

**San Ignacio Vistas, Inc.
Homeowners Association**

**Minutes
of the Annual Meeting
Of Homeowners**

February 15, 2007

**Mailing Address:
P.O. Box 1150
Green Valley, AZ 85622-1150**

**Phone: 625-4924
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Website: www.sivhoa.org

BOARD OF DIRECTORS - 2008

Email the board: sivboard@sivhoa.org

Bob Christensen	President & Director	393-0304
Geraldine (Geri) Greb	Vice President & Director	207-0601
Marianne Bishop	Secretary/Treasurer & Director	625-4924
Jim Chervenka	Director	625-1143
Cliff Marrs	Director	393-1995

MEETING DATES – BOARD

Meetings may be cancelled during the year if there is no need to conduct business. In the past 2 years it was not necessary to met in June, July or August. Verify dates with the Secretary in the event there is a need to change either time or place. Meeting agendas and minutes are posted on the website (www.sivhoa.org)

2007

Mar 6	4735 Prairie Hills Drive	9 AM – 10:30 AM
Apr 4	4735 Prairie Hills Drive	9 AM - 10:30 AM
May 7	Canoa Hills – Mesquite Rm	9 AM - 10:30 AM
Jun 4	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Jul 9	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Aug 6	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Sep 10	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Oct 1	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Nov 5	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Dec 3	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM

2008

Jan 7	Canoa Hills - Mesquite Rm	9 AM - 10:30 AM
Feb 4	Canoa Hills - Mesquite Rm	9 AM – 10:30 AM

All meetings are open to our homeowners, and we encourage you to attend -- especially the Annual Meeting.

Feb 28	Canoa Hills – SAGUARO RM	9 AM - 11 AM
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San Ignacio Vistas, Inc.

**Homeowners Association
ANNUAL MEETING OF MEMBERS
February 15, 2007**

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The Secretary was in receipt of 169 absentee ballots and 12 Lot Owners were presented ballots upon registration. There were 85 in attendance. With no other requests for items to be placed on the agenda, the meeting was called to order at 9 AM and proceeded using the agenda mailed to homeowners.

There was a presentation by Border Patrol Representative Ricardo Rangel and a Video presentation entitled Immigration by the Numbers.

OPENING REMARKS:

Good Morning, I am Gorman Fisher and I would like to introduce your current board members:

Bob Christensen- Vice President, Chairperson of the Nominating Committee, Chairperson of the Financial Advisory Committee, member of the Trash & Recycle Committee and Board Representative to the GVCCC monthly meetings.

Marianne Bishop-Secretary & Treasurer. Board Rep to the Decorations Committee, Co-Chair of the Trash & Recycle Committee, GVCCC Community Directory Volunteer. Marianne is responsible for maintaining all association records, correspondence, plus the receipt of association funds & paying of association invoices. She also maintains the Web site and prepares and distributes all of the association mailings.

Roger Mikusek (Not present) is a member of the Nominating Committee, Financial Advisory Committee and the Trash & Recycle Committee. Because of personal commitments at home in Michigan he has asked to terminate his board position effective this date.

Jim Chervenka replaced Linda Gregory who resigned her position as board Vice President during 2006. Jim has assumed the Acting Chair position of the Maintenance Committee and has been very active in overseeing the upkeep of our Common Areas.

I am the Board President & Acting Chairperson of the Architectural Committee. My primary responsibility is to conduct scheduled board meetings and direct Association business within the guidelines of the Association's various governing documents. My term on the board ends today.

I would be remiss if Linda Gregory was not recognized for her past services as a former Board President and a 2006 board member, plus long standing Maintenance Committee member and Acting Chairperson. She also continued to remain an active member of our Maintenance Committee since resigning from the board.

If a developer decides to establish his property as an HOA (as is SIV), Arizona requires that the association be governed by various documents in the following pecking order:

- **Articles of Incorporation**---tells who we are and indirectly indicates that all succeeding Association Documents follow State Laws.
- **CC&Rs**---which is a State required document that establish how the HOA operates, the responsibility of homeowners to the association, plus the association's responsibilities to the homeowners. A change to this document requires a supermajority vote of 68% of Association members.
- **Bylaws** which define in greater detail how the Association elected representatives conduct Association business. These are either changed by the Board or by a 51% vote of association members---depending upon the impact of the change to association members.
- And finally Association **RULES** and **REGULATIONS** which are specific operating guidelines relating to the previous documents. These are generally developed and changed by committees and approved by the board.

The overriding responsibility of your board is to maintain the financial health and value of property within the association. Closely related to this is the communication of important association matters to the homeowners.

