

**San Ignacio Vistas, Inc.
Homeowners Association
Minutes Board Meeting**

February 6, 2006

Approved (as revised) by the Board April 3, 2006

Present: Board Members: Marianne Bishop, Doug Cameron, Gorman Fisher, Linda Gregory, and Ron Sorenson; Chair of MC: George Jones, Homeowners: Bob Christensen and Lillian Byerly. The meeting was called to order at 8:55 AM, using the agenda distributed.

1. Reading of the Minutes

The draft minutes of the January 9, 2006 meeting were distributed to the Board via email.

Ron Sorenson made a motion to approve the minutes as distributed, seconded by Gorman Fisher. All members were in favor.

2. Officers' Reports

A. Secretary

- CC&R ballots were counted on January 23 and were approved by the Owners. The count was as follows: Of 154 ballots received, 1 was invalid, 139 yes and 14 no (also, four yes ballots were received after the count).
- Links were added to the SIV website homepage to Architectural Committee forms, and the governing documents, as well as a link to CondoCerts.
- The lists of Approved and Disapproved Planting lists were also posted to the AC page.
- Several demand notices have been received from CondoCerts during January.
- The secretary met with Danila Sanchez with Border Patrol and surveyed the area. She will report to Jennifer Krammer at the Tucson Station of BP and they will be scheduling someone to speak to the homeowners at the Annual Meeting.

B. Treasurer

The Treasurer distributed the *Financial Report as of January 31, 2005*. A motion was made and seconded to accept the report, subject to audit, (Attachment "A").

2005 Audit:

Terry Cogan finished the Audit and rendered a letter of suggestions to the Board. (Attachment "B")

- It is impossible to have a segregation of duties because of a lack of homeowner participation. Both the Treasurer and Secretary are performing the bank reconciliations.
- Ron suggested that we check with our attorney as to requirements and proper levels for workmen's compensation insurance coverage.
- Ron said we needed to direct the accountant to prepare a Form 1099 for Donna Severidt for 2005 even though the amount paid was minimal.

C. President

Recently a homeowner commented to me that, in essence, Marianne Bishop was taking financial advantage of the homeowners' association. I want to nip this attitude in the bud

and let you know exactly what Marianne has volunteered to do for the SIV Homeowners' Association.

Marianne is the recording secretary and, as such, she prepares and maintains minutes of all official meetings. These minutes are the official record of the Board meetings and are what would be used in any legal action brought against the Association/Board, so they must be thorough and accurate.

She is corresponding secretary, preparing and maintaining correspondence, reports and related documents. This correspondence includes all letters from homeowners and responses from the appropriate committee or board member.

In addition, she is the filing secretary who is responsible for storage and retrieval of all association documents. These become the Association history. As part of this history, she has renamed all of the architectural and maintenance documents with lot number and date reference name and added a notation in the name (such as Ramada request, view complaint, etc) so that there is a easily searchable history of correspondence on file for each property.

She maintains the database of homeowners with both their GV address and alternate address, if they have one, and methods of contacting either with phone numbers and/or e-mail addresses. As you can imagine, it is critical to have that database current so that mailings can reach homeowners where they are in residence. It is also important to have a means of contacting part-time homeowners if there is an emergency on their property.

There were continuing problems with our former management company, Lewis Management Resources, which required a great deal of unnecessary time spent on Marianne's part to oversee the accuracy of the information they were providing to title companies regarding property transactions as well as supervising the vendor doing the association's mailings. Overseeing the homeowner database that LMR was using was necessary since LMR occasionally used the wrong one for our mailings.

LMR was receiving \$450 a month in management fees not including the cost of our mailings, totaling \$5,400 for the year, based on the Association's partial management contract. They were also entitled to keep any transfer or document fees generated in the sale of a property.

