

Continental Ranch Community Association

9150 N Coachline Blvd Tucson, AZ 85743 Phone: (520) 297-7600 Fax: (520) 297-7917

The Annual Meeting for Continental Ranch Homeowners Association was held on October 28, 2008 at Coyote Trail Elementary School.

I. Call to Order

John Crist, President of the Board of Directors, called the meeting to order at 7:00 PM.

II. Roll Call & Verification of Proxies/Certification of a Quorum

John Crist verified that seven (7) of seven (7) Board Members were present. Quorum required for the meeting was 496 members. A quorum was present with 905 members present by ballot.

III. Proof of Notice of Meetings

John Crist announced that proper Notice of the Annual Meeting was mailed to all owners of the Continental Ranch Community Association.

IV. Reading of the Minutes of the Preceding Meeting

Mrs. Angela Waggoner - Gabbard read the minutes of the October 23, 2007 Annual Meeting and made a motion to accept them as written.

ACTION: A motion was made, seconded and unanimously passed to have Mrs. Angela Waggoner - Gabbard read the minutes of the October 23, 2007 Annual Meeting and to accept them as written. (Lust/Damewood)

IV. Report of the Officers

1. John Crist, President – Mr. Crist reported that Continental Ranch has had a great year, with many projects and activities successfully completed. Some of these things included the new web site, Waste Management resolution, upgrading the Management Company, additional committees and the legal battle. Overall Mr. Crist stated that the current Board of Directors has done a great job in maintaining the community. Mr. Crist thanked everyone and said that it was an experience to be the president.
2. Dan Lust, First Vice President – Mr. Lust thanked the homeowners, Coyote Trail School, Stratford Management and his fellow Board Members. Mr. Lust stated that he has reflected on the past year and feels that the worst has been put behind Continental Ranch. Mr. Lust stated that Continental Ranch is a good place to raise your children and has a strong foundation for families. He reported that there have been community improvements and continuity to keep Continental Ranch together to remain a place to live and to work together in a

3. Randall Damewood, Second Vice President – With thanks, Mr. Damewood was impressed by the turnout at the Annual Meeting and talked about the participation. Mr. Damewood also challenged the homeowners to get involved and come to the meetings, as well as keep your eye on the Board of Directors.
4. Carl Junk, Secretary – Mr. Junk spoke about his position as secretary. He reported on the Ad –Hoc that was established and the grandfather clause, as well as the 2/3 majority vote that would be needed to change the CC&R's. Mr. Junk reported on the Design Guidelines that were in the process of being changed and the computer system that was such a headache to try and work with. Mr. Junk stated that Stratford Management was in the process of getting a new system implemented and asked the homeowners to give Stratford Management a hand for the job that they have done.
5. Debbie Budd, Treasurer – Mrs. Budd thanked Jim, the Finance Committee and Stratford Management for a great job that they have done as well as the current Board of Directors. Mrs. Budd reported that Continental Ranch is in a good position financially. Mrs. Budd encouraged the homeowners to become involved because without the homeowners input the Board of Directors does not know what the homeowners really want.

V. Report of the Board

1. Angela Wagner–Gabbard , Director– Mrs. Wagner-Gabbard reported that she enjoyed serving on the current Board of Directors and feels that Continental Ranch is moving in a positive direction. Mrs. Wagner-Gabbard thanked all of the Committee Members, Board of Directors, Stratford Management, her family and homeowners for coming out to the Annual Meeting. Mrs. Wagner-Gabbard also stated that she looked forward to the upcoming year here in Continental Ranch.
2. John Lambert, Director – Mr. Lambert thanked all of the current Board of Directors, Management and homeowners. Mr. Lambert reported that Continental Ranch has come a long way, but there is room for improvements.

VI. Reports of Committees

Mr. Crist asked that the Chairpersons of each Committee give a brief report.

- **Architectural Review Committee** – Nancy Lambert reported that the ARC (Architectural Review Committee) is currently working on bringing the Design Guidelines into compliance with the CC&R's (Covenants, Conditions and Restrictions) for Continental Ranch.
We are also revising the home paint color pallet to include a larger selection of colors which will only require a 48 hour wait for approval. We are taking a good look at the plant list and hopefully making it more user-friendly. We are looking at having these items completed no later than by the first of the year, if not sooner. We at the ARC would like to encourage homeowner participation in these endeavors, so please try to attend our meetings; if not that, we are looking forward to your input by e-mail, phone calls or letters to the association office. We ask

you all to please read the new Design Guidelines when you receive them and let us know what you think.

