
Las Palomitas Association
Board Meeting Minutes
Wednesday, February 22nd, 2017

Catalina Foothills Church, 2150 Orange Grove Rd Rm 401-3

Board: Present

<u>X</u>	Cassandra Meynard , President
<u>X</u>	Monica Manning , Vice President
<u>X</u>	Ray Soule , Treasurer
<u>X</u>	James Wolf , Member at Large
<u>X</u>	William Falsgraf , Member at Large
<u>N/A</u>	Terry Davis , Member at Large

Staff:

<u>X</u>	Donna Wood , Managing Agent
<u>X</u>	Laurie Velger , Meeting Minutes

I. A Quorum was established and the meeting was called to order by Las Palomitas Board Vice President, Monica Manning, at 4:01 PM.

II. Homeowner Input

No homeowners were in attendance.

III. Approval of Minutes

- **A motion was made and seconded (Falsgraf/Wolfe) to approve the January 10th, 2017 Meeting Minutes with the following changes:**
 - Page 1, Section IV. Financial Report, should read:
December 2016 Financials:

Operating Account	\$ 64,324 (includes painting payments)
Reserve Account	<u>\$ 84,443</u>
Total Assets	\$148,767
 - On Page 1, Section IV. Financial Reports, third sentence: Remove "No expenditures were taken out of Reserves, and Reserves increased." and substitute the sentence, "Expenditures taken out of Reserves was \$5,034 for Classic Pools."
- **All approve. Motion passes.**

Cassandra Meynard, Chair, assumed presider of the meeting.

IV. Financial Report (Ray Soule)

January 2017 Financials:

Operating Account	\$106,807.85 (includes painting payments)
Reserve Account	<u>\$ 80,197.29</u>
Total Assets	\$187,005.14

We had \$13,881.09 in prepaid income.

Liabilities and equity are \$13,881.09, as 7 homes have prepaid for a portion of the year or for the entire year.

Ray would like to take regular monthly Reserve contributions.

This month the Reserves are \$80,197.29, with a difference of \$4,246 taken out in January for landscaping and pool/spa.

Retained earnings were \$119,384.84.

Net income was \$53,739.21.

In January, Dues Income was \$80,180 and we had budgeted \$82,450. This is because four accounts are one quarter delinquent.

Exceptions:

The Administrative Expenses are all within normal.

Maintenance Expenses: \$1,727 from Reserves was added back into Operating Income. 6290 Pool Repair was \$500.

6110 Landscape – Irrigation was \$1,727.50.

Total Reserve Income was \$4,750.

A motion was made and seconded (Soule/Manning) to approve the January, 2017 Financials as presented and to have Pinehurst Properties transfer \$6,059 from the operating account to the Reserves. All approve. Motion passes.

V. Reports

A. Master Association Report (Monica Manning)

The Master Association met twice since our last meeting of January 10th.

Tuesday, January 17th Board Meeting: *Security Gate* personnel rates are going up because of minimum wage change. Now \$10/hour minimum with current staff receiving 3% - 6% increases. All receive benefits. *Westin Guest Denial* passed unanimously based on sub-HOA 4-2 response. *Sewers* are owned by subHOAs. If repairs needed, could rise to \$30K and wipe out subHOA's reserves. LPPOA to contact Pima County to obtain official sewer information.

Tuesday, February 21st Board Meeting: *Westin Guest Access:* One homeowner complained (former Westin GM) so Board is seeking advice from legal counsel on how to respond. *Proceeds from Catalina Foothills School District lawsuit:* In December, LPPOA Board said legal counsel advised them that AZ Statutes preclude returning funds to homeowners. However, at this meeting, a homeowner pointed out that the CC&R's provide for awards/settlements being returned to homeowners. LPPOA Board will consult with legal counsel again. LPPOA Board voted to have a Reserve Study done since the last was in 2004. *Commercial Trucks:* Notification re speed and doorbell ring has not been done. (Board passed this motion in December.) It appeared Pierre thought it not necessary as the delivery employers tell the drivers to ring the doorbell. He did not address the direction by the board to notify commercial drivers in writing regarding speed limits and vehicle ID. *Annual Meeting:* Notification will be sent to subHOAs in early March. Four positions up for election; three board members indicated they are running for re-election. One open seat. SubHOAs vote on board members. *Community Improvement:* Before asking DRC for recommendations of how the CFHS award might be used for improvement, the LPPOA Board wants to see the results of the Reserve Study. If funds are available, the DRC will contact the subHOAs for recommendations.

The Master Association Annual Meeting will be on March 28, 6:00 pm registration/6:30 meeting, at La Paloma Country Club.

B. Design Review Committee (DRC) Report (James Wolf)

The DRC met on Thursday, January 26th. Requests come in from the sub-associations. There were new submittals but nothing that affected our HOA. The DRC has a problem with follow up on approved requests. James has been designated to follow up on

inspection of approved project requests in Las Palomitas. The next DRC meeting is scheduled for Thursday, February 23rd.

C. Management Report (Donna Wood)

The Escrow Update now includes home prices.