SIV consists of 228 homeowner properties.

The gross area of our subdivision is approx. 100 acres. One fourth of this figure is common area and also includes approx. 2 2/3 miles of streets and sidewalks, both of which are the responsibility of the association.

The **assessed** value of homes in SIV **exceeds 40 million** dollars.

This is brief review of the current makeup of your board, the governing documents, and the scope of association's physical assets and general value.

REPORT OF NOMINATING COMMITTEE/ ELECTION:

The Nominating Committee this year consisted of Gorman Fisher, Roger Mikusek (co-Chair) and Greg Nowak.

Our task was to select a slate of nominees to be presented to the Members as candidates for election to the Board.

Our slate of nominees was presented to the Members with our Annual Meeting Notice in January (see also attached).

The slate consists of Marianne Bishop, who has served as Secretary since 2003, a Director since 2005, and as Treasurer since 2006, Geri Greb and Clifford Marrs.

To this slate we will add any nominations from the Members at this meeting. Are there any nominations from the floor?

Hearing none, nomination of candidates for election to the Board is hereby closed.

Our Tellers are Barry Bishop, Paula Chervenka and Eileen MacLaren. Will the Tellers please count the Ballots.

PRESIDENT'S REPORT:

2006 has been a good association year. We have been blessed with great suggestions from various board members, some of which were instituted and some that are still in various stages of development. In addition, the fine effort of our various committees has once again been excellent.

We have strived to continue to develop a friendly atmosphere among the board's and committees' relationship with homeowners. We have stressed communication.

Probably the most important Communication Issue this year was the establishment of a paid Secretarial & Treasurer's position.

Historically these two positions changed hands as board members changed, thus leading to a lack of continuity.

We hired Lewis Management, (LMR) several years ago to perform part of the secretarial function, but this created more problems than it solved. Marianne Bishop, who was acting as Corporate Secretary, had to monitor and resolve most of these problems.

This year Marianne agreed to assume the total package of both Secretary and Treasurer's position for a fee less than we were paying the management company for far less work. In addition, LMR was collecting and keeping all document and transfer fees. Being self-managed these fees are now going into our bank account.

Marianne has done a superior job of letting you know what is going on in our association, by newsletter, email, and website. Where we have had to deal with important issues, such as authorizing a paid secretarial-treasurer position, deal with the change in trash collection, we have tried very hard to explain the issues to you and get your feedback.

During 2006 we had a board member participate in the monthly meeting via speaker phone, proving that association members, both full & ***part time*** residents, can successfully participate in our association government.

Thirsty Thursday has been a rousing success, as were Neighborhood Block parties.

Bob Christensen has developed a new homeowner welcome package which delivers information about SIV and the Green Valley Community to a new resident.

These are some of the general areas in which we have tried very hard to increase our communication with you.

Whenever possible the board has tried to handle major issues first within committees consisting of board members as well as homeowners, in order to gather a broader base of information for board action. The committee develops the "nuts & bolts" concept and then delivers their recommendations to the board for review, comment and action.

SECRETARY'S REPORT

Good morning, I am Marianne Bishop, and I would like to take this opportunity to thank all of the board members for their efforts, along with this year's committee members for the time they devoted so that our community government could function. Most of all I want to thank you, the homeowners, for your overwhelming support and cooperation in responding to mailings. I have heard horror stories from other associations who say they can't get their homeowners to return ballots or surveys.

It would appear that we benefited from changes made in 2005 when we engaged a new landscaping company, legal counsel, CPA, and Management Company. The first three vendors have been providing excellent service, and comments from our homeowners indicate that most are pleased with the secretarial services you are receiving. Of course, I know that you can't please all of the people all of the time, but we are trying to get as close to that as we can.

Our homeowners have once again remitted dues before the January 15 deadline. This enables me to devote my time to year-end reports and preparation for the annual meeting rather than making follow-up dues mailings or dealing with assessing late fees. Thank you for being so prompt.

Our email distribution list proved useful this year. We heard about changes being made to the level of trash service offered by Waste Management. We sent an email to homeowners questioning their willingness to have our service changed. Based upon this response we made a mailing to all homeowners to determine support for a ballot initiative to revise the CC&Rs. You will hear more about this during the Committee reports.

This email distribution list contains about 170 addresses, and means that only 60 lot owners do not have email. Generally only half of the recipients respond to our surveys. This leads me to believe that many of the emails are not reaching the destination because of SPAM filters.

