

**San Ignacio Vistas, Inc.
Homeowners Association
Minutes Board Meeting**

October 15, 2007

APPROVED by the Board November 5, 2007

Board Members Present: Marianne Bishop, Jim Chervenka, and Bob Christensen, which represented a quorum. Homeowners: Bob Puttock and Susan Trecartin. The meeting was called to order at 1 PM. The agenda was approved with no additions but the order of items was adjusted in order to allow the homeowners present an opportunity to speak prior to commencing with board matters.

1. **Consider/Ratify Meeting Minutes** A MOTION was MADE, SECONDED and PASSED to ratify the Minutes of the September 10 board meeting as approved by email.

2. **Consider/Approve Financial Reports**

A MOTION was MADE SECONDED and PASSED approving the Financial Report at 9-30-2007 (Attachment A).

3. **Financial Advisory Committee**

A. The Financial Advisory Committee approved and commends to the Board for Approval the SIVHOA 2008 Proposed Operating Budget (Attachment B). This approval is based upon the following analysis of its contents:

- 1) A Dues Assessment of \$420, an increase of \$70.
- 2) A decrease in Administrative Expenditures after a reallocation of certain line items and the exclusion of some one-time expenses in 2007.
- 3) An increase in Maintenance Expenditures as compared with the 2007 Budget. This is caused by higher than expected Tree Trimming expenditures and the need to fund repaint street signage following the reseal.
- 4) Other Operating Expenditures are budgeted for a reduction. This is entirely due to the elimination of the customary Review of our Financial Statements by the Associations accountant. We recommend the 2008 financial statement receive the customary independent Review.
- 5) The 2008 Budget for Operating Expenditures is somewhat below Projected Actual 2007 Expenditures and somewhat higher than the 2007 Budget.
- 6) Operating Fund Interest and Transfer/Document Fees are expected to fund \$2,500 of the 2008 Expenditures and the \$56,800 balance will come from the Dues Assessment.
- 7) This Budget includes an allocation to Reserves of \$39,000, which compares with a \$26,620 contribution in 2007. It should be noted that \$21,204 of the 2007 contribution was funded from the Dues Assessment and the balance from a surplus of operating funds carried over from prior years. Thus, all of the \$70 increase in the Dues Assessment (\$15,960) will be used to increase the Reserve Contribution in 2008.

B. The Financial Advisory Committee approves and commends to the Board for Approval the SIVHOA 2007 Proposed Replacement Reserve Plan (Attachment C). This approval is based upon the following inputs and observations:

- 1) The SIVHOA 2007 Replacement Reserve Plan is informed by the Reserve Study prepared in August by Reserve Associates, LLC; a maintenance timetable prepared in May by our outside consultants, Roy Erichsen and Roger Westrate plus some input from Sunland Asphalt.
 - 2) From this the attached Maintenance Plan has been developed that assumes a Fabric Overlay of our streets in 2021 and again in 2037 together with costs attached to each line item inflated at 3% per annum after 2008. This Plan is both broader and more farsighted than anything previously undertaken by the Association and it provides the necessary framework for the balance of the Planning process. The Maintenance Plan should be updated annually as actual experience and changes in cost or timing estimates dictate.
 - 3) The Maintenance Plan details our estimates for the cost of Reserve Projects. The attached Funding Plan identifies the level of Reserve Contributions needed to fund these expenditures.
 - 4) The Replacement Reserve Plan covers the period from 2007 to 2012. It allocates our reserves to the several Capital Accounts identified by the Reserve Study along with their Expected Life and Full Funded Balance. The Full Funded Balance less the Reserves for that Account divided by the Years to Fund yields the Funding Required in a given year to reach Full Funding in the time frame set out in the Maintenance Plan. In 2007 we will be unable to fully-fund all of our requirements (highlighted in yellow) because an unscheduled street repair absorbed a significant share of our available funds. We will also fall short of full funding in 2008, 2009 and 2010 before we can exceed our funding requirements (highlighted in green) in 2011 and 2012. Something less than the \$39,000 reserve contribution in 2008 would exacerbate the shortfall and require larger contributions in 2009 and beyond.
 - 5) Finally, we attach a Financial Plan that combines our Operating Expenditures (net of revenues other than dues to support them) with our Reserve Expenditures to determine what level of Dues Assessment would be needed to cover them. Since we inflate both Operating and Reserve Expenditures by 3% after 2008 so too must the Dues Assessment. We do not actually expect our Dues Assessment to increase by exactly 3% a year any more than we expect our Expenditures to increase by such exact increments. Some years there may be no need for an increase (as in 2005) and in others a somewhat larger increase.
- C. The Financial Advisory Committee approves and commends to the Board for Approval a Dues Assessment in 2008 (billed in December 2007) of \$420. This approval is based upon the following observations:
- 1) It is the desire of the Board to fully-fund both its Operating Expenditures and its Reserve Requirements. The proposed Dues Assessment will come close but fall short by \$7,000 of full funding outlined in the 2008 Operating Budget and 2007 Replacement Reserve Plan.
 - 2) Although the increase in the Dues Assessment is historic, there is good reason to be hopeful that we will not need comparable increases beyond 2008.
 - 3) A large share of the increase is due to the addition of line items such as the curb seal to our Maintenance Plan. These are the logical consequence of the aging of our streets and sidewalks and will be an increasing presence in our Plans going forward. Similarly, the cost of our crack seal program will outpace inflation because there will more and more cracks to seal or we must engage in a crack repair program.
 - 4) Cost increases have also exceeded our expectations.
 - 5) One of the more important decisions to be made during the course of 2008 will be the selection of an Overlay process. The current Plan is based upon a Fabric Overlay process following the recommendation in the Reserve Study. This is not the only or even the best option but we do not yet know enough to choose an alternative. Although the deferral of

