

San Ignacio Vistas, Inc.
Homeowners Association Minutes
Board Meeting – October 5 2015
Approved by the board 11-9-15

The meeting was held in the Ramada on W Mariquita Street in San Ignacio Golf Estates located near the Grill at San Ignacio and there was a quorum of the board: Marianne Bishop, Joyce Bulau, Jim Callahan and Paula Leeson. Also, present were Jerry Bodmer (Lot 152) and Bob Bybee (Lot 014). The meeting was called order at 1 PM.

1. OFFICERS' REPORTS

A. President

Joyce stated that GVC completed the Bufflegrass in our perimeter this summer but is still determining how much to bill each Association that was treated

B. Secretary

A motion was made, seconded and passed to ratify board actions and decisions from November 11, 2013 through September 30, 2015.

The board reviewed the October newsletter and approved it for distribution with suggested changes. This will be sent bulk mail by October 12.

The Secretary continues to get correspondence from a homeowner located at 1632 Vista Ridge Drive complaining about speeders. The board discussed this at length. It was pointed out by the President that the Association has taken the following actions.

- 1) Installed new speed signs at both entrances in a bright yellow lowering our speed limit to 20 MPH with the word SLOW on each sign.
- 2) Painted SLOW on two places on Vista Ridge and on Sonoran View Drive
- 3) Painted yellow lines in the middle of the road at curves on Vista Ridge where it turns into View Ridge; at the east end of Sonoran View Drive where it turns into Gloria View Ct. and at the west end where Sonoran View turns into Meadow Ridge Dr.

Because a majority of homeowners are opposed and consider this type of action a detriment to our streets as well as property values, A MOTION was MADE by Joyce Bulau SECONDED and UNANIMOUSLY PASSED that the board will not consider installing speed bumps.

C. Treasurer

A financial report as of September 30 was presented by the Treasurer and accepted by the board. It is included as **Attachment A**.

The board reviewed a preliminary budget for 2016. A letter dated October 1, 2015 received from Jack Powers, chair of the Internal Audit Committee, was presented to the board and is included as **Attachment B**.

A brief recap of the work being done to by the Road Sub-Committee to update our Replacement Reserve Plan was given by the Treasurer. It is being reviewed by the Financial Advisory Committee and they are to report at the November board meeting.

2. COMMITTEE REPORTS

A. Architectural

Jim Callahan presented the monthly report (**Attachment C.**)

A MOTION was MADE by Jim Callahan SECONDED and UNANIMOUSLY PASSED appointing Jerry Bodmer as a member of the Architectural Committee.

Jim talked about what the Architectural Committee did when they reviewed the tree on Lot 029 and stated that this matter was closed and any new issue would have to be submitted with a formal complaint.

B. Maintenance

Ann Striker was unable to attend this meeting.

The cut-off for homeowners to request service under the procedures of Common Area Annual Maintenance has been set at December 15, 2015. This has been communicated to homeowners in the October newsletter.

Marianne Bishop indicated that we have money in the budget for Plant Replacement and the longer we put off planting new vegetation the longer it is going to take to make a difference in the bare areas of the common area.

A MOTION was made by Marianne Bishop, SECONDED and UNANIMOUSLY PASSED to plant more Texas Rangers, Red Bird of Paradise and Gopher plants and Felix Landscaping will be directed to work with the Maintenance Committee on the location of these new plants.

These plants will need to be watered until they are able to survive with winter and monsoon rains.

3. CONTINUING BUSINESS – None

4. NEW BUSINESS - None

5. ADJOURNMENT

With no further business to be conducted the meeting was adjourned at 2 PM. The next board meeting will be held on Monday, November 9 at the Canoa Hills Recreation Center in the Mesquite Room starting at 9 AM.