ARE YOU MISSING IMPORTANT NOTICES & REMINDERS ???
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If you have provided an email address and are not receiving updates and reminders from the SIV, possibly your service provider is placing them in a "SPAM" folder and then deleting them. When they see a large distribution list (like ours with 170 addresses) their security

software would make the determination that this must be some kind of "sales pitch" or JUNK. SIV emails would be sent from either of the following addresses: info@sivhoa.org or barxmar@cox.net

You need to place the above addresses in your email address book and indicate that mail received from either account is NOT SPAM.

Doing this SHOULD assure you will receive my emails in the future.

If you have questions you should direct them to your service provider's help desk (such as Cox, AOL, EarthLink, Yahoo, etc.) or give me a call and possibly I can be of help.

I recently sent an email reminder about the upcoming Neighborhood Garage sale. This sale has also been announced over the past year in the SIV View (our newsletter). This sale is set for Friday and Saturday, February 23-24. We have placed an advertisement in the Green Valley News and will be posting directional signs. The front page of my handout contains details regarding this sale.

If you didn't receive the December 2006 reprint of the Neighborhood Directory I have some extra copies. This Directory will be published on either an annual or bi-annual basis. I would like to hear if you find this directory useful and if there is any other data you would like to see included in order to make it more informative.

Last year Monique Collins asked us to survey homeowners to see if there was an interest in a monthly social event where everyone brings their own drinks and appetizer to share. In April we held our first "Thirsty Thursday". February marks the 11th gathering and we want to thank the past hosts for opening their home for this event. On my handout you will find a list of host/hostesses for events held during 2006-7 and those scheduled for February and March.

We need volunteers starting in April. If you have any questions regarding responsibilities for the host for this event, contact one of the couples listed and they should be able to answer your questions.

Gene Bengston has been heading the Neighborhood Watch since it's inception in the fall of 1996. I think that deserves a round of applause. We also thank the Neighborhood Watch for the work they perform. They distribute the GVCCC Phone Directory each year, usually in late February or March. They look after an assigned group of homes and keep an eye out for suspicious activity. They should be checking for garage lights that have burned out. Twice in the past two years they were called upon to do a cursory inspection after we

experienced micro bursts in the area during monsoon storms. They were looking for possible roof damage so that homeowners could be alerted. The watch captains are listed in the front of the Neighborhood Directory. If you are unsure of your watch area, it appears at the end of the line showing your address.

I also want to acknowledge the Decorations Committee: Gene Bengston, Ron & Nell DeVree, Royce & Lillie Hill, Linda & Bruce Morgan and my husband. They did a great job decorating our entrances this year. Royce made a vast improvement to the tree of lights we had at the Calle Tres entrance and he is planning on further enhancements to each entrance this coming Christmas season.

There is another committee I would refer to as MY "Ways and Means Committee". This one helps me proofread, assemble books, stuff and seal envelopes, and perform many other basic, but necessary and mundane tasks. Thank you SO VERY MUCH to my husband: Barry.

I have updated the statistics on house sales in our subdivision and this is on the back of my hand-out. 2006 proved to be a slower real estate market but SIV's average sales price remains constant. Of the 13 homes that changed hands this year, 9 went through brokers on the multi-list and about 1/3rd or 4 were sold by owner.

This concludes my report. Are there any questions?

If not, I hand the mike over to Bob Christensen, chairman of our Financial Advisory Committee who will present the Treasurer's Report.

TREASURER'S REPORT:

The Financial Advisory Committee this year consisted of Marianne Bishop (Treasurer), Gorman Fisher, Roger Mikusek, Greg Nowak, Jeanne Soule and Don Strong.

The Committee reviewed and recommended to the Board for approval three documents including:

- The 2007 Budget
- The 2006 – 2011 Replacement Reserve Plan
- The Investment Policy

Members of the Committee also reviewed the 2006 Statement of Financial Condition and the 2006 Revenue, Expenditures and Allocations. Also provided in the attached is our January 31, 2007

Statement of Financial Condition and our Revenue, Expenditures and Allocations for January. (All of these handouts are included as attachments to the minutes)

Finally members of the Committee met with our CPA, Terry Cogan to review his presentation of our Financial Condition and related reports for 2006. Terry found our reporting in satisfactory order. Terry recommended that we complete our migration to QuickBooks to further improve our record keeping and reporting.

COMMITTEE REPORTS

I would first like to make a general statement about our committees. Members of these committees, especially the standing committees such as Architectural, Maintenance, and Finance, are VERY important to the operation of our association. This is a volunteer commitment to maintain the health of your association. You have heard me refer earlier today to the term **ACTING** Chairperson. This term comes about because of the lack of new member participation on our committees, such that most current committee members have had the chair responsibility and no longer wish to act in this capacity. By default, the chair has been assumed by the board member representative to that committee. The board member should be a background facilitator to the committee, not the chair. Unfortunately, the CC&RS abhor a vacuum—thus creating Acting Chairpersons, by default.