this decision had no impact on the proposed Dues Assessment, it could have a material impact on the Dues Assessment for 2009 and beyond.

- 6) Another factor that will impact the level of future Dues Assessments is our experience in 2008 with the cost of the crack seal (anticipated in January or February) and the reseal (anticipated in June or July) projects. Actual experience trumps cost estimates as the basis for forward planning and these two projects along with the choice of an Overlay will significantly influence the 2008 Replacement Reserve Plan when it is proposed next year.

4. Open Forum

Bob Puttock expressed concern regarding the common areas and timetable for performance of work by Gold Canyon. Since this was a matter for the Maintenance Committee, the President asked that this report be given next.

5. Committee Reports

A. Maintenance Committee

Jim Chervenka presented the Committee Report (Attachment D)

Jim Chervenka, on behalf of the Maintenance Committee, MOVED the annual common area tree trimming be done by La Sierra Ranch in mid-November at a cost not to exceed \$5100 (based on 24 hours of work at a cost of \$212/hr). SECONDED and PASSED UNANIMOUSLY

On behalf of the Maintenance Committee Jim Chervenka, made the following Resolution: The owner, Delores Leavitt, of 1773 W. Sonoran View Dr has arranged through Fairfield, the original builder of the house, to have major foundation repair and stabilization work completed by PGR Construction, Inc of Tucson, AZ. Given the unique circumstances of this work and given the repairs are to take a work crew 4 – 6 weeks to complete and with no intent to establish precedence, the Maintenance Committee has agreed with the homeowner to the following regarding PGR's work on the property:

PGR may park their construction trailer in front of 1773 W. Sonoran View Dr from Monday morning through Thursday afternoon during each week they are actively working on the property. The trailer must be properly marked with reflective safety triangles, traffic cones or similar devices to enhance visibility.

From the end of work each Thursday through the beginning of work the next Monday PGR must either return the trailer to Tucson or may park it in a common area parking space as long as it does not protrude into the street or occupy the entire parking area.

For the convenience of the work crew PGR may locate a single portable toilet facility on the common area located directly across from 1773 W. Sonoran View Dr as long as PGR agrees to be responsible for the repair of any damages caused by the placement of the portable toilet facility, for the regular maintenance of the portable toilet facility so as to minimize any odors associated with it, and for the cleanup and removal of any spills or leakages from said facility.

This agreement with the homeowner is with the understanding that this work is scheduled to be completed no later than November 16 and upon completion PGR will immediately remove their construction trailer and the portable toilet facility from the locations provided them by this understanding.

SECONDED and PASSED UNANIMOUSLY

B. GVCCC Report – Geri Greb - (Attachment E)

C. Architectural Committee – Bob Puttock – (Attachment F)

The committee was asked to continue working on preparing direction to our homeowners regarding For Sale Signs taking into consideration:

- safety issues regarding placement of a sign from the sidewalk and/or driveway
- appearance of the sign, etc.