Respectfully submitted,
/s/ Marianne Bishop, Secretary

ATTACHMENT A

10/3/2015
Cash Basis

San Ignacio Vistas, Inc.
Assets Liabilities and Fund Balances
As of September 30, 2015

ASSETS

Current Assets	<u>Operating</u>	<u>Reserve</u>	<u>Total</u>
Checking/Savings			
120 · COMMERCE CHECKING	<u>28,509</u>		
	<u>28,509</u>		
Reserve Account			
1502 · COMMERCE RESERVE CK.		51,515	
1505 - VANGUARD INVESTMENT		114,279	
1507 - WASH FED 2/13/20 APY 1.95%		60,735	
1508 - VANGUARD BROKERAGE		100,001	
1509 - COMMERCE CD 3/30/16 APY .95%		<u>100,480</u>	
Total Reserve Account		<u>427,010</u>	
Total Current Assets	<u><u>28,509</u></u>	<u><u>427,010</u></u>	<u><u>455,519</u></u> *

LIABILITIES & EQUITY

Equity			
300 · Operating Beginning Balance	14,283		14,283
3000 · Reserve Beginning Balance		365,325	365,325
Net Income			<u>75,910</u>
Total Equity			<u>455,518</u>

TOTAL LIABILITIES & EQUITY 455,518 *

* rounding

San Ignacio Vistas, Inc.
Actual vs. Budget
9 MONTHS, ENDING 9-30-15

	<u>Operating Fund</u>		<u>Reserve Fund</u>		<u>Total</u>	
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>
REVENUE						
400 - Assessments	114,000	114,000				
410 - Transfer and Document Fees	3,050	3,000				
420 - Operating Fund Interest	104	120				
499 - Uncategorized Income	691	0				
	<u>117,845</u>	<u>117,120</u>				
4200 - Reserve Fund Interest			4,029	8,000		
Total Revenue					121,874	125,120
EXPENSE						
Maintenance						
500 - Yearly Contract	22,515	30,000				
501 - Invasive Grass	375	2,000				
502 - Tree Trimming	3,690	4,600				
503 - Utilities	199	500				
505 - Other Maintenance	3,569	2,000				
506 - Erosion Mitigation	0	5,000				
507 - Plant Replacement	0	2,200				
Total Maintenance Expenditures	<u>30,348</u>	<u>46,300</u>				
5000 - Street Repairs			844	24,000		
Administrative						
510 - Contract Service	8,550	11,400				
511 - Board	218	500				
512 - Legal	275	1,500				
513 - Communications						
513.1 - Computer and Internet	715	1,200				
513.2 - Telephone	967	1,320				
513.3 - Office Supplies	0	50				
513.4 - Printing/Reproduction	907	2,000				
513.5 - Postage/Delivery	184	250				
513.6 - Record Storage	456	460				
Total 513 - Communications	<u>3,229</u>	<u>5,280</u>				
Total Administrative	<u>12,272</u>	<u>18,680</u>				
Operating						
520 - Audit and Accounting						
521 - Insurance	0	3,300				
522 - GV Council	1,710	1,710				
523 - Taxes and Contingency	96	316				
524 - Member Socials	691	0				
Total Operating	<u>2,497</u>	<u>5,326</u>				
Total Expenditures	<u>45,117</u>	<u>70,306</u>			<u>45,117</u>	<u>70,306</u>
ALLOCATION						
600 - Reserve Allocation	(58,500)	(58,500)				
6000 - Operating Fund Allocation			58,500	58,500		
Excess Revenue <Expenditures>	<u>14,228</u>	<u>(11,686)</u>	<u>61,685</u>	<u>42,500</u>	75,913	<u>30,814</u>
Beginning Fund Balances	14,283		365,325		379,608	
Ending Fund Balances	<u>28,511</u> *		<u>427,010</u>		<u>455,521</u> *	

* rounding

ATTACHMENT B

From: **Jack n Carol Powers** <jcpowers1962@hotmail.com>

Date: Thu, Oct 1, 2015 at 10:20 AM

Subject: 2016 draft budget

To: Marianne Bishop barxmar@gmail.com Cc: Gary Powers <powersgs1941@gmail.com>

I wanted to follow up on our recent communications regarding the proposed dues for 2016. You indicated assessments for the Operating Fund, excluding any amount for an external audit/review/compilation as required by AZ statute, and to fully fund the Reserve Fund (RF) pursuant to the tentative revised RRP, would increase from \$500 in 2015 to \$525 in 2016. This represents an increase of \$25 or 5% which may generate response from the membership, especially considering the nominal increases in the past several years.

