

San Ignacio Vistas, Inc.
Homeowners Association Minutes
Board Meeting – January 13, 2015
Approved: February 10, 2015

The meeting was held at 4919 Gloria View Ct. and there was a quorum of the board: Marianne Bishop, Joyce Bulau, Jim Callahan, Paula Leeson and Ann Striker. Also, present were Pat Imgrund from Roads Subcommittee of Maintenance; Carl Schuster, Claude and Deb Nance. The meeting was called order at 9 AM and the agenda was adjusted to allow Ann to present her reports first because she was under the weather.

1. COMMITTEE REPORTS

A. Maintenance

The following projects are in process since the last board meeting.

- 1) Removing Brittle Bush from areas that have abundance of bushes especially near mail boxes, hydrants, utility boxes, property lot lines, etc. This was started on Gloria View Court and will be ongoing during the months of January and February.
- 2) Removing small volunteers and tall bushes behind Lots 086-088
- 3) Removing tree at north end of Meadow Ridge whose roots are damaging the roadway.
- 4) The Maintenance Committee will be reviewing tree maintenance requests in the near future.

Road Subcommittee – Pat Imgrund

- 1) Crack Seal – there are issues on Meadow Ridge Drive and Vista Ridge Ct. and where there is alligatoring these will need to be repaired prior to the next seal coat.
- 2) The dip on View Ridge will continue to be monitored
- 3) Pat will be meeting with Duane Huff regarding settling on King Arthur Ct.
- 4) New Speed Signs: after discussion it was decided to move the one sign at the entrance off del Sol and replace the sign at the entrance off Calle Tres.

A MOTION was MADE SECONDED and UNANIMOUSLY PASSED directing Pat Imgrund to contact Blue Stake to examine the NW corner of Desert Sunset prior to relocating the post for the new speed sign at the entrance of Camino del sol.

Once this is done Ann will contact Felix Landscaping to install the post.

A MOTION was MADE SECONDED and UNANIMOUSLY PASSED directing Pat Imgrund to order two new Diamond Grade yellow reflective signs as voted upon by the board and road subcommittee.

A MOTION was MADE SECONDED and UNANIMOUSLY PASSED directing members of the Road Subcommittee to create stripping with traffic paint at the curve where Meadow Ridge turns into Sonoran View Drive.

- 5) Road reflectors are being replaced. If any board member finds loose reflectors please leave them at the door of Dave Devoucoux at 4948 S Meadow Ridge with a note where the reflector was found.
- 6) Sidewalks are being evaluated to see what areas are in need to grinding in places that are creating a tripping hazard. Pat will contact Guy Sundvic, Facilities Director at GVR and see who they use to do similar work.

Pat asked the secretary to put another newsletter article about not parking on the sidewalk since these are not built to take the weight of vehicles.

7) All members of the Road Subcommittee have agreed to serve another term.

B. Nominating

Three members' terms on the current board expire this year and they have agreed to run again. They are Joyce Bulau, current President, Marianne Bishop, Secretary/Treasurer and Jim Callahan, Director. Claude Nance then expressed his desire to run. Having more candidates than openings requires the preparation of a ballot.

A MOTION was MADE SECONDED and UNANIMOUSLY PASSED directing the Secretary to send an email blast to members asking if anybody else is interested in running for the board prior to preparing the ballot.

C. Architectural

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

2. OFFICERS' REPORTS

A. President

GVC

- 1) Household Hazardous Waste set for Saturday, January 31st at the Valley Presbyterian Church parking lot.
- 2) The repaving (mill and pave) of Camino del Sol from Encanto south to Calle de la Adelia is scheduled to start in March.
- 3) ADOT has 60% of the plans available for the Extended Bike Lane project on Esperanza and the East Frontage Road. Construction begins in September.

Bench

The bench that was approved at the November 11 meeting has been installed at the corner of Meadow Ridge and Vista Ridge Drives.

B. Secretary

The minutes of the **November 11, 2014** meeting were emailed to the board members after the meeting and were unanimously approved as distributed.

Decorations:

Were installed by Eileen & Terry Ridenour, Ray & Nanci Koester who created the new "lighted package" in lieu of the former Christmas tree, Dorothy Rice and Pam Raff. It is with great sadness the board was informed that Ray Koester had a heart attack while in Texas celebrating Christmas with his family and he passed away on Sunday, January 4. Homeowners who stepped in to help remove the decorations included Dorothy Rice, Pam Raff, Paula & Jerry Leeson, Ronnie & Dwight Gotch, Joyce Bulau and Marianne Bishop.

Pizza Party:

Will be held at Canoa Hills Recreation Center on January 29 starting at 5 PM with a BYOB and Pizza, Salad and Desert served at 6 PM. To date 56 have signed up to attend.

Garage Sale:

To be held jointly with SIV II. They have contributed \$100 toward advertising. We need to agree on a weekend, which will be either in late February or early March. This will be communicated to our homeowners in a newsletter distributed at the end of January.

C. Treasurer

The Financial statement ending December 31, 2014 was reviewed.

A MOTION was MADE by Jim Callahan SECONDED and UNANIMOUSLY PASSED accepting the Treasurer's Report subject to Audit (**Attachment B**).

