 - 11/30/2020			1/1/2020 - 11/30/2020			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Income							
<u>Reserve Income</u>							
6520 - Reserve Funding Fee	\$0.00	\$0.00	\$0.00	\$2,812.60	\$0.00	\$2,812.60	\$0.00
6911 - Reserve Interest	\$0.14	\$0.00	\$0.14	\$338.81	\$0.00	\$338.81	\$0.00
6925 - Reserve Contribution	\$3,000.00	\$0.00	\$3,000.00	\$33,000.00	\$0.00	\$33,000.00	\$0.00
Total Reserve Income	\$3,000.14	\$0.00	\$3,000.14	\$36,151.41	\$0.00	\$36,151.41	\$0.00
Total Income	\$3,000.14	\$0.00	\$3,000.14	\$36,151.41	\$0.00	\$36,151.41	\$0.00
Expense							
<u>Reserve Expense</u>							
9957 - Parks	\$0.00	\$0.00	\$0.00	\$2,658.35	\$0.00	(\$2,658.35)	\$0.00
Total Reserve Expense	\$0.00	\$0.00	\$0.00	\$2,658.35	\$0.00	(\$2,658.35)	\$0.00
Total Expense	\$0.00	\$0.00	\$0.00	\$2,658.35	\$0.00	(\$2,658.35)	\$0.00
Reserve Net Income	\$3,000.14	\$0.00	\$3,000.14	\$33,493.06	\$0.00	\$33,493.06	\$0.00