- **Finance Committee** – Jim Suza reported by the time you read this the Association’s Annual Meeting will have occurred. For those who were not able to attend the meeting, these are the highlights from the presentation on the Association’s finances.
The Association’s financial condition is strong. The Association has accumulated a surplus in its reserve equal to 58% above the amount required in the reserve, according to an independent study performed last year. This means there is no requirement to levy dues to fill up the reserve. The Association’s cash is secure. With the severe stresses placed on financial institutions over the past several months, the Association has taken steps to make sure that every penny of Association cash is either insured by the FDIC or is protected by the full credit of the United States. The Association’s facilities have been maintained, repaired or upgraded. This previous fiscal year the Association replaced the leaking roof at the Community Center, provided ongoing maintenance of the Associations property and upgraded the Windmill pool pumps and filters while resurfacing the pool itself. Cash flow is adequate, even at the reduced dues, to pay for all expected and anticipated expenses, including capital improvements, without diminishing the reserves. Further, the operations of the Association for the past fiscal year resulted in a surplus of \$100,000. So even if there are some unexpected expenses in the upcoming fiscal year, there is money being carried over that should result in no need to cut other expenses or drain reserves.
- **Activities/Publicity** – Barbara Herron was not present, so Verna (Fiona) Keller reported on some things that took place this year that she could remember. Some of the things that Mrs. Keller listed were the web site, the newsletter the Annual Halloween Event and the upcoming Fall Festival.
- **Facilities Committee** – Tina Cloutier reported at the end of the fiscal year it is a good idea to look back on what was accomplished, take stock of what still needs work and listen to the community’s ideas for future projects. This year the facilities committee completed some major projects, both planned and unplanned. The third phase of the common wall maintenance and painting plan was completed this summer. Over the last three years all of the common walls in Continental Ranch were cleaned, repaired and painted “warm gingerbread”. The “Name Your Parcel” entrance monument project is in its third year. Currently all of the decaying wooden monuments on Silverbell and Twin Peaks Roads were replaced with fabricated steel pieces. In addition most of the affected parcels chose a new name for their parcel by sending in name suggestions through

newsletter ballots. Future newsletters will have new “Name Your Parcel” suggestion requests and ballots as this program continues for the parcels bordering Coachline Blvd. Water damage in the men’s bathroom of the newly remodeled Community Center led to the replacement of the entire roof. The repair was completed before the monsoon season to prevent further damage. Since the roof of the Windmill Park building also needed repair it was accomplished at the same time as the Community Center repair. In addition several new motion sensing security cameras were installed on the roofs of both buildings this year. These cameras have already been successful in stopping some vandalism and they helped catch two vandals. A new camera at the Community Center videotaped a vehicle speeding on Coachline Blvd. The vehicle narrowly missed a boy crossing the street in the crosswalk before it hit the marquee at the Community Center, knocking the insert partially out of its base. Thankfully the boy was not hurt. Finally, the Facilities Committee sent out several parcel surveys asking for community input in the development of common areas. The responses have greatly influenced how the parcel specific common areas will be developed in the future. The residents of each parcel surveyed have shared their unique insight into their common area, its uses and how not to use it because of traffic concerns. Thank you for your input and community involvement.

- **Pool Committee** – Colin Cordell reported that the pool committee has been busy this last year improving the facilities for all of our homeowners. During the last ten months we have had the tot pool at the community center re-plastered with mosaic turtles inlaid in the bottom of the pool. We also have worked to improve the Windmill pool facility by replacing the filter system to make it more efficient so the heaters will work all winter long without interruption. We also purchased new furniture for the community center pool with more colors to brighten the area.
- **Landscape Committee** – Larry Schoof thanked everyone that was one the committee and Management. Mr. Schoof reported Twin Peaks Landscaping:
 - Phase I – Added trees to CRCA common area landscape east of Coachline Blvd to one block west of dead end.
 - Phase II – Lower stage planting to CRCA common area landscape east of Coachline Blvd to one block west of dead end. Phase II activity deferred indefinitely given Board of Directory decision to not fund project.
 - Phase III – Trees and lower stage planting to CRCA common area landscape existing for one block west of dead end. Start date to be determined by completion of new I-10 / Twin Peaks interchange.
 - Marbella II Entryway/Parcel 23:
 - Completed landscape improvements to entryway and along Twin Peaks
 - Lees Ferry/Parcel 43: Completed landscape improvements to large common area at end of cul-de-sac on Lees Ferry

