

From: Tonto_C
Sent: Monday, August 20, 2018 2:04 PM
To: Tolp, Bud
Subject: FW: Tonto Hills board member

I will bring copies for all board members of Atty Mulcahy's legal opinion (attached email) to the BOD mtg meeting.

From: [Beth Mulcahy](#)
Sent: Tuesday, August 14, 2018 6:39 AM
To: [Tonto_C](#)
Cc: [Tolp, Bud](#); [Jennifer Young](#)
Subject: RE: Tonto Hills board member

See my responses below in all CAPS.

Sincerely,

Beth Mulcahy, Esq.



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From: Tonto_C <Tonto_CK@yahoo.com>
Sent: Monday, August 13, 2018 7:06 PM
To: Beth Mulcahy <BMulcahy@mulcahylawfirm.com>
Cc: Tolp, Bud <Bud.Tolp@gcinc.com>
Subject: RE: Tonto Hills board member

Attention: Beth Mulcahy, Esq.

Beth,

At the direction of the board president, Bud Tolp, I called you today regarding a board member who has a vested financial interest in a property that has come up for discussions as to whether the use and/or development of this property is allowed under the terms of the Tonto Hills D of R's.

The questions were posed to you to clarify the recusal of this board member due to his Conflict of Interest in the matter.

- Would it be appropriate and allowed for the board to request this bd member to recuse himself from: (1) voting on matters directly related to his property (YES); and (2) recuse himself from Executive Sessions of the Board of Directors if that particular Exec Session was to discuss strategies, communications with counsel, proposed actions – and vote on same if related to this member's property in question (YES).
- If/when recusal takes place, can the Board bar this particular member's access to the minutes (either hard copy or electronic version) of the Execution Session? (YES)
- Additionally, this board member in question also serves on the Architectural Control Committee (ACC) which reports to and requires authority from the Board of Directors. Would it be allowed for the BOD to request or require this property owner's recusal from voting on his own plans he expects to submit to the ACC for review and approval? (YES)

You stated in our conversation that this particular property owner/Board member/ACC member should be treated no differently than any other Tonto Hills property owner; therefore, interpreted: as an ordinary property owner (who is not a member of a THIA board or committee) and consequently would not be allowed to vote on any motions or board actions, would not be allowed to attend BOD Exec Session meetings, review copy of minutes of same, and could not vote on any plans submitted to the ACC for review or decision. THIS IS AN ACCURATE PORTRAYAL OF OUR DISCUSSION YESTERDAY.

Please reply with comments, clarification of anything I may have misunderstood in our conversation, and your opinion regarding this BOD and ACC member's recusal based on Conflict of Interest. IN MY OPINION, THIS BOARD MEMBER HAS A CONFLICT OF INTEREST WITH REGARD TO HIS PROPERTY AS OUTLINED ABOVE AND SHOULD RECUSE HIMSELF FROM BOARD OR ACC DISCUSSIONS AND Board/ACC VOTING ON THIS ISSUE.

It is always a pleasure speaking with you and appreciate you calling me back so promptly. I look forward to your response to this email.
Please feel free to either email me or call me at 602.501.4600 with any questions you may have.

Best regards,
Cheryl Kaufman
Vice President – Board of Directors,
Tonto Hills Improvement Association