

**San Ignacio Vistas, Inc.
Homeowners Association
Regular Board Meeting Minutes
March 1, 2004**

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

Homeowners present: Lot 80: Susan Trecartin; Lot 84: Ward Williams; Lot 143: Bud Jay; Lot 178: Ed and Marilyn Wall; Lot 183: John Lucas, Lot 184: Jean Phillips; Lot 192: Bob Cohen and Lot 202: E. Lambrecht

The president asked if any of the homeowners would like to speak and limited the Homeowner's forum to 30 minutes.

The president called the board meeting to order at 9:15 AM mentioned that he had been handed a thank-you note from the custodian for an honorarium he was given for setting up the Annual Meeting. He also announced that at 9:30 AM we would interrupt the meeting to hear from a candidate for a vacant position on the board. The meeting proceeded using the agenda dated March 1, 2004.

1. Reading of the Minutes

The secretary had distributed the minutes of the February 9, 2004 meeting and a subsequent addendum. There were no further corrections to the minutes and they were approved subject to inclusion of the addendum.

2. Officer's reports

Secretary

- The secretary called all homeowners that currently had an alternate address with a "Y" (yes indicator) in the Lewis Management TOPS database and who also had a local phone number. The purpose of the call was to confirm where we should send the notice for the March 25th Town Meeting for the CC&R revision.
- There has been one resale since last meeting.

At the present time the Secretary is sending LMR copies of "non-compliance" letters issued by the Architectural Committee for inclusion in the Lot files. The president asked whether the Secretary is getting copies of all correspondence the AC is generating in a timely fashion. He stated that a previous Board had approved a decision to have all letters that are written mailed by the Secretary in order to provide a complete internal record and to his knowledge this decision has never been rescinded.

In reading the January 12 AC minutes there was a statement referring to: "Hold on Property". Terminology changed to "noncompliance" or "lien." It needs to be communicated to the AC that they may only issue non-compliance letters and that a lien requires board action.

The chair has developed a perception that the first year of divided management has not provided the level of service we had been accustomed to when damon was Secretary and

asked if Mrs. Bishop would consider being an independent contractor, for hire. Our present agreement with LMR has a 30-day notice of cancellation. The chair has researched the Arizona Revised Statutes, bylaws, articles of incorporation and CC&R's and in the bylaws we need to have a president, secretary and treasurer. We could combine the secretary and treasurer, and the treasurer could delegate to the independent contractor the services to be performed. The secretary must be an officer according to our bylaws. This was not presented as an item for action but for the board members to reflect upon for future consideration.

Treasurer

The treasurer presented the final 2004 budget, Attachment "A", and stated that the money left at the end of 2003 was allocated to Operating contingency and to reserves. A new section has been added, in response to a homeowner question at the Annual Meeting, showing the known 2004 Reserve Projects (street resealing and two erosion maintenance projects).

Gorman Fisher moved to adopt the revised 2004 budget, seconded by Ron Sorenson. It was unanimously approved to distribute this budget to all homeowners with the Annual Meeting booklet.

The meeting was recessed to hear from Bob Cohen, one of the two candidates being considered for the remainder of the 2-year term created by Arlene Haugan's resignation. The other candidate, Doug Cameron, was unable to attend the meeting but presented a résumé for the board's consideration.

Presiding Officer

- The president had met with our attorney about three Maintenance Committee recommendations adopted by the Board at the February meeting. She is developing formal language to be presented to the board for their further consideration, and has promised to have them available for the April board meeting.
- The president read:
 - a) Resignation letter from Arlene Haugan, effective February 20, 2004.
 - b) Note from Arlene Haugan thanking the board for the hand-selected bouquet that was sent by the President on behalf of the board thanking Arlene's for her contribution while serving as Treasurer and Social Committee chairperson.
- Recommendations made by the external accountant have been implemented.
- A letter was received from a homeowner who is unhappy about what they see as "inaction" on the part of the Association in its obligation to control the trees on the common area. The president has asked our attorney to research obligations of the board and the difference between "maintain" and "control." The president has informed the homeowner that the Board has no intention to trim the trees at this time and that this matter is in the hands of our attorney. She will make every effort to have her recommendations to the board for the April meeting.

3. Architectural Committee

Ron Sorenson reported that the committee is formulating rules regarding driveway coatings because the AC has received so many requests for this work.

4. Continuing Business

a. Committee Membership

The following individuals have volunteered to serve:

- Architectural Committee. Ann Noe, John Lucas, Ronnie Pine and Robert Puttock. Bud Jay and Dave Roubos have resigned.
- Nominating Committee – Chuck Catino

The following individuals have resigned from:

- Financial Advisory Committee – Edwin Wismeyer
- Neighborhood Watch – Claire Amato, Area 9

The chair made a motion, seconded by Ron Sorenson that the Architectural Committee be constituted in such a way as to have two groups: one called the Review Subcommittee consisting of a minimum of 3 and maximum of 5 members and a Compliance Subcommittee consisting of 3 members. The Compliance Subcommittee would follow-up on non-compliance letters and report to the Board who would take further action.
 After discussion, the motion failed.