The AC was also asked to continue researching Solar Energy Panels and whether or not SIV can formulate controls that would protect property values of all of our homeowners.

Bob Puttock will take on the chair of the Architectural Committee until January. He was invited to attend the November meeting to discuss the structure of the AC going forward.

The Secretary provided the AC with a spreadsheet listing each lot that was sent a letter or email regarding yard maintenance together with status of responses/action by the homeowners. In addition, she provided a disc with photos of those yards for reference.

6. Officer's Reports

A. Secretary

- (1) The Secretary read the following letter into the record.

Dear Secretary of the Board of the San Ignacio Vistas, Inc. Homeowners Association I am resigning from the Board of Directors of the SIV because of health reasons effective October 10, 2007. Geraldine A. Greb

Geri's resignation creates a void for our representation to the GVCCC.

- (2) We are still in need of someone to host December and January. If there is no volunteer at the October or November event, we may have to cancel December.

- (3) The following email was received from Kathleen Gonzales, Saguaro Environmental:

"Saguaro's Corporate Office is working on creating a note code to put on our invoices regarding AUTOPY. It should be ready by your next billing cycle. It will be on your invoice not any statements. You get a statement when your invoice is late."

The next billing period is Dec through Feb and should be received during the first week of December.

- (3) The Secretary will contact Saguaro and tentatively try to schedule the dumpster for March. Questions raised with Saguaro should be:

- o weight of the roll-off
- o type of wheels it has
- o if there is a potential that it would damage our black-top
- o how it would be delivered and removed

B. President

- (1) The President introduced the following MOTION made by the Financial Advisory Committee.

That the Board appoint an Audit Committee consisting of three members, who are not Board members, to be chaired by Jack Powers. The Audit Committee is to examine the books and accounts of the Association for 2007 including its 2007 year end cash basis Financial Statements and report their findings to the Financial Advisory Committee and at the Annual Meeting. This is in lieu of an outside review by a public accountant. SECONDED and PASSED UNANIMOUSLY

- (2) The President will draft a cover letter to the homeowners for the 2008 dues mailing and present it for review at the November board meeting.

7. **Continuing Business – None**

8. **New Business - None**

9. **Adjournment** - The meeting was adjourned at 2:10 PM. The next meeting will be held November 5 in the Mesquite Room - Canoa Hills 9 AM.

Respectfully submitted,

/s/

Marianne Bishop, Secretary

ATTACHMENT A

SAN IGNACIO VISTAS, INC.
HOMEOWNERS ASSOCIATION

August 31, 2007

Statement of Financial Condition

Assets

Operating Account	\$20,576.52
Reserve Account	<u>184,847.06</u>
Total Assets	\$205,423.58

Liabilities

Fund Balances

Operating Fund Balance	\$20,576.52
Reserve Fund Balance	<u>184,847.06</u>
Total Fund Balances	\$205,423.58

Reserve equity, per member	\$810.73
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2007 Revenue, Expenditures and Allocations

Revenues

Assessments	\$79,800
Transfer and Document Fees	1,000
Operating Account Interest	1,081
Reserve Fund Interest	5,993
Other Income	<u>0</u>
Total Revenues	\$87,874

Expenditures

Administrative	\$9,454
Maintenance	23,584
Other Operating Expenditures	6,329
Reserve Income Taxes	1,934
Reserve Study	890
Reserve Project Costs	<u>15,260</u>
Total Expenditures	\$57,451

Reserve Allocation	\$26,620
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Revenue over Expenditures	\$30,423
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Memo: Operating Revenue over Exp.	\$42,514
Memo: Reserve Revenue over Exp.	-12,091

Net Increase in Fund Balances	\$30,423
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Memo: Change in Reserve Fund Balance	\$14,529
Memo: Change in Op Fund Balance	\$15,894