A MOTION was MADE by Joyce Bulau SECONDED and UNANIMOUSLY PASSED accepting the Updated Replacement Reserve Plan dated October 24, 2014. (**Attachment C**).

A MOTION was MADE by Joyce Bulau SECONDED and UNANIMOUSLY PASSED ratifying the revision to the 2014 Budget as approved by the board in late December. (**Attachment D**).

A MOTION was MADE by Paula Leeson SECONDED and UNANIMOUSLY PASSED to retain excess revenue from 2014 in the Operating Fund.

In accordance with the October 24, 2014 Replacement Reserve Plan a contribution of \$58,500 (rounding the \$58,257) was made to the Reserve Fund for 2015 as was approved at the November board meeting.

The CD maturing at Washington Federal on January 12 needs to be reinvested by January 22, 2015. The Treasurer will be contacting the Financial Advisory Committee to review monies in our Reserve Account and provide recommendations prior to that date.

THE BOARD ENTERED INTO EXECUTIVE SESSION AT 10:15 TO 10:20 AM

3. CONTINUING BUSINESS – None

4. NEW BUSINESS

Joyce Bulau discussed various other associations and how they handle trees on common property. Members of the board asked that she bring language from other associations so that we could review the possibility of making changes to our policy.

5. ADJOURNMENT

There was no further business to be conducted the meeting was adjourned at 10:30 AM. The next board meeting will be held at 9 AM Tuesday, February 10 2015 at 4731 S Harvest Moon Drive.

Respectfully submitted,
/s/ Marianne Bishop, Secretary

ATTACHMENT A
Architectural Committee (AC) Report
JANUARY 2015

LOT	REQUEST DATE	REQUEST	ACTION	DATE
063	11-20-14	PAINT APPLICATION	APPROVED	11-20-14
215	11-27-14	SOLDIER WALL	APPROVED	11-27-14
076	12-10-14	SCREEN IN BACK PATIO	APPROVED	12-10-14
187	1-12-15	PAINT APPLICATION	APPROVED	1-12-15

LOT 007:

Owner of above lot registered complaint about a tree in the rear yard of Lot 006. An offer was made to pay up to \$1,000 to remove the tree or to pay for trimming. The Owner of Lot 006 has agreed to have the tree trimmed.

LOT 021:

Owner of above lot registered a formal complaint about a tree in the rear yard of Lot 029. The Owner of Lot 029 has agreed to keep the tree trimmed to comply with 18' height specification.

1-5-15
Cash Basis

ATTACHMENT B
San Ignacio Vistas Inc.
Assets Liabilities and Fund Balances
As of December 31, 2014

Current Assets	<u>Operating</u>	<u>Reserve</u>	<u>Total</u>
Checking/Savings			
120 · COMMERCE CHECKING	<u>101,794</u>		
Reserve Account			
1502 · COMMERCE RESERVE CK. .25%		98,271	
1503 · WASH FEDERAL 1/12/15 APY 1.55%		104,677	
1505 - VANGUARD INVESTMENT 8.7%		111,725	
1506 - WASH FEDERAL MM .15%		<u>50,642</u>	
Total Current Assets	<u>101,794</u>	<u>365,315</u>	<u>467,109</u>
LIABILITIES & EQUITY			
Dues Received in Advance	<u>87,500</u>		<u>87,500</u>
Equity			
300 · Operating Fund Opening Balance	10,734		10,734
3000 · Reserve Fund Opening Balance		314,661	314,661
Net Income	<u>3,560</u>	<u>50,654</u>	<u>54,213</u>
Total Equity	<u>14,294</u>	<u>365,315</u>	<u>379,608</u>
TOTAL LIABILITIES & EQUITY	<u>101,794</u>	<u>365,315</u>	<u>467,109</u>

San Ignacio Vistas Inc.
Profit Loss - Actual vs. Budget
Year End - 2014

	<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	112,860	112,860				
410 - Transfer and Document Fees	3,900	3,300				
420 - Operating Fund Interest	112	112				
	<u>116,872</u>	<u>116,272</u>				
4200 - Reserve Fund Interest			7,567	4,500		
Total Revenue					124,439	120,772
EXPENSE						
Maintenance						
500 - Yearly Contract	26,573	26,580				
502 - Tree Trimming	1,800	4,500				
503 - Utilities	427	500				
505 - Other Maintenance	4,753	5,000				
507 - Plant Replacement	1,719	2,100				
Total Maintenance Expenditures	<u>35,272</u>	<u>38,680</u>				
5000 - Street Repairs			7,205	10,500		
5004 - Other Maintenance			170			
5006 - Erosion Mitigation			6,098	25,000		
Total Reserve Expense			<u>13,473</u>	<u>35,500</u>		
Administrative						
510 - Contract Service	10,800	10,800				
511 - Board	260	500				
512 - Legal	400	500				
513 - Communications						
513.1 - Computer and Internet	1,282	1,100				
513.2 - Telephone	1,299	1,090				
513.3 - Office Supplies	140	50				
513.4 - Printing/Reproduction	777	2,000				
513.5 - Postage/Delivery	199	300				
513.6 - Record Storage	456	460				
Total 513 - Communications	<u>4,153</u>	<u>5,000</u>				
Total Administrative	<u>15,613</u>	<u>16,800</u>				
Operating						
520 - Audit and Accounting						
521 - Insurance	3,250	3,000				
522.2 - GV Council	1,710	1,710				
523 - Taxes and Contingency	902	1,315				
66900 Reconciliation Discrepancy	5					
Total Operating	<u>5,867</u>	<u>6,025</u>				
Total Expenditures	56,752	61,505			<u>56,752</u>	<u>61,505</u>
ALLOCATION						
600 - Reserve Allocation	<u>(56,560)</u>	<u>(56,560)</u>				
6000 - Operating Fund Allocation			56,560	56,560		
Excess Revenue <Expenditures>	3,560	<u>(1,793)</u>	<u>50,654</u>	<u>56,560</u>	54,214	<u>54,767</u>
Beginning Fund Balances	<u>10,734</u>		<u>314,661</u>		<u>325,395</u>	
Ending Fund Balances	<u>14,294</u>		<u>365,315</u>		<u>379,609</u>	