Gorman Fisher made a motion that all four volunteers be appointed to the Architectural Committee. Linda Gregory seconded the motion. Hearing no objections, the chair declared the following as members of the Architectural Committee:

Gary Brown
 John Jones
 John Lucas
 Jim MacLaren
 Ann Noe
 Ronnie Pine
 Robert Puttock
 Georgene Sorenson
 Frank Surpluss
 Susan Trecartin
 Ron, Sorenson, Board Representative

The chair made a motion that the Board designate or elect the chairman of all Committees. Gorman Fisher seconded the motion. After discussion, the motion failed.

Maintenance Committee: All individuals of this committee have agreed to continue serving in 2004 and have chosen not to elect a chair but to work as a committee-of-the whole.

- Mary Lou Catino
- Linda Gregory
- Carl Johnson
- Ray Schofield
- Vernon Kliewer, Board Representative

Financial Advisory Committee is mandated by the bylaws and presently consists of the Treasurer and President. It is hoped that we will be able to identify another person to serve on this committee.

The Audit Committee consists of Linda Gregory and Vernon Kliewer. The chair proposed that since we are now using an external auditor we remove the Audit Committee as one of the standing committees in our bylaws and that these duties be combined with those of the Financial Advisory Committee.

Nominating Committee shall consist of the following individuals:

Ron Sorenson
Michael Amato
Chuck Catino
Frankie Hein
John Jones
Ron Payne
Ray Schofield

b. Housekeeping

As previously stated, the chair urged that all Committees keep the board informed in a timely fashion when actions are taken. Also it should be communicated to the Architectural Committee that they refrain from taking action as it relates to the Common Areas, as this is the responsibility of the Maintenance Committee.

c. Town Meeting for CC&R Revision

The transmittal letter is in final form and the draft CC&R documents are ready to mail.

Ron Sorenson made a resolution for approval to mail the meeting announcement to all homeowners. Hearing no objections, the Secretary was instructed to proceed with transmitting the documents to LMR for the bulk mailing.

Gorman Fisher volunteered to look into obtaining a banner or sign to be placed at the entrances of our subdivision announcing this meeting. He stated that the sign could be used in the future for Annual Meetings, etc. He agreed to investigate and advise the board members of his findings by email.

5. New Business

a. Replacement for Board Vacancy

Gorman Fisher nominated Robert Cohen, seconded by Linda Gregory.

Ron Sorenson nominated Doug Cameron, seconded by Linda Gregory.

The vote was conducted by paper ballot and Robert Cohen was elected with a ballot vote of 3-1.

b. Proposed Revision to the Bylaws

Gorman Fisher asked that we consider a change to the Bylaws, Article IV, Section 1 and Article V, Section 1 and his presentation is included as Attachment "B" to these minutes.

Linda asked how we would handle an open meeting law requirement if we attempted to use teleconferencing with board members who are not in Green Valley for the monthly meetings. Gorman volunteered to investigate the matter. After discussion, the chair made the following motion:

That the Board appoint a Bylaws Committee to take up the issue of ways in which part time homeowners could be included as SIV board members as well as the issue of the Audit Committee Gorman Fisher is appointed to be chairman of the Amendment Committee. Linda Gregory seconded. With none opposed the motion passed.

Ron Sorenson referred to Article XIV Section 2 of the bylaws, which states: "To the extent permitted by law, these bylaws may be amended, repealed or new bylaws may be adopted at any duly held meeting of the board of directors". Our counsel has advised us that Directors cannot amend bylaws. Both Ron and Vernon feel that the Arizona Revised Statutes are unclear and ambiguous on this issue and that we should not proceed without getting Tanis Duncan's opinion as to whether we have either the power or authority.

d. Lot 143

After investigating the matter of the tree blocking the view of Lot 143 it has been determined that the homeowner is in serious violation and that the Board of Directors should intervene. The board should notify the homeowner and set up an opportunity for them to attend a hearing and if the board so determines they will support the citation of non-compliance and could impose a fine or penalty. From January until March is adequate time for them to have remedied the situation.

Rescinded by the board at the April 5 2004 Board Meeting.