I now wish to make a **strong appeal** to you that have not served on our committees to consider offering your name as a committee participant. A paper is being circulated among you upon which you can place your name to indicate your interest in becoming a committee member. Please help us continue to make SIV a desirable community in which to reside.

ARCHITECTURAL

As the acting chairperson for the Architectural Committee, I would like to mention the names of the committee members with whom I have had the privilege serving. Most of these members have been serving on this committee for several years. They are: Claire Amato, Ann Noe, Ronnie Pine, Bob Puttock, Gail Stober, Frank Surpluss and Susan Trecartin.

The committee is responsible for seeking compliance to the CC&R document associated with a homeowner's property as well as the homeowners' rules. They are not concerned about the Common Area as this falls under the Maintenance Committee.

To ease one aspect of the compliance, the committee spent a lot of effort in revising our paint rules. We standardized SIV colors to specific formulations with 3 major Tucson Paint Suppliers, those used by most paint contractors in our area. We also obtained discounts with these suppliers. We established a broader spectrum of stucco and trim combinations. Bob Puttock organized our new paint chips into notebooks which can be borrowed by the homeowner. Paint rules were revised to comply with the new SIV colors.

Generally the work of this committee is routine in directing the homeowner to the correct rules & documents to consider for various changes to his property, such as, exterior painting, changes and addition to building structure, major landscape changes, etc.

During the year there were approximately 10 Ramada applications, 6 screened in rear porch areas, several additions with revisions to rear patio areas, and 20 or more requests for exterior painting.

On the few occasions, we help homeowners in trying to resolve a dispute of property rights between neighbors or between the homeowner and the association.

Any decisions the committee makes that are not routine are submitted to the board for their consideration and approval.

MAINTENANCE:

Thank you Gorman and thanks again to all the homeowners who are here for our annual meeting. I am Jim Chervenka and I have been the Board representative to the Maintenance Committee since joining the Board last fall. The first thing I want to do is recognize and thank the Maintenance Committee members who served on the Maintenance Committee during 2006. They are Linda Gregory, who as the prior Board representative answered my many questions, Lil Byerly, who is "retiring" from the Committee after several years of service, and our current members who are continuing in 2007, Larry Engel, Sam Eidson, Roy Mastic and Larry Ridley. Thanks to all of you for helping oversee the maintenance of the common areas in our neighborhood.

If you are not familiar with the Maintenance Committee it is one of the standing committees established in the Association's Bylaws. Its role is to advise the Board on all matters pertaining to the maintenance, repair or improvement of the common areas. For our Association that includes areas such as the streets, sidewalks, landscaped common areas, and the entrance monuments.

Key activities the Maintenance Committee worked on in 2006 included:

- Oversight of the weekly visits by the landscaping contractor, Gold Canyon, who maintains the common grounds. This worked smoothly in 2006 as Gold Canyon was able to provide us with the same supervisor for the entire year. This facilitated weekly communications and provided ongoing continuity about what landscaping maintenance was being done week-to-week.
- La Sierra Ranch completed the annual tree trimming in December with oversight by members of the Maintenance Committee.
- Sunland Asphalt completed crack sealing of the streets early in 2006. Larry Engel and Sam Eidson recently completed a follow-up review with Sunland of the cracks in the streets and determined no further action was required at this time. They are also currently working with Sunland to determine what repair work is required for a damaged street area in the cul de sac at Vista Ridge Court.
- Larry and Sam are also currently working with a contractor to review the cracks in our sidewalks and curbs to see what maintenance or repair work might be appropriate now or at some future date.
- Thanks also to Gorman Fisher's efforts new reflective signs were put up at the Calle Tres entrance to help better indicate the entrance at night. At the Camino del Sol monument entrance the back flow valve on the drip system was replaced.

In addition to overseeing to the maintenance and repair of the common areas in our neighborhood the Committee also follows up on questions or complaints having to do with the common areas.

As such I would like to remind everyone the common areas are just that, areas that are common to the neighborhood. As such they are not areas to put clippings from your shrubs or to locate a bird feeder or to use for parking on an extended basis. If you have questions in any of these areas feel free to contact any member of the Maintenance Committee.