San Ignacio Vistas, Inc.

Maintenance Plan
(US Dollars)

Part 1 2014 - 2047

Streets (Part1)

<u>Year</u>	<u>SAM Overlay</u>	<u>Pulverize & Repave</u>	<u>Crack Seal</u>	<u>Seal Coat</u>	<u>Curb Seal</u>	<u>Minor Repairs</u>	<u>Major Repairs</u>	<u>Total</u>
1	2014		7,205					7,205
2	2015					10,027	13,464	23,491
3	2016		7,496	30,955				38,451
4	2017							0
5	2018		7,799					7,799
6	2019					10,961	14,717	25,678
7	2020	290,814	8,274					299,088
8	2021							0
9	2022		8,778					8,778
10	2023					12,336	16,564	28,900
11	2024		9,312	38,455				47,767
12	2025							0
13	2026		9,879					9,879
14	2027					13,885	18,643	32,528
15	2028		10,481	43,282	34,155			87,918
16	2029							0
17	2030		11,119					11,119
18	2031					15,627	20,983	36,610
19	2032	414,632	11,797					426,429
20	2033							0
21	2034		12,515					12,515
22	2035					18,116	24,325	42,441
23	2036		13,277	54,828				68,105
24	2037							0
25	2038		14,086					14,086
26	2039					19,796	26,580	46,376
27	2040		14,944	61,709				76,653
28	2041							0
29	2042		15,854					15,854
30	2043					22,281	29,916	52,197
31	2044		16,819	69,454				86,273
32	2045							0
33	2046		17,843					17,843
34	2047		1,873,349					1,873,349

NOTES:

SAM Overlays are now scheduled for 2016 and 2028 rather than 2021 and 2034 per recommendation of AR. Streets are 20 years old in 2016 (estimated life of streets is 20 - 30 years). The second overlay is 12 years later (estimated life of overlays is 10 - 15 years). Six months after the overlay a Fog Seal is applied. Estimated cost of the SAM overlay is \$4.50 psy and the Fog Seal \$.50 psy or \$5.00 psy before taxes of 3.965% for a total of \$241,048.

Twelve years after the second overlay the streets are scheduled for replacement using a *Pulverize and Repave* process. Estimated cost in 2012 is estimated at \$14.50 psy before taxes of 3.965% for a total of \$699,039. The estimated life of this process is 20 - 30 years.

Two years after an overlay the cracks are sealed (*Crack Seal*) and the streets are seal coated (*Seal Coat*). Cracks are sealed every two years and the streets are resealed every four years thereafter. Our actual cost for Crack sealing in 2012 was \$.16945 psy and for seal coating the actual cost was \$.59322 psy. Including taxes the costs were \$36,457.

Curb seal is required in intervals of about 20 years and is not again scheduled until 2028. Estimated cost in 2012 is \$.75 plf plus taxes or about \$22,349.

Minor street repairs including "alligatored" areas and larger cracks is scheduled from time to time and in the year preceding Overlays. Estimated cost in 2012 is \$6 psf plus taxes or about \$9,357 for 1,500 sf.

Major street repairs are only needed when they are needed, but to provide for this contingency we are assuming the need will arise in six year intervals at an estimated cost in 2012 of \$6 psf plus taxes or about \$12,476 for 2,000 sf.

Note: See Part 2 for balance of Maintenance Plan.

PROPOSED EXPENDITURES
Maintenance Plan
 (US Dollars)

Curbs, Drainage, Sidewalks, Walls etc. (Part 2)						
<u>Year</u>	<u>Concrete Repair</u>	<u>Erosion Mitigation</u>	<u>Monuments</u>	<u>Other</u>	<u>Total Part 1</u>	<u>Total Part 1 & 2</u>
1 2014		6,098		170	7,205	13,473
2 2015					23,491	23,491
3 2016					38,451	38,451
4 2017					0	0
5 2018	6,791	5,828	1,104	1,325	7,799	22,847
6 2019					25,678	25,678
7 2020					299,088	299,088
8 2021					0	0
9 2022					8,778	8,778
10 2023		6,435	2,438	4,633	28,900	42,406
11 2024					47,767	47,767
12 2025	7,800				0	7,800
13 2026					9,879	9,879
14 2027					32,528	32,528
15 2028		7,105	1,345	1,615	87,918	97,983
16 2029					0	0
17 2030					11,119	11,119
18 2031					36,610	36,610
19 2032	8,960				426,429	435,389
20 2033		7,844	2,972	5,646	0	16,462
21 2034					12,515	12,515
22 2035					42,441	42,441
23 2036					68,105	68,105
24 2037					0	0
25 2038		8,661	1,641	1,969	14,086	26,357
26 2039	10,293				46,376	56,669
27 2040					76,653	76,653
28 2041					0	0
29 2042					15,854	15,854
30 2043		9,562	16,306	6,883	52,197	84,948
31 2044					86,273	86,273
32 2045					0	0
33 2046	11,823				0	11,823
34 2047					17,843	17,843