Financials:

- Dues income is under budget by \$2,270.
- Expenses are slightly over budget by \$162, mainly due to the donation to the Catalina Foothills Church for the meeting room.
- Maintenance is under budget by \$3,595, due to reclassifying the irrigation payment to Norris Designs from Operating to Reserve.
- Utilities are under budget by \$298.22 which is 11%.
- Net Operating Income is \$1,578.
- Capital Expenditure: The landscape rock was done in January and is part of Landscape Improvements.

Parking Issues:

Monica is uncomfortable with commercial vehicles entering and existing without a guest pass. Discussion ensued regarding parking stickers. Ideally, stickers should be for residents only (4 stickers total). Monica suggested that the Board should bring up a question or take a position to the Master Association regarding visitor permits. Donna will look at the Master Association Rules & Regulations regarding visitor permits.

Pool and Spa:

The Pool and Spa heaters both seem to be working efficiently.

The residential grade SPA & Pool Chlorinators were replaced with commercial grade.

Reserve Study:

Proposals were received from two companies: Association Reserves at \$1,200-\$1,500 and Facilities Advisors at \$1,100-\$1,200. (Monica recommended Capital Associates.) Ray and Donna will manage the Reserve study project.

Quarterly Lights:

Jerry Hubbard has been inspecting community porch and garage lights each quarter at a base labor minimum of \$200. Invoices for \$606 and \$850 were received for two quarters, averaging \$728 per quarter. Monica requested that Donna review Jerry's 7-year-old contract to clarify that he only inspects the lights once per quarter. Also, his invoices need more detail.

Tree Proposals:

Donna received proposals from three tree companies: The Groundskeeper (Arborist Division) for \$12,415; Arizona Tree & Landscape Service, Inc. for \$21,940; and Branching Out Tree Service for \$88,000.

A motion was made and seconded (Falsgraf/Manning) to approve The Groundskeeper for tree trimming at a cost of \$12,415.

Ray pointed out that The Groundskeeper will deal with 50 trees this year while Arizona Tree & Landscape Service will deal with 128 trees at \$21,940. That is more than double the trees. Jim suggested finding out what work could be done by each company for \$13,000 and then comparing the two.

A motion was made and seconded (Wolfe/Manning) to table the tree trimming motion until the next meeting in March and to wait until we have additional information provided by both Arizona Tree & Landscape Service, Inc. and The Groundskeeper for how they would work within our budget to prioritize the tree trimming. Then the Board will compare the two proposals and vote on which company to choose. All approve. Motion passes.

Landscaping:

Donna met with 3R Landscaping about cleaning and trimming the common areas, with the intent to get rid of all potential packrat nests.

Rules and Regulations:

Donna updated the Rules & Regulations to include the La Paloma Guidelines for Yard Art.

VI. Old Business

A. Parking

This issue was already covered.

VII. New Business

A. Tree Trimming Proposals

This issue was already covered.

B. Light Maintenance in Las Palomitas

This issue was already covered.

C. Reserve Study Proposal

This issue was already covered.

D. Recommendation for Management Company to Have Access to Master Association Website (Reserved for Homeowners Only)

Monica explained the process of getting onto the website and why Donna cannot gain access. Monica will formally raise this issue with the Master Association webmaster.

E. DRC Proposals

- a. **4045 E Via del Mirillo:** Heather Sims submitted a request form stating that she had received approval in October, 2015 from Mandi Bates to pay for the cost of buying and installing 5 plants which were destroyed by the monsoon storms. (The Board had already approved paying for replantings for Craig Ottenstein.) All requested plants are on the Approved Plant List.

A motion was made and seconded (Manning/Soule) to comply with Mandi Bates' decision to approve replacing the five plants that Heather Sims lost due to the monsoon storms of 2015, not to exceed a total amount of \$200 for the cost of both plants and installation. All approve. Motion passes.

F. Clarification on "Front Yard Landscaping Maintenance"

The language in the CC&Rs is vague. It was agreed that the definition of "front yard" is anything outside your home's wall area. The landscapers do the whole front area of homes from the house to the curb. The common area is outside the wall area. Cassandra will review the CC&Rs and reword whatever is necessary.

G. Changing Attorney Representation from Olcott Brown to Goldschmidt Shupe

Donna reported that for \$50/month Goldschmidt Shupe will provide general clarification on governing documents. Letters are not included. The Board decided to remain with Olcott Brown for routine HOA business and to hire Goldschmidt Shupe when needed.

H. Wire on Wall of Lot 151

This issue concerns Lot 151 that has a wire on its wall for which the homeowner received a Violation Letter. Yard Art Design Guidelines preclude putting anything on outside walls. And it is a hazard for wildlife, birds, and cats, as well as a potential insurance issue.

A motion was made and seconded (Wolfe/Soule) to deny this DRC Request because nothing is allowed on the walls and it is also a potential insurance issue. All approve. Motion passes.

I. Violation Letters

Jim asked Donna to discuss violation letters. He would like to put a fine into the first Notice (Friendly Reminder) letter. Right now it is the second letter that mentions a

fine. Discussion ensued and the Board decided to leave first notification letters the way they are.

VIII. Next Meeting

The next Board meeting will be held on Tuesday, March 14th, 2017 at 4:00 PM at the Catalina Foothills Church.

IX. Adjournment

There being no further items of business, a motion was made and seconded (Falsgraf/Manning) to adjourn the meeting. All approve. Motion passes. The meeting ended at 5:49 PM.

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