Over the last year, Marianne and I often discussed whether we should fire LMR, but cost of hiring another management company would have resulted in a much larger cost to the Association. Therefore, last fall, when she and I were discussing the budget for this year, she volunteered to perform the functions of the management company, which, among other things, include creating, coordinating and overseeing all the mailings of the association. Typically, that means the dues notice, notice of the annual meeting, newsletters and notices of any Bylaws or Rules changes passed by the Board as well as the Directory. She and I have learned that this requires considerable supervision of the printing company so that the mailings go our correctly.

Another function formerly performed by the management company is providing association documents to title companies who request them in response to demand notices regarding property sales. This must be done within ten days, the time required by Arizona statute. It is Marianne's responsibility to insure that the up-to-date association documents are available online with CondoCerts, the Association's document generating website. There have already been three demands for these documents in January and there are typically about twenty transfers a year.

At the beginning of every year, Marianne assists the Treasurer by preparing the Excel files that we use for the Treasurer's function. She is also responsible for reconciling the monthly bank statements, a request made by the CPA. She is on call for homeowner calls/questions seven days a week.

Finally yet importantly, now that the Association's website is "mature," thanks to Marcia Lucas, the creator, Marianne is maintaining it.

A conservative estimate is that she spends about 30 hours a week performing these functions. When Damon Patton was secretary of the Association, he estimated that he, too, spent about 30 hours a week performing these functions, so Marianne's estimate of time required is not out of line.

Rather than paying LMR \$5,400 a year for work that has been poorly performed, the Association is reimbursing Marianne for the cost of her internet connection, cell phone, fax line and mileage to and from the post office. She is reimbursed for mileage in the amount allowed by any CPA.

The Association has purchased items for her office which assures that the business of the Association can continue without interruption, i.e. digital recorder used at all meetings of the Board, a stand-alone hard drive backup to protect our files in the event of a computer crash, fax machine/printer combination, and flat bed scanner for documents. These items are the property of the Association.

Marianne's acting as the Association's "management company" also means that the Association receives the transfer and document fees that were previously received by LMR. This is the first time in at least five years that SIV has been able to realize income other than by the annual dues. A very conservative estimate is that we will generate approximately \$3,000 in fees that previously pocketed by LMR. While this may not sound like a lot, it comes close to covering Marianne's expenses.

Finally, if we had been forced to hire another management company after terminating LMR and without a volunteer to do the functions Marianne performs, we would be paying at least \$20,000 a year for full management. That means that the annual dues for 2006 would have been in the range of \$402 per property rather than \$314. You can ask homeowners in other HOA's that have management companies and you will find their annual dues are much higher than SIV's.

I hope this report quashes the concerns of any homeowner who may think that Marianne is "overpaid." None of the board members are paid, but expenses that we incur in the line of our service can be reimbursed. For the Association to pay Marianne's expenses incurred in providing the services for the Association is the very least we can do!

Ron Sorenson asked that the President read this report at the 2006 Annual Meeting.

3. Committee Reports

A. Maintenance Committee

Since George Jones was unable to attend the meeting, the President presented the report ("Attachment C"). Lillian Byerly commended George Jones for the exceptional direction he provided while serving as the chair of the committee and said he will be sorely missed. A truck from NC selling furniture from the truck was going door to door inside our subdivision. The Sheriff's department was called and, because our streets are posted with no soliciting signs, they were able to demand that the truck leave our area.

Street Sealing

A request of funds from our reserves with a maximum amount of \$3,600.00 was requested to perform joint and crack filling/sealing. Sunland Asphalt was selected to perform the work because of the excellent job they have done on the streets.

Doug Cameron made a motion that the funds be approved, Gorman Fisher seconded and all were in favor.

The work will be scheduled as soon as possible.

B. Architectural Committee

Gorman Fisher said the committee has been receiving requests for additions and they are awaiting building permits, which have been taking 30 to 40 days. He has received commitments from most of his committee to continue into 2006.

C. GVCCC

Gorman Fisher presented the report (Attachment D).