NOTES:

We will begin to replace repair severely cracked *curbs*, *sidewalks* or *concrete culverts* in 2016 and in 6 year intervals thereafter. Estimated cost including taxes in 2012 is \$30.15 plf for curbs and \$12.06 plf for sidewalks.

Erosion Mitigation is a new component arising from the recently completed study of Westland Resources. First Westland Resources recommends the remediation of several existing problem areas at a cost they estimate at \$66,575 if done in 2012. Second they recommend we implement an ongoing maintenance plan commencing five years after completion of the remediation plan at an estimated cost of \$10,000 if done in 2012. To meet these requirements and satisfy the long range plan (page F-1) \$56,000 was expended in 2013 and for 2014 \$14,739 is budgeted.

Monuments will need periodic repainting, refurbishing and signage will need to be modernized. AR recommends intervals of six, ten and thirty years, we are using six, twelve and thirty six years at costs they estimate as \$1,000, \$1,000 and \$7,000, respectively if done in 2012.

Other includes *Street Signs* that will need repair or refurbishing every twelve years (AR recommended ten) at a cost they estimate at \$2,000 (if done in 2012) and *Stucco Walls* that will need repainting every six years (per AR) at a cost they estimate at \$1,200 and *Culvert Rails* that will need repainting every twelve years for about \$600 beginning in 2014. For 2014 the estimate covers replacing street signs, re-coating metal railing, repainting and repairing parking area barrier posts per long range plan (page F-1).

The *total for Part 1* (Streets) is shown again here and then the total for both *Part 1 and Part 2*. This total is then carried over to the Funding Plan (third column from the right).

San Ignacio Vistas, Inc.

Maintenance Plan
(US Dollars)

Worksheet for Part 1 2014 - 2047

Streets (Part1)

<u>Year</u>	<u>SAM Overlay</u>	<u>Pulverize & Repave</u>	<u>Crack Seal</u>	<u>Seal Coat</u>	<u>Curb Seal</u>	<u>Minor Repairs</u>	<u>Major Repairs</u>	
1	2014	253,245	734,410	7,205	29,753	23,479	9,831	13,200
2	2015	258,310	749,098	7,349	30,348	23,949	10,028	13,464
3	2016	263,476	764,080	7,496	30,955	24,428	10,228	13,733
4	2017	268,746	779,362	7,646	31,574	24,916	10,433	14,008
5	2018	274,121	794,949	7,799	32,206	25,414	10,641	14,288
6	2019	282,344	818,797	8,033	33,172	26,177	10,961	14,717
7	2020	290,814	843,361	8,274	34,167	26,962	11,289	15,158
8	2021	299,539	868,662	8,522	35,192	27,771	11,628	15,613
9	2022	308,525	894,722	8,778	36,248	28,604	11,977	16,081
10	2023	317,781	921,564	9,041	37,335	29,462	12,336	16,564
11	2024	327,314	949,211	9,312	38,455	30,346	12,706	17,061
12	2025	337,134	977,687	9,592	39,609	31,257	13,088	17,573
13	2026	347,248	1,007,018	9,879	40,797	32,194	13,480	18,100
14	2027	357,665	1,037,228	10,176	42,021	33,160	13,885	18,643
15	2028	368,395	1,068,345	10,481	43,282	34,155	14,301	19,202
16	2029	379,447	1,100,395	10,796	44,580	35,180	14,730	19,778
17	2030	390,830	1,133,407	11,119	45,917	36,235	15,172	20,371
18	2031	402,555	1,167,409	11,453	47,295	37,322	15,627	20,983
19	2032	414,632	1,202,432	11,797	48,714	38,442	16,096	21,612
20	2033	427,071	1,238,505	12,150	50,175	39,595	16,579	22,260
21	2034	439,883	1,275,660	12,515	51,681	40,783	17,076	22,928
22	2035	453,079	1,313,930	12,890	53,231	42,006	17,589	23,616
23	2036	466,672	1,353,347	13,277	54,828	43,266	18,116	24,325
24	2037	480,672	1,393,948	13,675	56,473	44,564	18,660	25,054
25	2038	495,092	1,435,766	14,086	58,167	45,901	19,220	25,806
26	2039	509,945	1,478,839	14,508	59,912	47,278	19,796	26,580
27	2040	525,243	1,523,204	14,944	61,709	48,697	20,390	27,377
28	2041	541,001	1,568,901	15,392	63,561	50,158	21,002	28,199
29	2042	557,231	1,615,968	15,854	65,467	51,662	21,632	29,045
30	2043	573,948	1,664,447	16,329	67,431	53,212	22,281	29,916
31	2044	591,166	1,714,380	16,819	69,454	54,809	22,949	30,814
32	2045	608,901	1,765,811	17,324	71,538	56,453	23,638	31,738
33	2046	627,168	1,818,786	17,843	73,684	58,146	24,347	32,690
34	2047	645,983	1,873,349	18,379	75,895	59,891	25,077	33,671

NOTES:

SAM Overlay base estimated cost in 2012 = \$4.50 psy for the overlay, \$.50 psy for the fog seal or \$5.00 psy x 46,371 square yards = \$231,855 + taxes @ 3.965% = \$241,048. Source Sunland. Compares with \$265,154 in both 2009 and 2010. AR confirmed this cost estimate.