ATTACHMENT B

SIVHOA
Proposed
2008 Operating Budget

<i>2008 Operating Budget (Compared with 2007 Budget and Actual)</i>				
	<u>2008</u> <u>Budget</u>	<u>%</u> <u>Of Actual</u>	<u>2007</u> <u>Actual</u>	<u>Budget</u>
Operating Fund Opening Balance	-\$158	-3%	\$4,683	\$4,683
Operating Revenue				
Assessments	\$95,760	120%	\$79,800	\$79,800
Transfer and Document Fees	1,400	117%	1,200	4,500
Operating Fund Interest	1,100	89%	1,230	920
Other Income	<u>0</u>	0%	<u>0</u>	<u>0</u>
Total Operating Revenue	\$98,260	119%	\$82,230	\$85,220
Operating Expenditures				
Administrative Expenditures				
Administrative Services	\$5,600	100%	\$5,600	\$4,800
Board Expenditures	1,000	111%	900	500
Legal	900	90%	1,000	850
Membership Communications	<u>4,800</u>	91%	<u>5,300</u>	<u>6,465</u>
Total Administrative Expenditures	\$12,300	96%	\$12,800	\$12,615
Maintenance Expenditures				
Common Area Maintenance	\$33,600	100%	\$33,600	\$33,600
Tree Trimming	4,500	100%	4,500	2,500
Utilities	800	103%	780	800
Other Maintenance	<u>1,500</u>	0%	<u>1,046</u>	<u>1,000</u>
Total Maintenance Expenditures	\$40,400	101%	\$39,926	\$37,900
Other Operating Expenditures				
Audit and Accounting	\$533	21%	\$2,533	\$2,500
Membership and Corp Fees	1,639	100%	1,639	1,654
Insurance	3,525	100%	3,525	3,600
Property Taxes	<u>30</u>	107%	<u>28</u>	<u>331</u>
Total Other Expenditures	\$5,727	74%	\$7,725	\$8,085
Total Operating Expenses	\$58,427	97%	\$60,451	\$58,600
Revenue net of Expenditures	\$39,833	183%	\$21,779	\$26,620
Less: Reserve Allocations	\$39,000	147%	\$26,620	\$26,620
Net Increase in Op Fund Balance	\$833	-17%	-\$4,841	\$0
Operating Fund Balance	\$675	-427%	-\$158	\$350

ATTACHMENT B

**SIVHOA
Proposed
2008 Operating Budget**

<i>2008 Reserve Fund Account (compared with 2007 Plan and Actual)</i>				
Reserve Fund Account	<u>Plan</u>	<u>% Of Actual</u>	<u>2007</u>	
			<u>Actual</u>	<u>Plan</u>
Reserve Fund Allocation				
Reserve Fund Balance - Carry Fwd	\$185,810	109%	\$170,318	\$168,009
Plus: Reserve Allocation	39,000	147%	26,620	26,620
Plus: Reserve Account Interest	<u>8,500</u>	99%	<u>8,550</u>	<u>9,500</u>
Total Allocation	\$233,310	114%	\$205,488	\$204,129
Reserve Account Expenditures				
Income Taxes	\$2,600	99%	\$2,638	\$2,638
Reserve Study	\$0	0%	\$1,780	\$0
Reserve Project Costs	<u>48,430</u>	317%	<u>15,260</u>	<u>5,000</u>
Total Reserve Account Exp.	\$51,030	259%	\$19,678	\$7,638
Reserve Fund Balance	\$182,280	98%	\$185,810	\$196,491

<i>Statement of Financial Condition</i>				
Assets	<u>YE 2008</u>	<u>% YE 2007</u>	<u>YE 2007</u>	<u>YE 2006</u>
			Operating Account	\$75,350
Reserve Account	<u>182,280</u>	98%	<u>185,810</u>	<u>170,318</u>
Total Assets	\$257,630	102%	\$252,810	\$231,351
Fund Balances				
Operating Fund Balance	\$675	-164%	-\$412	\$4,683
Assessment Received in Advance	\$75,000	111%	\$67,412	\$56,350
Reserve Fund Balance	<u>182,280</u>	98%	<u>185,810</u>	<u>170,318</u>
Total Fund Balances	\$257,955	102%	\$252,810	\$231,351
Reserve Fund Equity per member	\$799	98%	\$815	\$747

SAN IGNACIO VISTAS, INC.
Replacement/Reserve Fund Plan (2006 - 2010)

