

San Ignacio Vistas, Inc.
Homeowners Association
Regular Board Meeting Minutes
December 1, 2003

There were no homeowners present.

Present: Marianne Bishop, Gorman Fisher, Linda Gregory, Arlene Haugan, Vernon Kliewer and Ron Sorenson

The president called the meeting to order at 9:00 a.m. The meeting proceeded using the agenda dated December 1, 2003.

1. Reading of the Minutes

Several changes were suggested to the minutes for the November 3rd Board Meeting as distributed. The minutes were approved unanimously, subject to revision.

2. Officer's reports

Secretary

- While reviewing the "Resale Reports" provided us by LMR against the TOPS file it was discovered that they have not been complete. The Secretary will contact LMR to have them look at the report logic to determine why they are missing properties.
- The secretary will contact LMR to ask for a "New Homeowner's packet " to see what is being sent to individuals purchasing homes in SIV.
- Two holds have been removed: Lots 020 and 140.
- The document prepared by Tanis Duncan entitled "Notice Regarding the Adoption of Rules and Regulations Governing the Use and Occupancy of Lots and the Use of the Common Area In San Ignacio Vistas" was executed by the President and Secretary. After recordation this document will be placed in the Safety Deposit Box.

Treasurer's Report

The Treasurer presented the **Statement of Financial Condition as of November 30, 2003.** The report was approved and accepted by the board and is included with these minutes as **Attachment 'A'**. In an effort to help prepare the final budget, prior to the January meeting the Treasurer will contact Tanis Duncan's office to get an estimate of outstanding fees to be paid against our 2003 Operating Funds.

Presiding Officer

- The President made a site evaluation with Chuck Tyree from C&W (now Bartlett Tree Experts) to determine need for tree removal of both volunteer and mature trees and obtained a bid to have the work completed. Since the list of trees to be removed is approximately 15 pages, it was not included.

The President presented a Project Request form and asked for ratification of the project. The Board *unanimously ratified the project*, as requested, and the work as contracted. The Project Request form is included with these minutes as **Attachment 'B'**.

- The President obtained a bid from Chuck Tyree for yearly maintenance of all trees. The president has prepared a roster of all trees, and Mr. Tyree is keeping a detailed worksheet listing the type of work being done on each to help evaluate whether to maintain or eliminate them in the future.

The President presented a Project Request form and asked for ratification of the project. The Board *unanimously ratified the project*, as requested, and the work as contracted. The Project Request form is included with these minutes as **Attachment C.**

- The president handed the board a document entitled "Sample Collections Resolution" and asked that it be placed on the agenda under continuing business of the January agenda.

3. Committee Reports

Architectural Committee

- The Rules for Ramadas were finalized and ratified at the November 11, 2003 meeting of the Architectural Committee and were presented to the Board with a Secretary's Certificate.

After discussion, a motion was made by Gorman Fisher, seconded by Arlene Haugan and unanimously ratified by the Board to adopt the Rules for Ramadas.

Maintenance Committee

- In an effort to control erosion along Camino del Sol an estimate was obtained from FRM Construction Company (the firm that performed recent work along Calle Tres). Because of the serious erosion and undermining of walls adjoining this common property and the fact that we cannot do any other planting until this project is completed it is imperative that we get our name in line with a contractor.

The President presented a Project Request form and asked for ratification of the project. After discussion Ron Sorenson made a motion, seconded by Linda Gregory, for the president to continue negotiations for a better rate based on completing the entire project. The vote was unanimous. The Project Request form is included with these minutes as **Attachment D**.

- There is an ancillary project at NW corners of Sonoran View/View Ridge, Sonoran View/Harvest Moon, Sonoran View/Prairie Hills and Sonoran View/Gloria Vista that should be considered since it would no doubt reduce the cost by using the same contractor.

The President presented a Project Request form and asked for ratification of the project. After discussion Ron Sorenson made a motion, seconded by Linda Gregory, for the president to continue negotiations for a better rate based on doing this work at the same time work is done on Camino del Sol. The vote was unanimous. The Project Request form is included with these minutes as **Attachment E**.