Pulverize and Repave base estimated cost in 2012 = \$14.50 psy x 46,371 square yards = \$672,380 + taxes @ 3.965% = \$699,039. Source AR. Compares with \$723,144 in both 2009 and 2010.

Crack seal actual cost in 2014 = \$.14945 psy x 46,371 square yards = \$6,930 + taxes @ 3.965% = \$7,205.

Seal Coat actual cost in 2012 = \$.59322 psy x 46,371 square yards = \$27,508 + taxes @ 3.965% = \$28,599. Source Sunland. Compares with estimates of \$43,389 in 2009 and 2010 and \$31,065 in 2011.

Curb seal estimated cost in 2012 = \$.75 plf x 28,662 linear feet = \$21,497 + taxes @ 3.965% = \$22,349. Source AR. Compares with \$38,694 in 2009 and 2010.

Minor street repairs estimated cost in 2012 = \$6.00 psf x 1,500 square feet = \$9,000 + taxes @ 3.965% = \$9,357. Source AR. Up from \$5.47 psf used in previous estimates.

Major street repair estimated cost in 2012 = \$6.00 psf x 2,000 square feet = \$12,000 + taxes @ 3.965% = \$12,476. Source Sunland. Cost basis comparable to 2009 and 2010 but coverage reduced. AR confirmed this cost estimate.

See Part 2 for balance of Maintenance Plan.

		Concrete, Erosion Mitigation, Monuments etc. (Part 2)			
Year		Concrete Repair	Erosion Mitigation	Monuments	Other
1	2014	6,274	5,493	1,020	1,224
2	2015	6,399	5,603	1,040	1,248
3	2016	6,527	5,715	1,061	1,273
4	2017	6,658	5,829	1,082	1,299
5	2018	6,791	5,946	1,104	1,325
6	2019	6,927	6,065	1,126	1,351
7	2020	7,066	6,186	1,149	1,378
8	2021	7,207	6,310	1,172	1,406
9	2022	7,351	6,436	2,438	4,633
10	2023	7,498	6,565	1,243	1,492
11	2024	7,648	6,696	1,268	1,522
12	2025	7,801	6,830	1,293	1,552
13	2026	7,957	6,966	1,319	1,583
14	2027	8,116	7,106	1,345	1,615
15	2028	8,278	7,248	1,372	1,647
16	2029	8,444	7,393	1,400	1,680
17	2030	8,613	7,541	1,428	1,714
18	2031	8,785	7,692	1,456	1,748
19	2032	8,961	7,845	2,972	5,646
20	2033	9,140	8,002	1,516	1,819
21	2034	9,323	8,162	1,546	1,855
22	2035	9,509	8,326	1,577	1,892
23	2036	9,699	8,492	1,609	1,930
24	2037	9,893	8,662	1,641	1,969
25	2038	10,091	8,835	1,674	2,008
26	2039	10,293	9,012	1,707	2,048
27	2040	10,499	9,192	1,741	2,089
28	2041	10,709	9,376	1,776	2,131
29	2042	10,923	9,563	16,306	6,883
30	2043	11,142	9,755	1,848	2,217
31	2044	11,364	9,950	1,885	2,261
32	2045	11,592	10,149	1,923	2,307
33	2046	11,824	10,352	1,961	2,353
34	2047	12,060	10,559	2,000	2,400

NOTES:

Concrete repairs includes *Curbs* at a base estimated cost in 2012 = \$29 plf x 100 linear feet = \$2,900 + taxes @ 3.965% = \$3,015, *Sidewalks* at a base estimated cost in 2012 = \$11.60 plf x 250 linear feet = \$2,900 + taxes @ 3.965% = \$3,015 and the concrete portions of the *storm sewer system*. AR recommends five year intervals, we are using six year intervals beginning in 2016.

Erosion Mitigation contains two components. First based upon the recommendations of Westland Resources it is imperative that deferred remediation that they estimate will cost \$66,575 be conducted in the near term. Second Westland Resources also strongly recommended periodic maintenance including inspections and clearing of all drainage channels, swales, piping, structures and riprap to remove sediment build up and ensure proper drainage flow. To this estimate \$7,700 has been added for 2014 to complete Erosion Project 1b on page F-1 of long range plan. AR estimates a cost of about \$10,000 (if done in 2012) every five years from the completion of the first remediation. The long range plan has scheduled \$5,000 per year of operating funds for some of the same items so the Reserve Plan is using a reduced number of \$5,000 every five years for mitigation projects.