D. Nominating Committee

There were no new candidates identified, therefore the following homeowners were included on the Absentee Ballot mailed to members:

- Bob Christensen
- Roger Mikusek

4. **Continuing Business**

A. Bylaws Revision

Both clean and marked copies of the Bylaws, including two Resolutions that were approved at the January 9 meeting, were distributed to the board. The president and secretary executed the document and it will be mailed to all Owners together with the newly approved CC&Rs, the Articles and the Homeowners Rules.

B. Homeowner Rules Revision

Because many of the items covered in the present Homeowners Rules have been written into new CC&Rs, Ron Sorenson moved the adoption of the following Resolution:

RESOLVED, that the Rules of San Ignacio Vistas, Inc., last amended as of March 15, 2005, be, and the same hereby are, further amended as follows:

1. By deleting the second (except for the last sentence thereof), third and fourth unnumbered paragraphs under "General." (CC&Rs 1.13, 11.3, and 11.4).*
2. By deleting paragraph number 1 under "Common Areas." (12.12).
3. By deleting the first sentence of paragraph number 2 under "Common Areas." **
4. By deleting paragraph number 3 under "Common Areas." (12.12).
5. By deleting paragraphs numbers 2, 5 (except the last sentence thereof), 8 and 9 under "Private Properties." (10.1, 12.3, 12.7, 12.14 and 13.4).
6. By deleting numbered paragraphs 1, 2, 3 and 5 under "Parking - Vehicles." (12.3 and 12.9).

7. By deleting unnumbered paragraph 1 under "Ramadas." (11.2, 11.4, 11.5(f) and 12.4).
 8. In unnumbered paragraph 2 under "Ramadas," by changing the reference to Section 13.4 to Section 13.3, deleting the word "as" in the second line, and by substituting the words "Dwelling Unit" for the words "principal residence and original improvements placed on the Lot." (13.3)
 9. By deleting numbered paragraph 2 under "Ramadas"
 10. By deleting the last sentence of numbered paragraph 1 under "Trees and Vegetation on Private Properties." (13.8).
 11. By deleting numbered paragraphs 2 and 3 under "Trees and Vegetation on Private Properties." (13.8).
- Marianne Bishop seconded, approved by Linda Gregory Doug Cameron and Gorman Fisher.

5. New Business

CC&R Article 12 – Compliance Committee

The CC&Rs at Section 11.2 give the Architectural Committee responsibilities for the provisions of Article X and Article XIII. No committee has responsibility with respect to matters contained under Article XII. Former counsel recommended that a new committee be formed to deal with Article XII matters. However, we may not have enough volunteers to do that and since the AC has been dealing with such matters under the old CC&Rs, Ron Sorenson moved the adoption of the following Resolution:

RESOLVED, that until otherwise determined by the Board, the Architectural Committee will be responsible for all Use Restriction matters set forth in Article XII of the CC&Rs, subject to the right of any Owner found to be in violation of any Use Restriction to appeal to the Board pursuant to the Rules setting forth the procedures for appeal to be established by the Board pursuant to Section 11.10 of the CC&Rs.

Doug Cameron moved the adoption of the Resolution seconded by Linda Gregory and approved by Marianne Bishop and Gorman Fisher.

Ron Sorenson also suggested that David McEvoy write a new rule that will set forth the procedures for appeal to be included in the Homeowners Rules.

5. Adjournment

The next meeting will be on Monday, March 6 at Desert Hills in Meeting Room C. With no further business to come before the board, the meeting was adjourned at 10:15 AM.