Refer to footnotes
on page 4

Capital Account		Expected Life	Rebuild	2006				12/31/2006 Balance
				Full Funded Balance	Years to Fund	Funding Required	2006 Funding	
Drainage - Concrete	25			\$20,000	14	\$1,071	\$1,071	\$6,071
Drainage - Other Assets	TBD	10		\$37,000	9	\$2,889	\$2,833	\$13,833
Legal Reserve	TBD	5		\$40,000	4	\$1,250	\$0	\$35,000
Sidewalks	25			\$33,000	14	\$1,714	\$1,714	\$10,714
Streets - Crack Sealing	TBD	4		\$4,885	0	\$1,549	\$1,549	-\$4,885
Streets - Resealing	4			\$29,500	3	\$6,167	\$6,167	\$17,167
Streets - Overlay	30			\$287,000	19	\$11,947	\$11,947	\$71,947
Vegetation	5			\$8,000	4	\$500	\$277	\$6,277
Restriping, Signage	TBD	5		\$10,000	4	\$750	\$0	\$7,000
Total Reserves				\$469,385		\$27,838	\$25,558	-\$4,885

Capital Account		Expected Life	Rebuild	2007				12/31/2007 Balance
				Full Funded Balance	Years to Fund	Funding Required	2007 Funding	
Drainage - Concrete	25			\$21,000	13	\$1,148	\$1,148	\$7,219
Drainage - Other Assets	TBD	10		\$38,850	8	\$3,127	\$3,127	\$16,960
Legal Reserve	TBD	5		\$42,000	3	\$2,333	\$2,333	\$37,333
Sidewalks	25			\$34,650	13	\$1,841	\$1,841	\$9,212
Streets - Crack Sealing	TBD	4		\$5,374	4	\$1,343	\$1,343	\$1,343
Streets - Resealing	4			\$32,450	2	\$7,642	\$7,642	\$24,809
Streets - Overlay	30			\$315,700	18	\$13,542	\$13,542	\$85,489
Vegetation	5			\$8,657	3	\$793	\$793	-\$1,657
Restriping, Signage	TBD	5		\$10,000	3	\$1,000	\$1,000	\$8,000
Total Reserves				\$508,681		\$32,770	\$32,770	-\$5,000

Refer to footnotes
on page 4

SAN IGNACIO VISTAS, INC.
Replacement/Reserve Fund Plan (2006 - 2010)

Capital Account		Expected Life	Rebuild	2008				12/31/2008 Balance
				Full Funded Balance	Years to Fund	Funding Required	2008 Funding	
Drainage - Concrete	25			\$22,050	12	\$1,236	\$1,236	\$8,455
Drainage - Other Assets	TBD	10		\$40,793	7	\$3,405	\$3,405	\$20,365
Legal Reserve	TBD	5		\$44,100	2	\$3,383	\$3,383	\$40,717
Sidewalks	25			\$36,383	12	\$2,264	\$2,264	\$11,476
Streets - Crack Sealing	TBD	4		\$5,642	3	\$1,433	\$1,433	\$2,776
Streets - Resealing	4			\$34,073	1	\$9,264	\$9,264	\$0
Streets - Overlay	30			\$331,485	17	\$14,470	\$14,470	\$99,959
Vegetation	5			\$7,000	2	\$793	\$793	\$6,207
Restriping, Signage	TBD	5		\$10,000	2	\$1,000	\$1,000	-\$1,500
Total Reserves				\$531,525		\$37,249	\$37,249	-\$35,573

Capital Account		Expected Life	Rebuild	2009				12/31/2009 Balance
				Full Funded Balance	Years to Fund	Funding Required	2009 Funding	
Drainage - Concrete	25			\$23,153	11	\$1,336	\$1,336	\$9,791
Drainage - Other Assets	TBD	10		\$42,832	6	\$3,745	\$3,745	\$19,109
Legal Reserve	TBD	5		\$46,305	1	\$5,588	\$5,588	\$46,305
Sidewalks	25			\$38,202	11	\$2,430	\$2,430	\$13,906
Streets - Crack Sealing	TBD	4		\$5,924	2	\$1,574	\$1,574	\$4,350
Streets - Resealing	4			\$35,776	4	\$9,483	\$9,483	\$9,483
Streets - Overlay	30			\$348,059	16	\$15,506	\$15,506	\$115,465
Vegetation	5			\$7,000	1	\$793	\$793	\$7,000
Restriping, Signage	TBD	5		\$10,000	1	\$2,500	\$2,500	\$10,000
Total Reserves				\$557,251		\$42,955	\$42,955	-\$5,000

SAN IGNACIO VISTAS, INC.
Replacement/Reserve Fund Plan (2006 - 2010)