Monuments need periodic refurbishing, repainting and the signage will need to be modernized from time to time. AR recommends repainting every six years at a cost of about \$1,000, refurbishing every ten years at a cost of about \$1,000 and modernizing the signage every thirty years at a cost of about \$7,000. We are using six, twelve and thirty seven years in this plan so that in 2034 all three are done.

Other includes the following:

Street Signs need to be repaired/refurbished every ten years or so at a cost of about \$2,000 per AR. We are using twelve years beginning in 2014.

Stucco Walls facing several of our parking areas need repainting every six years at a cost of about \$1,200 per AR and the *Culvert Rails* every twelve years for about \$600 beginning in 2014. *Reserve Study* is needed every five years. Study was done in 2012 at a cost of \$810. In 2014 the long range plan proposes \$2,000 to re-coat metal railings and to repaint and repair the reflective tape on the parking area posts.

Funding Plan
(US Dollars)

		Contributions			Expenditures		
<u>Year</u>	<u>Opening Balance</u>	<u>Interest Earned</u>	<u>Reserve Contribution</u>	<u>Total</u>	<u>Reserve Projects</u>	<u>Ending Balance</u>	
1	2014	314,661	9,500	56,560	66,060	13,473	367,248
2	2015	367,248	3,672	58,257	61,929	23,491	405,686
3	2016	405,686	4,057	60,005	64,061	38,451	431,297
4	2017	431,297	8,626	61,805	70,431	0	501,727
5	2018	501,727	10,035	63,659	73,693	22,847	552,574
6	2019	552,574	11,051	65,569	76,620	25,678	603,516
7	2020	603,516	12,070	67,536	79,606	299,088	384,033
8	2021	384,033	7,681	69,562	77,242	0	461,276
9	2022	461,276	9,226	71,649	80,874	8,778	533,372
10	2023	533,372	10,667	73,798	84,465	42,406	575,431
11	2024	575,431	11,509	76,012	87,521	47,767	615,185
12	2025	615,185	12,304	78,292	90,596	7,800	697,981
13	2026	697,981	13,960	80,641	94,601	9,879	782,702
14	2027	782,702	15,654	83,060	98,714	32,528	848,889
15	2928	848,889	16,978	85,552	102,530	97,983	853,436
16	2029	853,436	17,069	88,119	105,187	0	958,623
17	2030	958,623	19,172	90,762	109,935	11,119	1,057,439
18	2031	1,057,439	21,149	93,485	114,634	36,610	1,135,462
19	2032	1,135,462	22,709	96,290	118,999	435,389	819,072
20	2033	819,072	16,381	99,178	115,560	16,462	918,170
21	2034	918,170	18,363	102,154	120,517	12,515	1,026,172
22	2035	1,026,172	20,523	105,218	125,742	42,441	1,109,473
23	2036	1,109,473	22,189	108,375	130,564	68,105	1,171,932
24	2037	1,171,932	23,439	111,626	135,065	0	1,306,997
25	2038	1,306,997	26,140	114,975	141,115	26,357	1,421,754
26	2039	1,421,754	28,435	118,424	146,859	56,669	1,511,945
27	2040	1,511,945	30,239	121,977	152,216	76,653	1,587,507
28	2041	1,587,507	31,750	125,636	157,386	0	1,744,894
29	2042	1,744,894	34,898	129,405	164,303	15,854	1,893,343
30	2043	1,893,343	37,867	133,287	171,154	52,197	2,012,300
31	2044	2,012,300	40,246	137,286	177,532	86,273	2,103,559

Funding Plan
(US Dollars)

		Contributions			Expenditures	
<u>Year</u>	<u>Opening Balance</u>	<u>Interest Earned</u>	<u>Reserve Contribution</u>	<u>Total</u>	<u>Reserve Projects</u>	<u>Ending Balance</u>
32 2045	2,103,559	42,071	145,647	187,718	0	2,291,277
33 2046	2,291,277	45,826	145,647	191,472	17,843	2,464,906
34 2047	2,464,906	49,298	150,016	199,314	1,873,349	790,871

Following the repaving of our streets in 2040 a new long term Maintenance Plan will need to be developed and with it a new long term Funding Plan.

NOTES:

Assumed *interest earned* is .8% of *opening balance* of reserve funds to 2015, then 1% to 2017 and 2% thereafter. This is more conservative than in previous plans.

Assumes *Reserve Contribution* of \$228 per household in 2013 and \$248 per household in 2014 and then increasing by 3.0% per year thereafter.

Reserve project expenses are taken from Maintenance Plan Part 1 and 2 (see Part 2 for total).

2014

Capital Account	Expected Life	Years to Rebuild	Years to Fund	12/31/2013 Balance	Full Funded Balance	Funding Required	2014 Funding	2014 Expense	12/31/2014 Balance
1 Concrete Repairs/Replace	TBD	6	5	2,010	6,274	853	853	-	2,863
2 Erosion Mitigation	TBD	5	1	-	6,098	6,098	6,098	6,098	-
3 Monuments	TBD	6	5	333	1,020	137	137	-	470
4 Other Repairs and Projects	TBD	6	5	442	1,224	156	156	170	428
5 Streets - Crack Seal	2 years	2	0	-	7,205	7,205	7,205	7,205	-
6 Streets - Curb Seal	12-16 yrs	20	16	4,470	23,479	1,188	1,188	-	5,658
7 Streets - Minor Repairs	TBD	6	2	6,238	9,831	1,797	1,797	-	8,035
8 Streets - Major Repairs	TBD	6	2	-	13,200	6,600	6,600	-	6,600
9 Streets - Overlay	10-15 yrs	12	3	159,034	253,245	31,404	26,575	-	185,609
10 Streets - Pulverize/Repave	20-30 yrs	40	27	142,134	734,410	21,936	-	-	142,134
11 Streets - Reseal	4 years	4	5	-	29,753	5,951	5,951	-	5,951
Total Reserves				\$314,661	\$1,085,739	\$83,325	\$56,560	\$13,473	\$357,748