Based on a 2016 RF assessment of \$51,750 as you propose, the projected 12/31/16 fund balance of the RF is estimated to be approximately \$463,300 assuming negligible RF expenditures and investment income of approximately \$2,000 for the remainder of 2015 which will result in a 12/31/15 RF fund balance of approximately \$428,500.

This projected fund balance of \$463,300 results in a favorable variance of approximately \$3,700 over the TENTATIVE REVISED RRP target RF fund balance of \$459,608 at 12/31/16. It is necessary to keep in mind that THE YEAR END FUND BALANCE OF THE RF IS THE PRIMARY TARGET (emphasis added) for determining the annual RF assessment. Therefore, I believe the Officers and Board would meet their fiduciary responsibility to adopt a fiscally prudent budget, including funding the RF. It is especially important to keep the RF fully funded considering the proposed change to the CCRs which will REQUIRE the Board to levy incremental RF assessments, over and above the planned annual RF assessment, to recoup any shortfall in the RF fund balance compared to the fund balance projected in the RRP, over a 3-year period.

I realize the Maintenance/Road and Financial Advisory Committees will be studying the assumptions in the RRP and have/may propose changes in the timing and/or nature and cost of future maintenance expenditures. Their input will be evaluated by a periodic study by independent professionals. It is necessary for the Board to fund the RF according to the adopted RRP. In this regard, it is imperative that any modifications to the RRP be based on objective and defensible factors and not merely on a desire to reduce the current funding requirements and assessments.

The most recent Reserve Study in 2012 indicated our RF fund balance was "borderline fair to strong". The objective should be to maintain our fund balance so that sufficient assets are available as needed to take care of our Common Areas.

With regard to the AZ statutory requirement to have an annual audit/review/compilation which you indicated might cost \$2,000-\$5,000 annually and such cost has not been included in your Draft 2016 operating expenses, I would be willing, if the Board desires, to assist Judy Barkley who I understand has expressed an interest in learning to perform an audit. Based on her prior experience on the Audit Committee and educational and work experience I believe she is capable of conducting the internal audit with my transitional assistance. An internal audit will continue to save approximately \$10-\$20 per member per year.

I would remind the Board of the Audit Committee's recent recommendation to build up the Operating Fund fund balance to cushion the eventual significant increase in operating expenses when/if it becomes necessary to hire outside professional management and auditing services.

I submit this letter both as the Association's former Internal Audit Committee chairman and as a member who cares about SIVs financial future.

Respectfully,

Jack E. Powers

ATTACHMENT C
 ARCHITECTURAL COMMITTEE (AC) REPORT
 OCTOBER 2015

LOT	REQUEST DATE	REQUEST	ACTION	DATE
039	5-10-15	REPAINT	APPROVED	5-12-15
002	5-16-15	REPAINT TRIM AND GARAGE DOOR	APPROVED	5-21-15
217	5-28-15	SOLDIER WALL IN FRONT ENTRANCE	APPROVED	6-1-15
151	7-20-15	NEW GATE INSTALLED ON RIGHT SIDE OF HOME	APPROVED	7-22-15
160	9-4-15	NEW WINDOWS	APPROVED	9-7-15

GENERAL COMMENTS:

Joyce did an inspection of weeds in lots and provided the committee with the following list:

Meadow Ridge: 4769, 4781, 4829
 Gloria Vista: 4869
 Prairie Hills: 4759, 4879, 4891, 4855
 Harvard Moon: 4911
 Hidden Crest: 1493, 1429
 View Ridge: 4943
 Gloria View: 5015
 King Arthur Ct: 4701 **Five Brothers Property Mgmt. 888-542-8854 Bank Property
 Vista Ridge: 1692

The Secretary will do a follow-up of all of the above. So far the ones underlined have either been contacted or took care of them since the email from Joyce.

So far this fall I have contacted the following to take care of weeds: 040 – 144 – 033 – 178

Joyce had conversation with Lot Owners of 021 regarding the tree in 029 backyard. This tree was measured by the members of the AC in late 2014-or January 2015 and the tree fell within the guidelines of Section 13.9 of our CC&Rs and Section 4.27 of the Owners Handbook. Unless there is another formal complaint the board had extended an invitation for Owners of 021 to appear at a hearing and they declined.