4. Continuing Business

A. Revision to the CC&R's

Ron Sorenson reported on the fact that the Committee is awaiting a definition from Tanis Duncan on the term "Single Family Residence".

B. Holds Document

Because of a miscommunication between a realtor and homeowner over the term "hold", it was suggested it would be better served if we used the term "non-compliance" whenever a property has had a notice of violation. The Secretary will communicate this change of terms to Lewis Management.

5. New Business

A. Rescind/Update January 31, 2002 Resolution

The president will talk to our insurance agent to determine if this resolution can be rescinded and will report to the Board at the January meeting.

B. Resolution on definition of Audit

Because our By-laws are silent regarding procedures for Audit, the President presented a suggested Resolution. Ron Sorenson moved that the resolution regarding the subject of audits and accounting reviews as presented be approved. This was seconded, unanimously approved, and is included with these minutes as "ATTACHMENT F".

Ron Sorenson had to leave the meeting but that did not affect a quorum.

C. Resolution regarding Flagpole Rules

Because our Rule regarding lighting of flags is unconstitutional the President proposed a resolution to replace Item 6 of the Rules and Regulations as distributed on October 6, 2003 which stated that "lighting flags is not permitted".

After discussion the motion was made, seconded and unanimously approved to adopt this resolution. It is included with these minutes as 'ATTACHMENT G'.

6. The meeting went into recess at 11:00 for an Executive Session for Armando Felix to discuss grounds maintenance issues.

7. Because Armando Felix did not appear at the invitation of the board, and with no further business to conduct, the meeting was adjourned at 11:15 a.m.

Approved by the Board on January 5, 2004

/s/

Marianne M. Bishop, Secretary

Required:

1. Secretary will contact LMR re: Resale Reports, New Homeowner's packet, and change of term from Hold to Non-Compliance.
2. Treasurer to contact Tanis Duncan's office for estimated changes to be applied against 2003 budget.
3. Update Homeowner's Rules and mail to all Homeowners.
4. President to work with FRM on finalizing quote for work to be accomplished controlling erosion adjacent to Camino del sol and at the NW corners of Sonoran View/View Ridge, Sonoran View/Harvest Moon, Sonoran View/Prairie Hills and Sonoran View/Gloria Vista
5. President to contact insurance agent re Rescind/Update January 31, 2002 Resolution.

ATTACHMENT 'A'
SAN IGNACIO VISTAS, INC
HOMEOWNERS ASSOCIATION

Statement of Financial Condition

11/28/03

Assets	
Operating Funds	\$ 12,974.72
Capital Reserves Funds (Face Value)	\$161,233.70
Non Annual Maint. Funds (Face Value)	\$ 5,251.18
Lien--Amount SIV expects	\$ 3,607.00
Total	\$183,066.60
Liabilities	
2004 dues paid in advance	\$ -
Total	\$ -

Statement of Revenues and Expenditures

Income	
Operating Funds--Dues & Interest	\$ 76,727.85
Capital Reserve Fund--Dues & Interest	\$ 19,715.59
Non Annual Maint.Fund--Dues & Interest	<u>\$ 7,048.11</u>
Total	\$103,491.55
Expenses	
Operations	\$ 63,753.13
Capital Reserve	\$ 11,689.99
Non Annual Maintenance	<u>\$ 1,796.93</u>
Total	\$ 77,240.05

Homeowner's Reserve Equity	
Total Reserve Equity	\$166,484.88
Reserve Equity, per member	\$ 730.20

Unaudited

ATTACHMENT 'B'
San Ignacio Vistas
Reserve Funds Project Request

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: Vernon Kliewer

PROJECT DESCRIPTION:

Describe the project. (List what the project and where/what will be impacted.)

Removal of mature trees, regrowth and volunteer mesquite or acacia as designated on attached sheet. All removals to be treated with stump desiccant.