Overall, as you can see 2006 was another active year for the Maintenance Committee. My thanks again to Linda, Lil, Sam, Roy, Larry Engel and Larry Ridley for all their work on behalf of the committee. We are looking for some additional committee members. If you would like to get involved and contribute a small portion of your time to help oversee the maintenance of the common areas that contribute to the overall attractiveness of San Ignacio Vistas as a neighborhood to live in please talk with me after the meeting.

TRASH & RECYCLE

We received 166 responses to the Ballot initiative to change the CC&R's allowing the board to negotiate a contract for a trash and recycle service. RESULTS: IN FAVOR: 154 OPPOSED: 12

The board appointed a Trash and & Recycle Committee consisting of: myself, Georgene Sorenson, board members Marianne Bishop, Jim Chervenka and Bob Christensen as well as homeowners Jack Powers and Leon Smith.

A Request for Proposal (RFP) was developed by the Committee and was subsequently reviewed and approved by our counsel David McEvoy.

At the February meeting the Board has approved sending a RFP to 3 providers (Waste Management, Saguaro Environmental and Talking Trash).

The next meeting of the Committee is set for February 20 to consider responses to the RFP.

If things go smoothly we hope to be able to make a recommendation to the Board in early March and be able to have the successful provider under agreement so that the new service could begin by April 1, 2007.

There are details to work out, such as exchanging recycle bins for those homeowners that leave Green Valley prior to April 1 and applying for credit for any fees that have been prepaid to Waste Management for service beyond March 31. The Secretary will be communicating with you to keep you up updated on this process.

Question from the floor: What are criteria for selection of provider?

We are attempting to find a provider that will maintain the same level of service we now have to include the following items:

- Two weekly trash pickups and one recycle
- Allow homeowners to use their own containers
- Use single axle vehicles to preserve our roads
- Allow seasonal residents to suspend service

RESIDENTS TIME

Lot 036 –availability of any recommendations from homeowners regarding various vendors; Lot 206 – paint chips, Lot 131 – monument on corner of Frontage Road and Calle Tres, Lot 007 – Interest shown on Financials.

VOTING RESULTS:

There were 188 valid ballots. Results of the election

Marianne Bishop	176	Roy Mastic	1
Geri Greb	171	Duane Nealy	1
Clifford Marrs	175	Gary Raff	1
Charles Catino	1	Elmer Silaghi	1
Martin Garay	1	Bill Stenavich	1

Congratulations to our newly elected Board Members.
Marianne Bishop, Geri Greb and Cliff Marrs.

ADJOURNMENT

The Chair thanked those attending for their participation and announced that the new board would convene immediately following the Annual Meeting. The meeting was adjourned at 10:45 AM.

Approved by the board on March 6 2007

SECRETARY'S REPORT & REMINDERS

DETAILS REGARDING NEIGHBORHOOD GARAGE SALE

Feb 23 - Friday 8:30 am to 3:00 pm

Feb 24 - Saturday 8:30 am to Noon

Anyone can put out a table, or neighbors could go together and share the same set-up by pricing their items with different colored tags.

No one needs to register. It is a way of gathering a lot of traffic.

THIRSTY THURSDAY HOSTS -- THANK YOU

2006

Bob & Karen Christensen	April
Jim and Jennifer Loveland	May
Monique Collins	June
George & Nancy Ziegler	July
Mike & Claire Amato	August
Gerald & Toni Larsen	September
Ron & Sally Payne	October
Jim & Paula Chervenka	November
Royce & Lillie Hill	December

2007

Jim & Karen Steffen	January
Ron & Rose Marie Lemke	February 22
Bob & Geraldine Greb	March 29
	April 26
Bob & Karen Christensen	May 31
	June 28
	July 26
	August 30
	September 25
Bob & Geraldine Greb	October 25
Royce & Lillie Hill	November 29
	December 27

RECAP OF PROPERTY TRANSACTIONS

The property values in SIV are stable and our area remains desirable

The following statistics only speak to the 9 homes sold thru the MLS in 2006.

5 sold in 2 months or less.

One sold in 3 months, the 2 sold within 6 - 10 months, the last sold in 12 mos.

Statistics regarding Sales Price and days on market were not available for FSBO Homes, although, as a general rule, they tend to sell in a short amount of time.

