

**San Ignacio Vistas, Inc.**  
**Homeowners Association**  
Regular Board Meeting Minutes  
**November 3, 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 November 3, 2003.

1. Reading of the Minutes

Several changes were suggested to the minutes for the October 6 Board Meeting as distributed. The minutes were approved unanimously, subject to revision.

2. Officer's reports

**Secretary**

- The secretary worked with the Neighborhood Watch committee verifying the listing of SIV homeowners as published in the last Green Valley Community Directory. This review uncovered approx 5-6 disconnected phone numbers of former homeowners. GVCCC requests help with this project each year because many residents forget to contact them whenever their information changes.

There is a perpetual problem of assuring the information we have about our homeowners is current and that LMR is receiving changes. A suggestion was made that we publish a caveat in each newsletter reminding homeowners it is imperative that they communicate with LMR whenever their contact information changes.

- We have been successful in working with the 'homeowner' and 'property' tables provided by LMR in order to create custom reports needed to track ballots at the annual meeting as well as providing the Treasurer with a current alphabetic worksheet of homeowners with lot number for 2004 dues collection.
- On August 2, 2003 a certified letter was written asking for proof as to the owner of record for Lot 056 since we received a request to change the name of the primary owner. No response has been forthcoming therefore the President will contact our Attorney to follow-up.

**Treasurer's Report**

The Treasurer presented the 2004 Planning Budget, which is included as "Attachment A". A discussion ensued regarding the appropriateness of making the 2004 dues \$307 rather than \$306.60. The board concluded that homeowners be advised the increase is based on CPI, rounded to the nearest dollar.

The Treasurer moved that we adopt the dues at \$307. Linda Gregory seconded and it was passed unanimously.

At the last monthly meeting the board discussed the benefits of membership in CAI including numerous publications and the helpful website which all board members could access once we have our membership number.

The Treasurer made the motion that SIV apply for membership to CAI. Linda Gregory seconded and the motion passed unanimously.

**Presiding Officer**

- LMR has been added to our liability policy and the final premium was less than anticipated (\$1200 rather than \$1600). The board will review all of our insurance policies for appropriateness of coverage and possibly see if we can reduce our premiums.
- Both lots 085 and 205 have proceeded to judgment since our liens were approaching the legal limitation of three years.

- There is a committee of volunteers to decorate for the holiday season and it is anticipated that this will be done after Thanksgiving.

### 3. **Committee Reports**

#### *Architectural Committee*

- The Ramada Rules are being redrafted and will be presented to Tanis Duncan for final comment. A meeting of the AC will be held to review any revisions she suggests prior to adopting final rules.
- Our attorney made a suggestion that we consider instituting a "Covenants Committee" which would deal with several matters previously covered under Article 12 (Use Restrictions). During the CC&R revision these items have been moved to a newly created Article 13 as they were seen as not falling under the auspices of the Architectural Committee.

LMR stated they need 17 to 20 days lead time to prepare and mail necessary materials to our homeowners, which they should receive at least 10 days in advance of any meeting. Because of this, it is probable we won't be able to hold a town meeting on the CC&R's until sometime in January and then any revisions from that meeting would be redistributed and adopted by mail ballot of the homeowners.

#### *Financial Advisory Committee*

The committee met and minutes were published.

#### *Maintenance Committee*

The Maintenance Committee has not met but the Chairman has received a few calls and these will be investigated. Because of late rain in October, we are still waiting for grasses in the common areas to die before cutting. The Committee will provide the landscaper a list of priority areas to be addressed within the next few weeks. The NW corner of Camino del sol has had some prickly pear removed since they were planted too closely. The salvage has been placed on Frontage Road to help maintain that hillside.

### 4. **Old Business**

At the last meeting we discussed the wisdom of our board members attending the next CAI training class on November 22, 2003.

A motion was made and seconded that Arlene, Linda, Marianne and Gorman attend this meeting.

### 5. **New Business**

#### A. Addendum/Supplement to the October Newsletter

Because of a lack of thorough research about plastic pipe prior to publishing the article regarding PVC pipes in the attic or attic-line space, it has become necessary to clarify the details relating to C-PVC and PB piping. A suggested addendum was presented.

The editor moved that this Addendum/Supplement to the October 2003 Newsletter be mailed as soon as possible to every homeowner of record to correct the statement about PVC pipe as previously expressed. Ron Sorenson seconded and the motion was unanimous.