2015

Capital Account	Expected Life	Years to Rebuild	Years to Fund	12/31/2014 Balance	Full Funded Balance	Funding Required	2015 Funding	2015 Expense	12/31/2015 Balance
1 Concrete Repairs/Replace	TBD	6	4	2,863	6,399	884	646	-	3,509
2 Erosion Mitigation	TBD	5	4	-	5,603	1,401	1,401	-	1,401
3 Monuments	TBD	6	4	470	1,040	143	143	-	613
4 Other Repairs and Projects	TBD	6	4	428	1,248	205	205	1,249	(616)
5 Streets - Crack Seal	2 years	2	4	-	7,349	1,837	1,837	-	1,837
6 Streets - Curb Seal	12-16 yrs	20	15	5,658	23,949	1,219	1,219	-	6,877
7 Streets - Minor Repairs	TBD	6	1	8,035	10,028	1,993	1,993	10,028	(0)
8 Streets - Major Repairs	TBD	6	1	6,600	13,464	6,864	6,864	13,464	-
9 Streets - Overlay	10-15 yrs	12	2	185,609	258,310	36,350	36,350	-	221,959
10 Streets - Pulverize/Repave	20-30 yrs	40	26	142,134	749,098	23,345	1,499	-	143,633
11 Streets - Reseal	4 years	4	4	5,951	30,348	6,099	6,099	-	12,050
Total Reserves				\$357,748	\$1,076,489	\$80,341	\$58,257	\$24,741	\$391,264

2016

Capital Account	Expected Life	Years to Rebuild	Years to Fund	12/31/2015 Balance	Full Funded Balance	Required	2016 Funding	2016 Expense	12/31/2016 Balance
1 Concrete Repairs/Replace	TBD	6	3	3,509	6,527	1,006	1,006	-	4,515
2 Erosion Mitigation	TBD	5	3	1,401	5,715	1,438	1,438	-	2,839
3 Monuments	TBD	6	3	613	1,061	149	149	-	762
4 Other Repairs and Projects	TBD	6	3	(616)	1,273	630	630	-	14
5 Streets - Crack Seal	2 years	2	3	1,837	7,496	1,886	1,886	-	3,724
6 Streets - Curb Seal	12-16 yrs	20	14	6,877	24,428	1,254	1,254	-	8,131
7 Streets - Minor Repairs	TBD	6	1	(0)	10,228	10,229	5,823	-	5,823
8 Streets - Major Repairs	TBD	6	1	-	13,733	13,733	-	-	-
9 Streets - Overlay	10-15 yrs	12	1	221,959	263,476	41,517	41,517	263,476	0
10 Streets - Pulverize/Repave	20-30 yrs	40	25	143,633	764,080	24,818	-	-	143,633
11 Streets - Reseal	4 years	4	3	12,050	30,955	6,302	6,302	-	18,352
Total Reserves				\$391,264	\$1,128,974	\$102,961	\$60,005	\$263,476	\$187,792

2017

Capital Account	Expected Life	Years to Rebuild	Years to Fund	12/31/2016 Balance	Full Funded Balance	Funding Required	2017 Funding	2017 Expense	12/31/2017 Balance
1 Concrete Repairs/Replace	TBD	6	2	4,515	6,658	1,071	1,071	-	5,587
2 Erosion Mitigation	TBD	5	2	2,839	5,829	1,495	1,495	-	4,334
3 Monuments	TBD	6	2	762	1,082	160	160	-	922
4 Other Repairs and Projects	TBD	6	2	14	1,299	642	642	-	657
5 Streets - Crack Seal	2 years	2	2	3,724	7,646	1,961	1,961	-	5,685
6 Streets - Curb Seal	12-16 yrs	20	13	8,131	24,916	1,291	1,291	-	9,422
7 Streets - Minor Repairs	TBD	6	5	5,823	10,433	922	922	-	6,745
8 Streets - Major Repairs	TBD	6	5	-	14,008	2,802	2,802	-	2,802
9 Streets - Overlay	10-15 yrs	12	13	0	268,746	20,673	20,673	-	20,673
10 Streets - Pulverize/Repave	20-30 yrs	40	24	143,633	779,362	26,489	24,176	-	167,809
11 Streets - Reseal	4 years	4	2	18,352	31,574	6,611	6,611	-	24,963
Total Reserves				\$187,792	\$1,151,553	\$64,118	\$61,805	\$0	\$249,597

