

Approved LAS PALOMITAS HOMEOWNERS ASSOCIATION

2012 ANNUAL MEETING January 30, 2012

The 2012 Annual Meeting of the Las Palomitas Homeowners Association was held on January 30, 2012, at Catalina Foothills High School, 4300 E. Sunrise Drive. Board members present were Terry Davis, William Falsgraf, Gloria Devore and Larry Westberg. Not present was Raymond Soule. Representing Lewis Management Resources were Kolleen Weber, Association Manager, and Daniela Keiser, Association Assistant Manager.

I. Call to Order

President Terry Davis called the meeting to order at 7:01 pm.

II. Determination of Quorum

Quorum was met, with 40 households represented either in person or by absentee ballot.

III. Introductions

Terry Davis introduced the members of the Board and the representatives of Lewis Management Resources.

IV. Committee Reports:

➤ President's Report

- Discussed the Pepper Trees in the community, they are not on the approved plant list any longer but will still maintain the ones that are along Via Palomita.
- Discussed the common area along Via Palomita the Board wants the Master Association to maintain that area.
- Discussed renters in the community, there are approximately 15 of them that are known. Renters need to follow the same rules as owners.
- Roads need to be repaired; Kolleen Weber will obtain bids for crack sealing in 2012. The reserves are being built to redo the roads at some point. In the mean time minor maintenance needs to be completed.
- The new homeowners were welcomed to the community.

➤ Treasurer's Report

- Financial health is in good condition. Revenue was slightly over budget and expenses were approximately \$15,000 over budget but this was not a concern to the Board.
- Common area expenses, irrigation, pool and spa expenses were accounted for. The over expenses are attribute to John Twomey and Jennifer Zehr no longer living in the community. John Twomey would fix items and not charge for labor.
- Delinquencies are under control, there are a total of 3 homeowners in arrears and approximately \$4,800 past 90 day delinquent. The Brown Law Group is tasked to follow up on these delinquencies.
- Reserves were \$295,000 as of December 2011. A reserve study was completed in 2011, which stated that the association needed to have \$306,000 as of March 2011 which means we are in good shape.

➤ Landscaping

- The irrigation system has been an issue for quite some time. Kolleen Weber explained Tucson Water has a \$10,000 rebate program to upgrade the system. The Groundskeeper will put a proposal together to upgrade the system and then apply for the rebate from Tucson Water.
- Discussed xeriscape, which is replacing current plants with ones that use less water. As part of their proposal The Groundskeeper will let the association know how to convert to this system.
- There are no plans right now to convert to xeriscape, maybe in the future.

➤ Roads

- Discussion ensued regarding when and how to go about replacing the roads. The discussion was the replacement will be done in sections in conjunction with the sewer lines, the idea is to do both at the same time to save money.

- Discussion ensued regarding the condition of the sewer lines. A contractor investigated the sewer lines and determined that the sewer lines are in good shape. If the Board wants to replace the roads in sections they may replace sewer lines in sections as well.

V. Election of Directors/Voting

The entire Board decided to re-run for another year. The number of directors was lowered from 7 to 5.

VI. Community Update

- The condition of the master gates were discussed, the Master HOA will hold a meeting March 6, 2012, to discuss what to do with the gates. The most common complaints are locks and gate accidents.
- Discussed putting in speed bumps in the community. The Master will also discuss speed bumps at their next meeting; anyone is welcomed to attend this meeting.
- Terry Davis asked all homeowners to pick up after their pets.

VII. Questions & Answers

- Q. Can the Pepper Trees be replaced with ones that use less water?
- A. This will have to be decided by the Board at a board meeting.
- Q. What is our current reserve?
- A. We have about \$270,000. We keep 3 accounts: a general reserve for things like resurfacing the pool or spa, cool decking etc. We have the road reserves and a contingency reserve which is for things that are completely unanticipated.
- Q. Is line 18 on the reserves the cost of the roads?
- A. Yes that is the approximate cost to replace the roads.
- Q. When was the last time the roads were replaced?
- A. Never
- Q. Was there a budget done this year?
- A. Yes, the 2012 budget was mailed out to all homeowners.
- Q. How many of the current board members are permanent residents?
- A. Only Gloria Devore is a permanent resident, the rest of the Board spends about 5-6 months of the year in the community.
- Q. Who is responsible for the gate?
- A. The Master Association is responsible for the gates. There have been numerous reports of vehicles being hit by the gate. Kolleen Weber mentioned that the Master HOA is going to discuss the condition of the gates at their next meeting.
- Q. How does the Master Board get any input from the surrounding communities?
- A. Normally via the sub association boards. Members of sub associations can attend meeting.
- Q. Do we have LMR managing the lawsuit from the school?
- A. LMR does not manage the lawsuit. The Master Association is handling the lawsuit. There have not been any payments yet. The school is appealing the decision.
- Q. What is the policy for heating the pool?
- A. The pool heat is off January and February with the spa heated year round.

VIII. Election Results

Terry Davis, Gloria Devore, William Falsgraf, Ray Soule and Larry Westberg were all elected to the Board of Directors. The 2011 minutes were approved as submitted.

IX. Adjournment

There being no further business, the meeting was adjourned at 8:05 pm.