LIFE EXPECTANCY:

What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: Removal is permanent. (Bid based on on-site evaluation by Chuck Tyree and VK.

Minimum:

ESTIMATED COST OF PROJECT:

What is the expected cost of the project?

Maximum Cost: \$2,000.00

Minimum Cost: \$1,535.00

What could cause the costs to increase or decrease from the estimate?

If more regrowth or volunteer trees are identified as the work progresses

ESTIMATED TIME TO COMPLETE

What is the estimated length of time to complete the project?

3-4 days

What is the expected start date?

Mid-December

PROPOSED VENDOR(S):

Who is(are) the proposed vendor(s)?

C & W Environmental Services (now Bartlett Tree Experts)

How was the vendor selected?

Previous excellent arboreal services

Which other vendors were considered

No

FOR BOARD USE: Reserve Category to be charged: Non Annual Maintenance Fund

Actual cost: Start: End Date:

ATTACHMENT 'C'
San Ignacio Vistas
Operating Funds Project Request
For amounts \$500.00 and above

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: Vernon Kliewer, President

PROJECT DESCRIPTION:

Describe the project. (List what the project is and where/what will be impacted.)
Yearly maintenance of CA trees

LIFE EXPECTANCY:

What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: One year

Minimum: Six months

ESTIMATED COST OF PROJECT:

What is the expected cost of the project?

Maximum Cost: \$2997.00 {Bid based on tree-by-tree evaluation by Chuck Tyree and VK.

Minimum Cost:

What could cause the costs to increase or decrease from the estimate?

Only if additional trees are identified that need pruning.

ESTIMATED TIME TO COMPLETE

What is the estimated length of time to complete the project?

3-4 days

What is the expected start date?

Mid-December

PROPOSED VENDOR(S):

Who are the proposed vendor(s)?

C & W Environmental Services (now Bartlett Tree Experts)

How was the vendor selected?

Previous excellent arboreal services.

Which other vendors were considered?

No.

FOR BOARD USE: Operating Category to be charged: Maintenance; \$3,000.00 budgeted for 2003
Actual cost: _____ Start Date: Mid-December, 2003 End Date: _____

ATTACHMENT 'D'
San Ignacio Vistas
Reserve Funds Project Request

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: Vernon Kliewer

PROJECT DESCRIPTION:

Describe the project. (List what the project and where/what will be impacted.)
Erosion control alongside Camino del Sol.

LIFE EXPECTANCY:

What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: 5-15 years

Minimum: 5

ESTIMATED COST OF PROJECT:

What is the expected cost of the project? (Also see attached for specifications—submitted by FRM)

Maximum Cost: \$49,000 (based on an estimate of 28,000 sq. ft. at \$1.75 per sq. ft.; square footage estimated by Mary Lu Catino and VK after measuring areas outlined with Marking Paint)

Minimum Cost: \$42,400 (per conversation, after a visual inspection, with Aaron Frederick, FRM; if 28,000 sq. ft. is the actual footage, cost per sq. ft. will likely be reduced to \$1.50 per sq. ft or less. Further negotiation is highly likely, based on square footage

What could cause the costs to increase or decrease from the estimate?

If the estimated footage represents an overage or if the cost per sq. ft. is less, the cost will be reduced accordingly

ESTIMATED TIME TO COMPLETE

What is the estimated length of time to complete the project?

4-5 weeks

What is the expected start date?

After 1 January 2004

PROPOSED VENDOR(S):

Who is (are) the proposed vendor(s)?

FRM Construction Company

How was the vendor selected?

Superior work on earlier projects in 2003 alongside Calle Tres and Camino del Sol

Which other vendors were considered

None

FOR BOARD USE: Reserve Category to be charged: Drainageways

Actual cost: Start: End Date:

ATTACHMENT 'E'
San Ignacio Vistas
Reserve Funds Project Request

PURPOSE OF FORM: The purpose of this form is to provide enough information for the Board to determine if the project should be approved.