YR	HOMES SOLD	MULTI LIST	AVG (\$) SALES PRICE	(fsbo not included) PRICE RANGE	RECEIVED ASKING PRICE PER MLS LISTS	HOMES SOLD BY OWNER **
2003	23	21	194,117	\$130,000 - \$291,500	2	2
2004	22	20	242,435	\$133,900 - \$333,000	9	2
2005	16	14	340,692	\$268,000 - \$439,000	9	2
2006	13	9	341,756	\$259,900 - \$435,000	4	4

Currently there are 5 homes on the multi-list ranging from \$215,000 to \$495,000, with an average Price of **\$363,800**

San Ignacio Vistas, Inc. 2007 Budget

Operating Revenues	
Assessments	\$79,800
Transfer and Document Fees	4,500
Operating Account Interest	920
Total Revenues	\$85,220
Operating Expenditures	
Administrative Expenditures	
Administrative Services	\$4,800
Board Expenditures	1,275
Legal	850
Membership Communications	5,690
Total Administrative Expenditures	\$12,615
Maintenance Expenditures	
Common Area Maintenance	\$33,600
Tree Trimming and Projects	3,500
Utilities	800
Total Maintenance Expenditures	\$37,900
Other Operating Expenditures	
Audit and Accounting	\$2,500
Membership Fees	1,654
Insurance	3,600
Other, including Contingency and Taxes	331
Total Other Expenditures	\$8,085
Total Operating Expenditures	\$58,600
Operating Revenue net of Expenditures	\$26,620
Less: Allocation to Reserves	\$26,620
Reserve Revenues	
Reserve Allocation	\$26,620
Reserve Account Interest	8,700
Total Reserve Revenue and Allocation	\$35,320
Reserve Account Expenditures	
Income Taxes	\$2,638
Reserve Project Expenditures	5,000
Total Reserve Expenditures	\$7,638
Reserve Revenue net of Expenditures	\$27,682

Approved by the Board - November 6, 2007

SAN IGNACIO VISTAS, INC.
HOMEOWNERS ASSOCIATION

December 31, 2006

<u>Statement of Financial Condition</u>	
Assets	
Operating Account	\$61,033.48
Reserve Account	170,318.07
Total Assets	\$231,351.55
Liabilities	
2007 dues paid in advance	\$56,350.00
Fund Balances	
Operating Fund Balance	\$4,683.48
Reserve Fund Balance	170,318.07
Total Fund Balances	\$175,001.55
Reserve equity, per member	\$747.01

<u>2006 Revenue, Expenditures and Allocations</u>	
Revenues	
Assessments	\$71,592
Transfer and Document Fees	2,475
Operating Account Interest	976
Reserve Fund Interest	7,034
Other Income	53
Total Revenues	\$82,130
Expenditures	
Administrative	\$12,826
Maintenance	36,948
Other Operating Expenditures	9,808
Reserve Income Taxes	1,304
Reserve Project Costs	4,565
Total Expenditures	\$65,451
Reserve Allocation	\$18,692
Revenue over Expenditures	\$16,679
Memo: Operating Revenue over Exp.	\$15,507
Memo: Reserve Revenue over Exp.	\$1,165
Net Increase in Fund Balances	\$16,679
Memo: Change in Reserve Fund Balance	\$19,857
Memo: Change in Op Fund Balance	-\$3,178

Notes On December 31, 2006
Report to Homeowners

- ✦ Operating Account balance of \$61,033.48 compares with \$60,322.91 at 12/31/05. Balance includes \$56,350.00 of 2007 dues paid in advance (\$58,404.00 of 2006 dues were paid in advance at 12/31/05).
- ✦ Reserve Account balance of \$170,318.07 compares with \$150,461.31 at 12/31/05. Investments (\$131,000 at 12/31/05 and \$137,000 at 12/31/06) are stated at Cost.
- ✦ Total Fund Balances of \$175,001.55 compares with \$158,323.31 at 12/31/05. Operating Fund Balances of \$4,683.48 were carried forward (\$7,862 at 12/31/05).
- ✦ Assessments of \$71,592 were collected for fiscal 2006. Revenues were enhanced by \$2,475 of Transfer and Document Fees previously retained by an outside management firm.
- ✦ Interest income of \$8,010, including \$7,034 in the Reserve Account (\$5,603 in 2005). Reserve fund balances were higher in 2006 and so too were the interest rates earned on our investments.
- ✦ Expenditures of \$65,451 in 2006 compare with \$53,787 in 2005 and a budget of \$63,925.
- ✦ Maintenance Expenditures, including Reserve Project Costs, were \$41,513 and represented 63% of our total Expenditures in 2006. These were well within our budget of \$44,800. Comparable Expenditures in 2005 were \$32,427.
- ✦ Administrative Expenditures of \$12,826 represented 20% of the 2006 total. This compares with \$13,209 of Administrative Expenditures in 2005 (25% of the 2005 total).
- ✦ Reserve Income Taxes of \$1,304 included \$424 of 2005 taxes paid to the State of Arizona and \$880 of 2006 estimated payments on FIT. Our primary source of taxable income is interest earned on investments.
- ✦ Reserve Project Costs of \$4,565 included \$984 for signage and \$3,581 for crack sealing. This compares with \$7,000 budgeted for projects in 2006.
- ✦ Reserve Allocation of \$18,692 compares with a budget of \$17,182.