#### B. CPI

The President made the motion, based on recommendation of the Financial Advisory Committee, that yearly dues increases be based on the rate of inflation as published by the Consumer Price Index-United States (CPI-U) for October. Ron Sorenson seconded and the motion was passed unanimously.

C. Asphalt resealing bids

The President solicited three bids for the pavement-resealing project slated for 2004. Only two companies responded and the bids were very close. A recap comparing the two proposals was provided to the board, and is included with the minutes as "Attachment B".

After many questions and serious deliberation a motion was made by Linda Gregory to take the lowest bid from Sunland Asphalt. Arlene Haugan seconded the motion, which was unanimously approved and the President was authorized to sign the contract.

The resealing would be done in mid-May 2004 and consist of two coats of asphalt. Although the bid covers re-striping it was general consensus that re-striping will probably have to be done a second time because experience has shown that asphalt coating will cause striping to fade.

The executed contract will be placed in Safety Deposit Box.

D. CPA – audit/tax preparation bids

Two candidates were interviewed. A recap comparing the two candidates was provided to the board, and is included with the minutes as "Attachment C". Both men stated they would do either a review or an audit.

The second candidate had experience with Price Waterhouse and presently is working with approximately 30 homeowner's associations. It was his suggestion to perform an audit the first year and the subsequent two years do a review. Also, after studying our documents he said he could file and amendment for our 2002 taxes and get a \$250 refund. The second candidate also indicated he could have the audit completed by the end of January.

After discussion a motion was made by Gorman Fisher to engage Paul Wildman. Ron Sorenson seconded the motion and all board members were in agreement.

Ron Sorenson moved that we perform an audit for 2003 and Linda Gregory seconded; there was no opposition.

The executed contract will be placed in Safety Deposit Box.

6. Adjournment

With no further business the meeting was adjourned at 10:52 am.

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Approved by the Board

/s/

Marianne M. Bishop, Secretary

Required:

1. Review of all of our insurance policies for coverage and to see if we can get better rates
2. Revise the By-laws language regarding timing for audits and reviews.
3. Lot 056 - contact our Attorney regarding issue of owner of record—inform LMR, if not already done so, to send all mail to Ms. German.

ATTACHMENT 'A'

Appendix C

Suggested format for 2004 Annual Meeting Financial Report

2003 FINANCIAL REPORT

2004 BUDGET

OPERATING ASSETS	2003 Actual	Per unit per year	2004 Budget	Per Unit per year
Initial — cash	4,192	18.39	2,396	10.51
Outstanding lien	270	1.18	\$ -	\$ -
Outstanding lien	-	-	3,706	\$ 16.26
<b>Income</b>				
Dues	68,400	300.00	69,905	306.60
Interest	198	0.87	200	0.88
Other	369	1.62	-	-
<b>TOTAL ASSETS</b>	<b>73,429</b>	<b>322.06</b>	<b>76,207</b>	<b>334.24</b>
<b>OPERATING EXPENDITURES</b>				
Association expenses	1,263	5.54	3,875	17.00
Board, Officers Com. Expenses	350	1.54	1,000	4.39
Fin. Advisory Com. Consultant	200	0.88	200	0.88
Insurance	4,000	17.54	3,600	15.79
Legal: Operating	6,500	28.51	6,000	26.32
Management-Ancillary	2,500	10.96	4,000	17.54
Management-Professional	4,286	18.80	5,400	23.68
Maintenance	31,000	135.96	27,750	121.71
Taxes	1,584	6.95	2,250	9.87
Utilities	540	2.37	500	2.19
GVCCC	1,254	5.50	1,254	5.50
Contingency	1,256	5.51	2,378	10.43
<b>TOTAL EXPENDITURES</b>	<b>54,733</b>	<b>240.06</b>	<b>58,207</b>	<b>255.29</b>
<b>Reserves Allocation</b>				
Reserves: Capital	13,300	58.33	14,000	61.40
Non Annual Maintenance Fund	3,000	13.16	4,000	17.54
<b>Total Reserve Allocation</b>	<b>16,300</b>	<b>71.49</b>	<b>18,000</b>	<b>78.95</b>
<b>TOTAL Expend.+Res.Allocation</b>	<b>71,033</b>	<b>311.55</b>	<b>76,207</b>	<b>334.24</b>

2004 dues=\$300.00 + 2.2% CPI. Dues paid in advance for 2004 not reflected above.