With no further business to come before the meeting, it was declared adjourned at 11:10 AM

Approved by the Board on: April 5, 2004

Marianne M. Bishop, Secretary

UPDATED

OPERATING INCOME	2004 BUDGET	Per Unit per year
Income		
Dues	69,996	307
Interest	200	1
Other	3,500	15
TOTAL INCOME	73,696	323
Transfer from prior year	5,395	*
TOTAL	79,091	
LIABILITIES		
2005 dues-PdinAdv		
Total		
OPERATING EXPENDITURES		
Association expenses	3,375	14.80
Board,Officers.Com. Expenses	1,000	4.39
Fin.Advisory Com.Consultant	200	0.88
Insurance	3,600	15.79
Legal: Operating	4,500	19.74
Management-Ancillary	4,000	17.54
Management-Professional	5,400	23.68
Maintenance	27,750	121.71
Taxes	50	0.22
Utilities	550	2.41
GVCCC	1,254	5.50
Contingency	4,412	19.35
TOTAL EXPENDITURES	56,091	246.01
Reserves Allocation		
Reserves**	23,000	\$ 100.88
TOTAL OP.EXPEND+RES.ALLOC.	79,091	

***Distributed:** Increased Contingency from \$2,017 to \$4412;
Reserves from \$20,000 to \$23,000.
Balanced budget preserved.

****2004 Reserve projects budgeted:**

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------|--------|
| 1. Street Resealing | 21,394 |
| 2. Erosion: Camino de Sol Est Bid | 42,000 |
| 3. Extension of rip-rap at NW corners of
Sonoran View/Harvest Moon, Sonoran View/
Prairie Hills and Sonoran View/Gloria Vista | 1,550 |

ATTACHMENT 'B'
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**Suggested item to be discussed during New Business @
March 1, 2004 SIV BOD meeting:**

Topic: Consider a change to the SIV Bylaws, Article IV, Sec. I & Article V, Sec I.

Article IV. Sec 1 states: The affairs of this Association shall be managed by a Board of five (5) Directors who must be year-round members of the Association (not being absent from Green Valley for more than seventy (70) consecutive days in any calendar year.

Article V. Sec.I states at the end of section: Such nominations(referring to the BOD) shall be made from among the year-round members of the Association.

Reason: Recent difficulty in securing participants from the "fulltime" SIV homeowners to run for the SIV BOD Board of Directors) and a perceived discontent from the "part time" SIV residents suggests that the SIV BOD should consider discussing ways to include the "part time" residents in gaining eligibility for SIV board membership. This would require a change to Article IV, Section 1. In addition, Article V, Sec. I appears to read so those "part time" members are excluded from the Nominating Committee.

Background: Current research of 27 Green Valley HOAs (see attached list) indicates that 26 of the 27 HOAs have provisions within their Bylaws that do not restrict the time of residency for members who would be eligible for nominations to the BOD. San Ignacio Vistas is the lone exception on this list. Every year the opportunity to communicate among individuals by various electronic means is steadily increasing. Hopefully exploring the use of these opportunities would lessen the problems associated with the participation of "part time" homeowners.

Desire: To suggest that the SIV BOD explore ways in which "part time" homeowners could be included as SIV Board members, with the considerations of maintaining quorums, absentee participation, and other associated items.

Respectfully Submitted,

Gorman L. Fisher
VP San Ignacio Homeowners Association, Inc

Attachment

**GREEN VALLEY HOA's RESIDENCY REQUIREMENT
TO BE A MEMBER OF THE HOA BOARD OF DIRECTORS (BOD)**

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H O A	# OF LOTS	# BOD MEMBERS	RESIDENCY RQMT. TO BE ON BOD
Canoa Estates	124	5	Any Lot Owner
Canoa Estates II	142	5	Any Lot Owner
Canoa Hills Townhomes	143	5	Any Lot Owner
Canoa Ridge	128	5	Any Lot Owner
Canoa Seca Estates	170	5	Any Lot Owner
Canoa Seca Estates II	115	5	Any Lot Owner
Desert Hills Estates	76	5	Any Lot Owner
Desert Hills I	23	3	Any Lot Owner
Desert Hills II	613	7	Any Lot Owner
Desert Hills III	97	5	Any Lot Owner
Desert Hills III West	131	7	Any Lot Owner
Desert Hills V	196	5	Any Lot Owner
Desert Hills VI	30	5	Any Lot Owner
Desert Meadows I	196	9	Any Lot Owner
Desert Meadows II	208	9	Any Lot Owner
Desert Meadows III	223	9	Any Lot Owner
Desert Ridge	98	3	Any Lot Owner
Encanto Estates	58	3	Any Lot Owner
Fairways	797	5	Any Lot Owner
Portillo Hills I	39	3	Any Lot Owner
Portillo Hills II	88	5	Any Lot Owner
Pueblo Estates	552	9	Any Lot Owner
San Ignacio Golf Estates	109	3	Any Lot Owner
San Ignacio Heights	161	3	Any Lot Owner
San Ignacio Vistas	228	5	Year Round Member
San Ignacio Vistas II	226	7	Any Lot Owner
The Greens	221	3 to 9	Any Lot Owner