NAME OF SUBMITTER: Vernon Kliewer

PROJECT DESCRIPTION:

Describe the project. (List what the project and where/what will be impacted.)
Extension of rip-rap at NW corners of Sonoran View/View Ridge, Sonoran View/Harvest Moon, Sonoran View/Prairie Hills and Sonoran View/Gloria Vista

LIFE EXPECTANCY:

What is the expected life of the project? (How long will the impact of the project be available to the homeowners?)

Maximum: 20 years

Minimum 10 years

ESTIMATED COST OF PROJECT:

What is the expected cost of the project?

Maximum Cost: \$1,550.00 (based on an estimate of 885 sq. ft. @ \$1.75 per SF)

Minimum Cost: \$1,328.00 (based on an estimate of 885 SF. @ \$1.50 per SF)

What could cause the costs to increase or decrease from the estimate?

If the estimated footage represents an overage or underage or if the cost per SF is less, the cost will be reduced accordingly.

ESTIMATED TIME TO COMPLETE

What is the estimated length of time to complete the project?

1-2 days

What is the expected start date?

After 1 January 2004

PROPOSED VENDOR(S):

Who is(are) the proposed vendor(s)?

FRM Construction Company

How was the vendor selected?

Superior work on earlier projects in 2003 alongside Calle Tres and Camino del Sol

Which other vendors were considered

None

FOR BOARD USE: Reserve Category to be charged: Non Annual Maintenance Fund
Actual cost: Start: End Date:

ATTACHMENT 'F'

RESOLUTION – DEFINITION OF AUDIT

WHEREAS, The San Ignacio Vista, Inc. Bylaws, Article IX, Section 3, stipulates that the Audit Committee (AuC) is to “approve or disapprove the audit letter from the independent auditor”;

WHEREAS, The San Ignacio Vista, Inc. Bylaws is silent on (1) the definition of “audit”, (2) the provision of guidelines for the meaning of “audit”, or (3) the specification of the frequency of an “audit” in any Article or Section;

WHEREAS, The American Institute of Certified Public Accountants (AICPA) defines an Audit to mean an examination by a Certified Public Accountant (CPA) of “financial statements by (1) conferring with outside parties, (2) completing physical inspections and observations and (3) testing selected transactions by examining supporting documents”;

WHEREAS, The AICPA defines a Review to mean that a CPA “applies inquiry and analytical procedures to financial statements provided by the management to determine if they are reasonable,” it is

RESOLVED THAT

1. The Board of Directors (Board) of San Ignacio Vistas, Inc. adopts the definitions of Audit and Review established by AICPA.
2. The San Ignacio Vista, Inc. external auditor shall be a CPA.
3. The external auditor has been instructed by the Board to conduct an Audit according to AICPA standards for the 2003 fiscal year.
4. Either an Audit or a Review shall be conducted by the external auditor beginning with the 2004 fiscal year,
5. The determination of the appropriateness of either an Audit or a Review in fiscal 2004, and in any future fiscal year, shall be determined by the Board upon the recommendation of the AuC and the professional advice of the external auditor.
6. The AICPA definitions of Audit and Review shall be applied as guidelines by the Audit Committee to approve or disapprove the Audit or Review letter received from the Association’s external auditor.
7. The Audit Committee shall report the committee’s approval or disapproval of the yearly Audit or Review letter to the Board for its acceptance.

This resolution is adopted and made a part of the minutes of the Board meeting of December 1, 2003.

ATTACHMENT 'F'

RESOLUTION

It is moved that Item 6, In-Ground Flagpoles, Rules, be rescinded and replaced by the following based on the Federal Flag Code (PUBLIC LAW 94-344):

The American and/or the Arizona State flags may be displayed twenty-four hours a day if properly illuminated during the hours of darkness. No more than two spotlights with a combined light output of 650 lumens (lm) may be installed to create a "patriotic effect".

The light installation may only be used to highlight the American flag and/or the Arizona State Flag. The spotlight(s) shall not point towards Mount Hopkins or any neighbor's house. Floodlights are prohibited.