		2010									
Capital Account	Expected Life	Rebuild	12/31/2009	Full Funded	Years to	Funding	2010	2010	2010	12/31/2010	
			Balance	Balance	Fund	Required	Funding	Expense	Balance		
Drainage - Concrete	25		\$9,791	\$24,310	10	\$1,452	\$1,452	\$1,452		\$11,243	
Drainage - Other Assets	TBD	10	\$19,109	\$44,974	5	\$5,173	\$5,173	\$5,173		\$24,282	
Legal Reserve	TBD	5	\$46,305	\$48,620	0	\$2,315	\$2,315	\$2,315		\$48,620	
Sidewalks	25		\$13,906	\$40,112	10	\$2,621	\$2,621	\$2,621		\$16,527	
Streets - Crack Sealing	TBD	4	\$4,350	\$6,220	1	\$1,870	\$1,870	\$1,870	-\$6,220	\$0	
Streets - Resealing	4		\$9,483	\$37,565	3	\$9,483	\$9,483	\$9,483		\$18,966	
Streets - Overlay	30		\$115,465	\$365,462	15	\$16,666	\$16,666	\$16,666		\$132,132	
Vegetation	5		\$7,000	\$7,000	0	\$0	\$0	\$0		\$7,000	
Restriping, Signage	TBD	5	\$10,000	\$10,000	0	\$0	\$0	\$0	-\$1,500	\$8,500	
Total Reserves			\$235,410	\$584,263		\$39,580	\$39,580	\$39,580	-\$7,720	\$267,270	

		2011									
Capital Account	Expected Life	Rebuild	12/31/2010	Full Funded	Years to	Funding	2011	2011	2011	12/31/2011	
			Balance	Balance	Fund	Required	Funding	Expense	Balance		
Drainage - Concrete	25		\$11,243	\$25,526	9	\$1,587	\$1,587	\$1,587		\$12,830	
Drainage - Other Assets	TBD	10	\$24,282	\$47,222	4	\$5,735	\$5,735	\$5,735		\$30,017	
Legal Reserve	TBD	5	\$48,620	\$51,051	0	\$2,431	\$2,431	\$2,431	-\$5,000	\$46,051	
Sidewalks	25		\$16,527	\$42,117	9	\$2,843	\$2,843	\$2,843		\$19,370	
Streets - Crack Sealing	TBD	4	\$0	\$6,532	4	\$1,633	\$1,633	\$1,633		\$1,633	
Streets - Resealing	4		\$18,966	\$39,443	2	\$9,483	\$9,483	\$9,483		\$28,449	
Streets - Overlay	30		\$132,132	\$383,735	14	\$17,972	\$17,972	\$17,972		\$150,104	
Vegetation	5		\$7,000	\$7,000	0	\$0	\$0	\$0		\$7,000	
Restriping, Signage	TBD	5	\$8,500	\$10,000	0	\$1,500	\$1,500	\$1,500		\$10,000	
Total Reserves			\$267,270	\$612,627		\$43,184	\$43,184	\$43,184	-\$5,000	\$305,454	

**SAN IGNACIO VISTAS, INC.
Replacement/Reserve Fund Plan (2006 - 2010)**

Adjustments to 2005 - 2009 Plan

1. Fund balances for YE 2005 have been rounded and in some cases adjusted downward to foot to Actual Total Reserve Balances.
2. FFB for Drainage and Sidewalks in 2006 is up 10% from 2005 Plan forecast
3. FFB for Streets - Resealing in 2006 is up 22% from 2005 Plan forecast to \$.724 per square yard
4. FFB for Streets - Overlay is up 26% from 2005 Plan forecast to \$7 per square yard
5. FFB for all other were held at 2005 Plan forecast.
6. Funding in 2006 fell short of Funding Requirements by \$2,280. Three Accounts (highlighted in yellow) were underfunded.
7. Years to Fund have been reset to a 1996 base line or more recent rebuild line
8. All FFB after 2006 are adjusted upward for inflation of 5% per year except in 2007 when streets and sidewalks costs are inflated by 10%.