SAN IGNACIO VISTAS, INC.
HOMEOWNERS ASSOCIATION

January 31, 2007

Statement of Financial Condition

Assets

Operating Account	\$48,674.00
Reserve Account	198,344.97
Total Assets	\$247,018.97

Liabilities

Fund Balances

Operating Fund Balance	\$48,674.00
Reserve Fund Balance	198,344.97
Total Fund Balances	\$247,018.97

Reserve equity, per member	\$869.93
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2007 Revenue, Expenditures and Allocations

Revenues

Assessments	\$79,800
Transfer and Document Fees	0
Operating Account Interest	188
Reserve Fund Interest	1,407
Other Income	0
Total Revenues	\$81,395

Expenditures

Administrative	\$2,406
Maintenance	2,892
Other Operating Expenditures	4,079
Reserve Income Taxes	0
Reserve Project Costs	0
Total Expenditures	\$9,377

Reserve Allocation	\$26,620
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Revenue over Expenditures	\$72,018
Memo: Operating Revenue over Exp.	\$70,611
Memo: Reserve Revenue over Exp.	1,407

Net Increase in Fund Balances	\$72,018
Memo: Change in Reserve Fund Balance	\$28,027
Memo: Change in Op Fund Balance	\$43,991

Notes On January 31, 2007
Report to Homeowners

- ✦ Operating Account balance of \$48,674 held at Compass Bank primarily in a MMF.
- ✦ Reserve Account balance of \$198,345 is held at AG Edwards. The Account was enhanced by the \$26,620 Allocation for 2007 and \$1,407 of interest earned in January. Investments of \$182,000 (stated at cost) are primarily in CDs including \$45,000 purchased in January. Weighted average interest rate on our investments is 4.6%. The \$16,345 balance is in a MMF.
- ✦ Assessments of \$79,800 were collected for 2007. We have budgeted \$4,500 for Transfer and Document Fees, \$920 for Operating Fund Interest and \$9,500 for Reserve Fund Interest for 2007.
- ✦ Expenditures of \$9,377 in January are above the normal run rate of about \$4,900 primarily because we paid our audit and membership fees for the year. All of our expenditures are within Budget.
- ✦ The Operating Fund Budget totals \$58,600 for 2007, which compares with \$59,607 of actual Expenditures in 2006. The Budget includes \$37,900 for Maintenance (65%), \$12,615 for Administrative (21%) and \$8,085 for Other Operating Expenditures (14%).
- ✦ Reserve Income Taxes are projected to total \$2,638 in 2007 including \$703 of 2006 taxes to be paid the State of Arizona in April, \$527 of 2006 FIT to be paid in April and \$1,408 of estimated payments on FIT for 2007.
- ✦ Reserve Project Costs are projected to total \$5,000 in 2007. This compares with \$4,565 paid in 2006.
- ✦ Reserve Allocation of \$26,620 was fully funded in January, as planned.
- ✦ The Change in Reserve Fund Balance of \$28,027 includes the \$26,620 Reserve Allocation plus the \$1,407 of Reserve Fund Interest.
- ✦ The Change in Operating Fund Balance of \$43,991 includes \$4,683 of operating funds carried forward from 2006, the collection of \$79,800 in Assessments plus \$188 in Interest less the Reserve Allocation of \$26,620 and \$9,377 in Operating Expenditures.

SIVHOA
Replacement Reserve Plan
(2006 Actual)

As of December 31, 2006

			2006						
Capital Account	Expected Life	Rebuild	12/31/2005 Balance	Full Funded Balance	Years to Fund	Funding Required	2006 Funding	2006 Expense	12/31/2006 Balance
Drainage - Concrete	25		\$5,000	\$20,000	14	\$1,071	\$0		\$5,000
Drainage - Other Assets	TBD	10	\$11,000	\$37,000	9	\$2,889	\$2,889		\$13,889
Legal Reserve	TBD	5	\$35,000	\$40,000	4	\$1,250	\$0		\$35,000
Sidewalks	25		\$9,000	\$33,000	14	\$1,714	\$1,714		\$10,714
Streets - Crack Sealing	TBD	4	\$3,461	\$4,885	0	\$1,549	\$1,549	-\$3,581	\$1,429
Streets - Resealing	4		\$11,000	\$29,500	3	\$6,167	\$6,167		\$17,167
Streets - Overlay	30		\$60,000	\$287,000	19	\$11,947	\$11,947		\$71,947
Vegetation	5		\$8,000	\$8,000	4	\$0	\$0		\$8,000
Restriping, Signage	TBD	5	\$8,000	\$10,000	4	\$500	\$156	-\$984	\$7,172
Total Reserves			\$150,461	\$469,385		\$27,088	\$24,422	-\$4,565	\$170,318