- Update: Rainbird Irrigation System:
 - System has consistently performed well
 - Water savings have been realized
 - Net water usage remains the same given installation/replacement of irrigation lines [e.g. Twin Peaks]
 - Silverbell Road Landscaping:
 - Committee is still working this. Town of Marana has cited budgetary constraints for failure to act in re-vegetating/re-irrigating at this time. Committee will request another letter from the Board of Directors to address this matter with the Town of Marana.
- Recommended Plant List:
 - Committee has sent it recommendation to the Board of Directors to use “*Arizona Department of Water Resources-Drought Tolerant/Low Water Use Plant List*” as the approved plant list for Continental Ranch and also use the plant list suggestion form made available to homeowners for plants not listed.
- Regular Meetings:
 - Conducted regular monthly meetings
 - Reviewed and addressed resident concerns
 - Conducted informal service evaluation of landscape maintenance company, The Grounds Keeper recommended landscape maintenance, cleanup, and improvements.
 - Recommended tree maintenance, cleanup, removal and fertilization
 - Prepared annual budget recommendation
 - Deferred plan for additional rip-rap for entire length of Marbella II given uncertainty in Landscape Budget. This is due to an accounting software change and inability to get exact numbers.
- **Covenants Committee** – Jeff Penwell reported Over the past year, the Covenants Committee has accomplished the following: Wiped out all fines on July 1, 2008, excluding daily fines and collections, in order to give homeowners a fresh start. Requested and received “No Parking” signs on Sacramento Hill from the Town of Marana. Improved communication with major property management companies which has led to unmaintained rental properties being cleaned up in a timelier manner. Increased awareness of the street parking call- in policy. Over 50% of street parking is now being called in, as opposed to less than 10% at the beginning of 2008. Additionally, this is helping cut down on unnecessary violation letters. Implemented a new procedure for street parking that has not been called in, by sticking “No Parking” stickers on the non-compliant vehicles. This process has dramatically increased the amount of

homeowners utilizing the call-in policy. Reviewed fines and homeowner appeals and made recommendations responsibly and with compassion. The Covenants Committee will continue to review fines and appeals this upcoming year in addition to identifying CC&R related issues in the community and creating positive solutions.

VII. Unfinished Business

None to report

VIII. New Business

1. Announcement of the Election of Directors

Edna Coburn, the Election Committee Chairperson, acknowledged Jennifer Swarts, the Assistant Manager of the office team of doing a remarkable job of putting books together for the Election Committee this year. Mrs. Coburn acknowledged the individual members of the committee as well as the election tellers. She reported on the new dual envelope procedures that were followed for collecting the ballots and delivering them to the community center for counting and that 496 ballots were needed for quorum. Unfortunately, however, 56 residents still did not follow directions by not signing the verification envelope or with some other situation. Mrs. Coburn recommended that the dual envelope procedure be put in place for future elections to come. Mrs. Coburn also stated that all votes were tallied at least two times, and in some cases were counted a third time since the counts were close. Mrs. Coburn reported on the computer system and the difficulty that Management had with the mailings from Sunflower because it had not been updated by previous Management and recommended that Management get an updated mailing list from Sunflower each year before the elections. 517 envelopes were received from Continental Ranch, 239 from Sunflower, and 8 from commercial properties. The 8 commercial ballots actually represented 149 votes, for a possible ballot count of 905.

Edna explained the processes that were followed for counting and recounting ballots until a final tally was reached and for determining which ballots were valid. Of those received, she reported that 14 ballot envelopes from the CRCA were returned unsigned and 17 ballot envelopes were not submitted in ballot envelopes, so there was no way to identify the resident. One (1) ballot the intent was not clear to the tellers, two (2) votes all nine names were selected, one (1) listed double markings, one (1) had an empty envelope and one (1) was a delinquent account. Edna additionally reported that eight (8) Sunflower ballot envelopes were returned unsigned, nine (9) ballot envelopes were not submitted in ballot envelopes, so there was no way to identify the resident, one (1) listed 7 write in candidates, including Donald Duck and Santa Clause, one (1) was for the wrong election, for which Mrs. Coburn asked permission to contact the Management Staff at Sunflower so they can replace the ballot to their resident for their upcoming elections. In total, Mrs. Coburn reported that 56 ballots were invalidated and not counted. At this time she then announced the election results. Connie Delarge received 689 votes; John Lambert, 682; Chuck Stead, 671; George Erhardt, 613; Marilyn Steimpson, 565; Daniel Lust, 584; and

Colin Cordell, 513; Angela Waggner-Gabbard, 461; and John Crist, 418. Therefore the top three candidates will fill a two year term and the bottom four candidates will serve a one year term on the Board.

Mrs. Coburn thanked the homeowners for their patience, and once again, her personal thanks to the Election Committee, the tellers, the Board of Directors and the Management Company throughout the election process.

IX. Question and Answer Period

1. Homeowners addressed the Board of Directors with concerns of a mission statement for Strategic Planning, the times of committee meetings and a homeowner made a request for the newly elected Board of Directors to please stand up for the homeowners to see them.

X. Adjournment

The meeting adjourned at 8:07 p.m.

ACTION: A motion was made, seconded and unanimously passed to adjourn the meeting. (Junk/Damewood)

Respectfully Submitted,
Jennifer Swarts, Assistant Manager
Stratford Management
For the Continental Ranch Community Association