Assumptions in 2006 - 2011 Plan

Expected Life assumes an install date of 1996 and estimates provided by a 2002 engineering study
Rebuild assumes an appropriate interval to restore capital account once it is depleted by actual expenditures
Opening Balance is actual for 2006 and projected for subsequent periods
Full Funded Balance is estimated, but unproven, for 2006 and then adjusted for inflation at 5% per year except as noted above.
Years to Fund assumes a 1996 start date or subsequent rebuild date.
Funding Required divides the Full Funded Balance by the Years to Fund
Annual Funding is the Sum of Interest Earned plus the Additions to Reserve.
Annual Expenses are highlighted in Red. Some expenses have no defined time line (Legal) others do
Ending Balance adjusts opening Balance for Annual Funding less Annual Expenses

ATTACHMENT D
MAINTENANCE COMMITTEE REPORT

- Gold Canyon continued routine landscaping maintenance of the common areas. They have stepped up work on the spraying of grass growing in the various rock drainage channels. Though work has focused on cutting grass in the interior common areas maintenance of those areas, as well as maintenance of the perimeter areas, has fallen somewhat behind. This has been the result of numerous factors including Gold Canyon making numerous changes in crew supervision resulting in some wasted work, providing less than a full (5 person) crew on several occasions, and some shortened work days. These items have been reviewed with Gold Canyon and will be reviewed again with them by Larry Ridley. In addition, Larry Ridley and Bob Hill will begin the process of soliciting new bids for our weekly landscaping requirements for comparison with the cost effectiveness of the services currently provided by Gold Canyon. The Maintenance Committee will also gather data to see if any adjustments in payments to Gold Canyon are appropriate.
- Larry Ridley and Bob Hill are also going to investigate several aspects for future control of grasses (including Bufflegrass) growth on both the interior and exterior common areas. This includes getting a cost estimate for spraying to kill the grass growing on the exterior perimeter common areas and options for addressing grass growth in the interior common areas without significantly impacting other growth in these areas.
- Six additional requests were received for trimming / removal of trees in both the interior and exterior common areas. Larry Engel and Sam Eidson will be reviewing these additional requests and providing feedback to the homeowners as to whether the trees in question will be included in the annual fall tree trimming.
- Written bids for the annual tree trimming were obtained from both La Sierra Ranch and Monstrosity tree trimming. La Sierra's bid was \$2000-\$3000 less than the bid provided by Monstrosity Tree Trimming. Advancing the date of the annual tree trimming from mid-December to mid-November was also investigated. La Sierra Ranch's bid was based on 20-24 hours of work at \$192 / hr based on doing the work in mid-December. They previously indicated it would cost \$20/ hr more (or an estimated total increase not to exceed \$500 based on 24 hours of work) to complete the tree trimming in November. As a result,
- Larry Ridley and Sam Eidson agreed to develop a draft of points to be considered in developing a resolution for consideration by the Board of Directors that would allow for the removal of a common area tree at a homeowner's request if certain conditions were met.
- The work to report the stucco finish on the parking area wall at the north end of Harvest Moon Drive was awarded to Desert-Tex. Desert-Tex has been delayed in starting the work with the most recent commitment being to start the work on October 18.
- Larry Engel will begin to work with our consultants (Roy Erichsen / Roger Westrate) to develop a bid request for the 2008 crack-sealing program. It is anticipated that to schedule and complete this work in January – February 2008 the committee will need to go out for bids in early November.
- Bob Hill updated the committee on the initial bids obtained for repair of significant erosion damage to the drainage channel at the north end and east side of Gloria View Court. The initial bid is for ~\$3900 but there are several questions concerning this bid that Bob will follow up on with FMR Construction. Additional bids will be obtained for this work. It is anticipated that completion of the repairs to the drainage channel on Gloria View Court should be completed in advance of the 2008 monsoon season. Other areas for possible erosion control work, including the entrance area from Calle Tres are also being evaluated.

- Jim Chervenka updated the committee on the extensive foundation work being done by the homeowner at 1773 W. Sonoran View Dr that has resulted in a trailer being parked in the street and a portable toilet facility being placed on common area ground. The Maintenance Committee discussed the unique circumstances of this work and situation, and agreed that with out establishing precedence to the attached resolution and asked for support from the Board of Directors for this resolution.
- Jim Chervenka will begin work to obtain bids on replacing the faded stop signs primarily at the south end of the north/south streets in the neighborhood.
- The next Maintenance Committee meeting is currently scheduled for November 19, 2007 at 9 am at the Mesquite Room at Canoa Hills Recreation Center