Note: Funding (\$24,422) = Allocation (\$18,692) + Interest Earned (\$7,034) - Income Taxes (\$1,304)

Note: Opening Balance (\$150,461) + Funding (\$24,422) - Project Costs (\$4,565) = Ending Balance (\$170,318)

			2007						
Capital Account	Expected Life	Rebuild	12/31/2006 Balance	Full Funded Balance	Years to Fund	Funding Required	2007 Funding	2007 Expense	12/31/2007 Balance
Drainage - Concrete	25		\$5,000	\$21,000	13	\$1,231	\$1,231		\$6,231
Drainage - Other Assets	TBD	10	\$13,889	\$38,850	8	\$3,120	\$3,120		\$17,009
Legal Reserve	TBD	5	\$35,000	\$42,000	3	\$2,333	\$2,333		\$37,333
Sidewalks	25		\$10,714	\$34,650	13	\$1,841	\$1,841	-\$3,343	\$9,212
Streets - Crack Sealing	TBD	4	\$1,429	\$5,374	4	\$986	\$986		\$2,415
Streets - Resealing	4		\$17,167	\$32,450	2	\$7,642	\$7,642		\$24,808
Streets - Overlay	30		\$71,947	\$315,700	18	\$13,542	\$13,542		\$85,489
Vegetation	5		\$8,000	\$8,657	3	\$219	\$1,044	-\$1,657	\$7,387
Restriping, Signage	TBD	5	\$7,172	\$10,000	3	\$943	\$943		\$8,115
Total Reserves			\$170,318	\$508,681		\$31,857	\$32,682	-\$5,000	\$198,000

Note: Funding (\$32,682) = Allocation (\$26,620) + Interest Earned (\$8,700) - Income Taxes (\$2,638)

Note: Opening Balance (\$170,318) + Funding (\$32,682) - Project Costs (\$5,000) = Ending Balance (\$198,000)

**2007 STANDING COMMITTEES
AND MEMBERS**

ARCHITECTURAL COMMITTEE

Claire Amato
Gorman Fisher
Arlene Haugan
Ann Noe
Ronni Pine
Bob Puttock
Gayle Stober
Susan Trecartin
Cliff Marrs, Board representative
Geraldine Greb, Alternate Board representative

HOLIDAY DECORATIONS COMMITTEE

Royce & Lillie Hill, Chairman
Ron & Nell DeVree
Mike & Jessie Eman
Bruce & Linda Morgan
Marianne Bishop-Board representative

MAINTENANCE COMMITTEE

James "Sam" Eidson
Larry Engel
Bob Hill
Jane Hilsenhoff
Roy Mastic
Emmet "Larry" Ridley
Jim Chervenka - Board representative

NEIGHBORHOOD WATCH CAPTAINS

Your watch NWA number is included
at the end of the 2nd line of your listing in the
Neighborhood Phone Directory

NWA-1	<u>Peter Falch</u>	<u>331-2841</u>
NWA-2	<u>Helenlee & Marvin Pardi</u>	<u>648-6488</u>
NWA-3	<u>James & Barb Dulaney</u>	<u>393-1683</u>
NWA-4	<u>Les & Priscilla Gowan</u>	<u>625-1663</u>
NWA-5	<u>Dennis & Frankie Hein</u>	<u>393-0315</u>
NWA-6	<u>Michael & Joyce Finklestein</u>	<u>393-0317</u>
NWA-7	<u>Gary & Paula Alkire</u>	<u>393-6265</u>
NWA-8	<u>Gene Bengston, Chair</u>	<u>648-2196</u>
NWA-9	<u>Clyde Presley</u>	<u>393-1348</u>
NWA-10	<u>Bob & Georgia Puttock</u>	<u>625-1483</u>
NWA-11	<u>Bob & Joan Henley</u>	<u>393-1311</u>
NWA-12	<u>Jane & Ivan Toler</u>	<u>625-4982</u>
NWA-13	<u>Rubin & Pat Strong</u>	<u>648-6102</u>
NWA-14	<u>Arlene Haugan & John Miceli</u>	<u>648-7010</u>