Respectfully submitted,



Marianne Bishop, Secretary

ATTACHMENT 'A'

SAN IGNACIO VISTAS, INC.
HOMEOWNERS ASSOCIATION

Statement of Financial Condition

1/31/2006

2006 Assets and Liabilities

Assets

| | |
|-----------------|-------------------|
| Operating Funds | 47,728.56 |
| Reserves | <u>162,607.21</u> |

Total 210,335.77

Liabilities

2007 dues paid in advance

2006 Income and Expenditures

Income

| | |
|--------------------------|-----------|
| Dues | 71,592.00 |
| Operating Funds Interest | - |
| Reserve Interest | 578.98 |
| Other Income: Reserves | <u>-</u> |

Total 72,170.98

Expenditures

| | |
|---------------------|----------|
| Operations Expenses | 9,478.44 |
| Reserve Projects | <u>-</u> |

Total 9,478.44

Homeowner's Reserve Equity

| | |
|----------------------------|------------|
| Total Reserve Equity | 162,607.21 |
| Reserve equity, per member | 713.19 |

Unaudited

ATTACHMENT 'B'

..\..\WEBSITE\board_mtgs\minutes\2006\TC Letter to Board re 2005 audit dtd 1-10-06.pdf

**"ATTACHMENT 'C'
MAINTENANCE COMMITTEE REPORT
January 9, 2006**

There have been no new complaints (that I know of) and Gold Canyon has caught up on common area maintenance. Weeds and grass have been cut and their crew has been removing dirt/sand from behind street curbs. This will probably take another two weeks. After the curb work is completed, they will need direction from the MC and Board on what to do. Because we have not received any winter rain the weeds/grass are not growing, and as a result, minimal routine maintenance will be needed until after we receive the monsoon rains. This presents an opportunity for common area improvement projects.

**"ATTACHMENT 'D'
Report GVCC
Board of Reps. Meeting**

Four Homeowner Associations (approximately 600 lot owners) were added to the membership of GVCCC in January.

Mac Gerhart, GVCCC member, is trying to develop a Task Force to investigate providing resources & specifications for maintaining privately owned streets in Green Valley HOAs. This will not be a full time committee, but will meet as needed to develop the basic information. The initial organizational meeting will be held at GVCCC, Tues. Feb. 7, 8:30am.

GVCCC Health Fair will be held March 21 @ the West Center

Driver safety week is in force during the week of Feb.5-11 and NO TOLERANCE on speeding will be observed.

The Attorney General's Office is available @ GVCCC each Monday 1-3pm. They deal with Consumer Fraud, Identity Theft, & Fair Housing Complaints.

Local transit system is in operating and during Feb. local trips will be free or at a minimal cost to entice riders. This project is funded by a national grant to Pima County.

Saturday, March 25, 8am- 4pm GVCCC will sponsor a CAI workshop entitled "The ABC's of Community Assn. Governance". The meeting will be held @ Santa Rita Springs, Green Valley. It includes board members education & legal advice.

Ann Rodriguez, Pima County Recorder, reviewed the activities of her office. Her office is responsible for maintaining voting records, recording liens, CC&Rs, land Plats, etc.

Some interesting statistics:

- From 2000 to 2005 the number of recordings per year has increased from 229,000 to 364,000.
- During that same period the number of pages of paper used has increased from 786,000 to 1,966,000.
- Early voting ballots have increased from 121,000 to 180,000.
- Green Valley registered voters vote at the highest Pima County rate of 92% vs. Tucson & South Tucson @ 65%.
- Commented that CC&Rs have generally been valid for 30 years. She felt that the time period of validation should be written into the CC&Rs.
- Bill in State House to consider increasing the homestead exemption from \$150K to \$200K.
- Picture ID on a driver's license is valid for 7 years.

A G E N D A
San Ignacio Vistas, Inc.
Homeowners Association
Regular Meeting, Board of Directors

Date Monday, February 6, 2006
Time 9:00 a.m.
Place: Canoa Recreation Center – Saguaro Room

1. Reading and approval Minutes of Regular Board Meeting - January 09, 2006
2. Officer's Reports
 - a. Secretary
 - b. Treasurer
 - c. President
3. Committee Reports
 - a. Maintenance George Jones
 - b. Architectural Gorman Fisher
 - c. GVCCC Gorman Fisher
 - d. Nominating Committee Marianne Bishop
4. Continuing Business
 - a. Bylaws Revision
 - b. Homeowner Rules Revision
5. New Business
 - a. Architectural Committee - Compliance
6. Adjournment