ATTACHMENT E
GREEN VALLEY COMMUNITY COORDINATING COUNCIL MEETING
September 20, 2007

- Vote was passed to purchase \$4,000 for visual equipment.
- La Posada was concerned about the safety of the railroad tracks so a Federal Railroad Inspector was sent to ride the rails and see if it meets standards. Some defects were reported and civil penalties will be applied. There will be a twice a week inspection of the rails by Union Pacific. Union Pacific warned not to walk the rails.
- Regional Transportation Authority is considering adding a second bus to the southern part (Canoa Ranch) of Green Valley. This is in the plans for the third quarter of 2008 but presently needs funding.
- The technical report for Rosemont mine is at the Coordinating Council office.
- Application for membership in GVCCC by Canyon View was approved.
- Board is opposed to a Border Patrol permanent checkpoint.
- Household hazardous waste collection will be held at the Valley Presbyterian Church parking lot on Saturday, November 10th from 8 AM to NOON
- A preliminary review of the possible hydrologic impacts of the Rosemont Mine on the Cienega watershed was prepared by C.H. Huckelberry to the Pima County Board of Supervisors. The impacts were found to be unacceptable and beyond what had been anticipated for mine water usage. He requested that the Forest Service conduct a detailed hydrologic investigation.
- A sheet was distributed about the new 2007 HOA legislation.
- The Board of Representatives authorized the expenditure of up to \$5,000.00 for the creation of Green Valley Tomorrow and Median Green both of which will be 501 © (3) corporations.
- The Citizens Water Action Coalition Group has changed the location of the September 28, 2007 water meeting from Green Valley Library to the Green Valley Recreation (West Center). The meeting will be from 9 AM to 11:00 AM
- A presentation on Buffelgrass will be presented by Travis Bean of the University of Arizona Tumamoc Hill Land Laboratory on Thursday, November 1st, 9:30 AM at the East Center.
- The Jingle Bell run/walk for arthritis will take place Dec.8th at Reid Park, 9 AM registration and 10 AM run/walk. A 2007 Kick-Off Party will be Oct.4th between 5:30 PM and 7 PM at Fuddruckers, 6118 E. Speedway Blvd. for any questions call 917-7070.
- GVCCC will eventually talk to the HOA's about a possible Pandemic Episode. Are you independent to live for 72 hours without additional water, food or communication?

- Two zoning issues were brought up at the meeting, Canoa Estates II, north of Canoa Ranch, a zoning change of 12 units on 40 acres, approved by the board but it has not yet been brought before the Zoning Committee. The second concerns 600 units on 50 acres south of Duval Mine Rd., the board felt there would be too many units for the amount of acreage.
- County inspecting washes starting East of I-19 in November and should be finished by March.
- County will not be resurfacing because of July 2008 budget limitations. Reported potholes will be fixed.

ATTACHMENT F
ARCHITECTURAL COMMITTEE MEETING MINUTES
Monday, Sept. 24, 2007

In Attendance: Claire Amato, Geri Greb, Ronnie Pine, Robert Puttock, Susan Trecartin.
Geri Greb will telephone canvas all AC members to determine their availability for committee duties in the future and whether they will be willing to serve in the coming year.

PROPERTIES WITH UNSIGHTLY WEED PROBLEMS

Each member of the AC in attendance was assigned a section of the sub-division to pin point which lots have unsightly weed problems.

The members will report their findings to the committee lead, Geri Greb, next Monday, October 1, 2007, in time for submittal to the HOA Board prior to their next Board Meeting.

Susan Trecartin will draft a letter to be sent out to the offending property owners and will provide a copy to committee members for their review and comments prior to submittal to the HOA Board for their approval.

The following question was raised by Bob Puttock, "How can we ask property owners to maintain their yard weeds when the MC has not seen to it that the weeds on our street curb lines have been maintained?" All members in attendance agreed this was a good question and should be posed to the MC.

SOLAR ENERGY PANELS

The committee went over the 2007 HOA Legislation Statement document and reached agreement that we really can't do much to regulate them since anything we stipulate must, "not impair the functioning of the device" or "adversely affect the cost or efficiency of the device".

Later, Geri Greb suggested that further discussion maybe necessary on whether to add a sentence stating "solar devices should be placed in the best aesthetic setting without blocking installation, impairing the function restricting the use or adversely affect the cost or efficiency of the device".

FOR SALE SIGNS

The committee recommends the following changes to CC&R's sec 12.14. Remove the first sentence and replace with: "For Sale signs must be limited to one House For Sale, (Realtor), or, One House For Sale by Owner sign.

Respectfully submitted:
Robert Puttock