Capital Account	Expected Life	Years to Rebuild	Years to Fund	12/31/2017 Balance	Full Funded Balance	Funding Required	2018 Funding	2018 Expense	12/31/2018 Balance
1 Concrete Repairs/Replace	TBD	6	1	5,587	6,791	1,205	1,205	6,791	0
2 Erosion Mitigation	TBD	5	1	4,334	5,946	1,612	1,612	5,946	(0)
3 Monuments	TBD	6	1	922	1,104	182	182	1,104	0
4 Other Repairs and Projects	TBD	6	1	657	1,325	668	668	1,325	(0)
5 Streets - Crack Seal	2 years	2	1	5,685	7,799	2,114	2,114	7,799	(0)
6 Streets - Curb Seal	12-16 yrs	20	12	9,422	25,414	1,333	1,333	-	10,755
7 Streets - Minor Repairs	TBD	6	4	6,745	10,641	974	974	-	7,719
8 Streets - Major Repairs	TBD	6	4	2,802	14,288	2,872	2,872	-	5,673
9 Streets - Overlay	10-15 yrs	12	12	20,673	274,121	21,121	21,121	-	41,793
10 Streets - Pulverize/Repave	20-30 yrs	40	23	167,809	794,949	27,267	24,336	-	192,145
11 Streets - Reseal	4 years	4	1	24,963	32,206	7,243	7,243	32,206	(0)
Total Reserves				\$249,597	\$1,174,584	\$66,590	\$63,659	\$55,171	\$258,085

2019

Capital Account	Expected Life	Years to Rebuild	Years to Fund	12/31/2018 Balance	Full Funded Balance	Funding Required	2019 Funding	2019 Expense	12/31/2019 Balance
1 Concrete Repairs/Replace	TBD	6	1	0	6,927	6,927	6,927	-	6,927
2 Erosion Mitigation	TBD	5	1	(0)	6,065	6,065	6,065	-	6,065
3 Monuments	TBD	6	1	0	1,126	1,126	1,126	-	1,126
4 Other Repairs and Projects	TBD	6	1	(0)	1,351	1,351	1,351	-	1,351
5 Streets - Crack Seal	2 years	2	1	(0)	8,033	8,033	8,033	-	8,033
6 Streets - Curb Seal	12-16 yrs	20	11	10,755	26,177	1,402	1,402	-	12,157
7 Streets - Minor Repairs	TBD	6	3	7,719	10,961	1,081	1,081	-	8,799
8 Streets - Major Repairs	TBD	6	3	5,673	14,717	3,015	3,015	-	8,688
9 Streets - Overlay	10-15 yrs	12	11	41,793	282,344	21,868	21,868	-	63,662
10 Streets - Pulverize/Repave	20-30 yrs	40	22	192,145	818,797	28,484	6,408	-	198,553
11 Streets - Reseal	4 years	4	4	(0)	33,172	8,293	8,293	-	8,293
Total Reserves				\$258,085	\$1,209,670	\$87,645	\$65,569	\$0	\$323,654

**SIV 2014 BUDGET
REVISED 12-31-14**

	2014 OPERATING	REVISED OPERATING	RESERVES	
Income				
Operating Revenue				
400 - Assessments	112,860	112,860		
410 - Transfer and Document Fees	3,000	3,300		
420 - Operating Fund Interest	220	112		
Reserve Fund				
4200 - Reserve Fund Interest			4,500	4,500
Total Income	<u>116,080</u>	<u>116,272</u>	4,500	4,500
600 - Reserve Allocation	(56,560)	(56,560)	56,560	56,560
Expense				
5000 - Street Repairs			10,500	10,500
5006 - Erosion Mitigation			25,000	25,000
Total Reserve Expense			<u>35,500</u>	<u>35,500</u>
Operating				
Maintenance Expenditures				
500 - Yearly Contract	26,580	26,580		
502 - Tree Trimming	4,500	4,500		
503 - Utilities	500	500		
505 - Other Maintenance	5,000	5,000		
506 - Erosion Mitigation	0	0		
507 - Plant Replacement	2,100	2,100		
508 - Commercial Spraying	0	0		
Total Maintenance Expenditures	<u>38,680</u>	<u>38,680</u>		
Administrative				
510 - Contract Service	10,800	10,800		
511 - Board	500	500		
512 - Legal	1,500	500		
513 - Communications				
513.1 - Computer and Internet	1,100	1,100		
513.2 - Telephone	1,090	1,090		
513.3 - Office Supplies	50	50		
513.4 - Printing/Reproduction	2,000	2,000		
513.5 - Postage/Delivery	300	300		
513.6 - Record Storage	460	460		
Total 513 - Communications	<u>5,000</u>	<u>5,000</u>		
Total Administrative	<u>17,800</u>	<u>16,800</u>		
Other Operating				
520 - Audit and Accounting	0	0		
521 - Insurance	3,000	3,000		
522 - Membership Fee - GVC	1,710	1,710		
523 - Taxes and Contingency				
523.1 - Taxes - Property	5	5		
523.3 - Arizona Corporation Fee	10	10		
523.4 - Contingency	300	1,300		
Total 523 - Taxes and Contingency	<u>315</u>	<u>1,315</u>		
Total Other Operating	<u>5,025</u>	<u>6,025</u>		
Total Operating	<u>61,505</u>	<u>61,505</u>		
Net Income	<u><u>-1,985</u></u>	<u><u>-1,793</u></u>	<u>25,560</u>	<u>25,560</u>