#There is an outstanding lien that is being adjudicated; amount due incaluable now.

SIVANNBUDD04PlanSpecXYZ

10/23/03

ATTACHMENT 'B'

ASPHALT PAVEMENT RESEALING PROJECT--2004

Proposals	#1	#1		#2	#2	
Components of Proposals	Yes	No	Other	Yes	No	Other
<b>1. Power clean pavement with compressed air</b> Seal or caulk all cracks 1/4' and larger*	√			√		
<b>2. Clean asphalt surface</b> Furnish materials and apply 2 coats--all streets & parking areas** Perform work in 4 sections	√			√		
<b>3. Spot primer of oil spillage areas; no guarantee unless prior repairs are made***</b>	√			√		
<b>4. Adhesion/bonding of sealant</b> not guaranteed in oil spillage areas unless prior repairs are made	√			√		
<b>5. Re-stripe roads to existing pattern****</b>	√****					√****
<b>6. Other conditions:</b>						
Supplies changes subject to quantity needed & availability	√			√		
Towing charges, if necessary, \$30 per vehicle			√°	√		
Protect and/or clean existing reflectors on streets	√			√		
<b>7. References provided</b>	√					√°°
<b>Cost</b>	20,643.00			21,570.00		
<b>Tax</b>	751.00			785.15		
<b>TOTAL COST</b>	21,394.00			22,355.15		
* Hot pour rubberized crack filling compound	√			√		
** #1-Master Seal--clay-stabilized mineral filled asphalt emulsion	√					
#2-SunGuard AE sealer--asphalt emulsion				√		
*** Latex membrane material to bridge over oil stains	√			√		
*** \$1,698.00 of total cost attributed to re-striping	√					
****Per tel/com, included in total cost proposal.				√		
° SIV responsibility	√					
°° SIVII is an example				√		
<i>N.B. Sealer is machine applied by both firms; edges near curbs, sidewalks,</i>						

ATTACHMENT 'C'

<b>Audit/Tax Preparation Proposals--2003 Fiscal Year</b>		
	<b>CPA #1</b>	<b>CPA #2</b>
<b>Licensed Certified Public Accountant</b>	Δ	Δ
<b>Education</b>		
1. Bachelor of Business Administration, Summa Cum Laude, Eastern New Mexico University	Δ	
2. Bachelor of Science, Accounting, Magna Cum Laude, University of Bridgeport (CT)		Δ
<b>Experience</b>		
1. Taxation, financial & small business consulting, agriculture, non-profit & governmental entities, county hospitals, state universities, Indian tribes & cities	Δ	
2. Price Waterhouse, Corporate headquarters of a Fortune 500 Company, AZ practice devoted to smaller entities; accounting services (compilations and audits); tax research, planning, preparation; litigation support and management consulting		Δ
3. HOA accounting/tax preparation Approximately 30 HOAs Limited number	Δ	Δ
<b>Audit Procedures</b>		
1. Conducted in conformity with generally accepted accounting principles: includes confirmation with outside parties, testing selected transactions by examining supporting documents.	Δ	Δ
2. Audit performed by CPA?	Δ	Δ
3. Audit performed by experienced staff?		
<b>Fees</b>		
1. Audit + tax preparation (in range of—less/more)	\$2,250	
2. Audit + tax preparation + file ACC report (in range of—less/more)	\$2,275	\$2,700
3. Review + tax preparation + file ACC Report (in range of—less/more)	\$1,500	\$1,850
<b>Timing</b>		
1. Begin audit by 1/24/2004, submit report by 2/20/2004	Δ	
2. Begin audit by 1/28/2004, submit report by 1/28/2004		Δ
3. Audit performed by experienced staff?	No	No
<b>Professional Memberships</b>		
1. American Institute of Certified Public Accountant (AICPA) Involves review of auditing practices; review made public Successful completion of peer review, 12/10/2001	Δ	
2. Arizona Society of Certified Public Accountants	Δ	Δ
3. Private Companies Practice Section (PCPS) of AICPA Division for CPA Firms	Δ	
4. Community Association Institute		Δ
<b>Office Library</b>		
1. Do you own <i>Common Interest Realty Assoc and Acctg Guide</i> ?	Δ	Δ
<b>References available/provided</b>	Δ	Δ
Δ=part of proposal		