

**CONTINENTAL RANCH COMMUNITY ASSOCIATION
BOARD OF DIRECTORS' MEETING – COMMUNITY CENTER
THURSDAY, 19 JANUARY 2012 – 6:30 P.M.**

The Board of Directors of the Continental Ranch Community Association met on Thursday, 19 January 2012 at the Community Center. Directors present: Mr. John Lambert, President; Ms. Peggy Bracken, 1st Vice President; Connie DeLarge, 2nd Vice-President; Mrs. Marilyn Stimpson, Secretary; Mr. Larry Lemieux, Treasurer; Mrs. Gladys Pope, Director; Ms. Roxanne Ziegler, Director. Also present: Mrs. Dale De Men, Community Manager; Mr. Josh Seng, Assistant Manager; Ms. Jocelyn Canovali, Receptionist and thirty residents.

I. CALL TO ORDER:

Mr. John Lambert, President, called the Board of Directors' regular meeting to order at 6:31 p.m.

II. ROLL CALL/QUORUM:

All members of the Board of Directors were in attendance. Quorum of four required for the conduct of Association business.

III. GUESTS: None.

IV. AGENDA:

Mr. Lambert indicated several items to be moved to the Consent Agenda, IX: XIb. Resident to purchase pool furniture; XIc. Oasis Pool proposal; XIIIa. Meeting date change; XIIIe. Resignation of Mrs. Leslie Hammond; XIVa. December Finance reports; XIVb. Audit; XIVc. New appointment, Ms. Joyce Grosso; XIVd. Meeting date change; XVIa. Pack rat services; XVIIb. Installation of two mesquite trees; XVIIc. New cacti in El Rio; XVIIId. Parcel 15C plant replacement; XVIIe. Ocotillo relocation; XVI f. New plants for Windmill playground area; XVIIIa. Posting of Draft annual minutes, with correction.

Under New Business XVII, the following items were added: Lobby wall hanging; Recommendation to close Canyon Bank account; Ad hoc color committee selection; Windmill Pool fence jumper; the addition of Activities Committee volunteers.

Under Unfinished Business XVIII, the following items were added: Phobos Fence and Parcel 17 fence upgrade with survey results

Mr. Lambert indicated XIIIc. RV Variance and XVIIIb. Sunflower/Twin Peaks water issue to be moved to Executive Session.

MOTION made/seconded (Bracken/Pope) to accept the Consent Agenda and Agenda changes as presented. Unanimously approved.

V. APPROVAL OF MINUTES:

A. REORGANIZATIONAL MEETING:

Mr. Lambert noted corrections to be made to the Annual Reorganizational minutes of 20 October 2011, previously approved. VII. Meeting Schedule vote: Four affirmative votes; two negative votes (Lambert and Lemieux).

B. REGULAR BOD MEETING, 15 DECEMBER 2011:

Ms. Bracken raised the purchase of refrigerators issue since she had been absent at the last regular Board of Directors' meeting. Her recollection was to authorize the purchase of a white unit for the Center kitchen area, and it didn't matter—white or stainless—for the office, so long as the budget was maintained. This comment was noted "for the record" and she hoped the matter would now become a moot point.

Corrections noted: Item XVIIB. Approved Painting Inc.—Tucson, not Casa Grande; Item XVIID. "Excluding tax."

MOTION made/seconded (DeLarge/Ziegler) to approve minutes of the 15 December 2011 Board of Directors' meeting as amended, and corrections to the Reorganizational meeting minutes, previously approved, as noted. Unanimously approved.

VI. HOMEOWNER FORUM:

Prior to opening the meeting to homeowner comments, Mr. Lambert wished to quell rumors being widely circulated about winter pool closure, increase in dues, budgetary concerns, etc. which had undoubtedly caused the increase in the evening's resident attendance. He assured that the current Board does not make such major decisions without input from the residents, but he had asked Mr. Seng prepare a spread sheet of statistical information on winter Windmill pool usage for any future consideration. The spreadsheet revealed 321 Continental Ranch households using the pool; of that total, 149 used their card less than 5 days during the time period. The cost to keep the pool operational is \$5,000 a month. This information was passed along to the Pool Committee and may be publicized in *Windmill* for everyone's information. He reiterated that the informal request for recent pool use statistics did not indicate a Board discussion or decision to either raise assessments or close the pool; there is no current agenda item or plan to close the Windmill pool, nor has the Pool Committee discussed or recommended such consideration. Mr. Lambert noted that many residents have their own pools, and because of heating costs, choose not to use during the winter season. Also, this is not a current budget matter. Budget considerations begin in May for the

next fiscal year. Mr. Lambert pointed out that it is the duty of the Board to look out for the entire community, which it is constantly trying to do.

Mrs. Sandy Padilla spoke to the trash can issue raised at the last meeting, and thanked the Board for taking corrective action. There remains other covenants' issues, previously presented.

Residents, Mr. Dale and Mrs. Sandra Widmer, discussed a personal RV parking request, (Account #20298) noting the CC&Rs received when the property was purchased 18 years ago. Mr. Widmer indicated he has had an RV on location all these years and has a gate. They have added landscaping to the property to complement the RV parking arrangement. They received a letter recommending attendance at this meeting to discuss a variance decision. Mr. Lambert indicated this issue is on the agenda for the evening's Executive Session with information received from the attorney just today. He noted that the property was purchased under CC&Rs no longer valid when the area was absorbed into the Continental Ranch community several years ago. At that point, the CC&Rs of Continental Ranch took precedence. Since this matter is being moved to Executive Session in order for the Board to discuss the new information from the attorney, Mr. Lambert suggested that this resident contact the Management Office in the morning to obtain information shared during the Executive Session, and apologized for any inconvenience caused.

Mr. Ernie Krause, a regular Windmill pool user, indicated knowledge of the rumors of dues increase, closure of pool, other community expenditures, etc. and strongly supports the continuation of winter pool availability.

Mr. Mike Galfield also spoke regarding pool closure, noting the year-round pool is a definite asset to the community, especially for prospective home buyers.

Mrs. Sandy Padilla read a letter from Richard Roberts who represented a small group who regularly swim early morning laps for health reasons and who support keeping the pool operational.

Mr. Jerry Burton, a Sunflower resident, uses the pool on a regular basis for lap swimming, which he cannot do at the Sunflower pool. He also supports continued pool availability.

Ms. Ann Bodmer spoke to the rumor of an added assessment for upgrades to Silverbell. Mr. Lambert assured this resident that any Town of Marana assessment being considered for funding the plant and rock was not the financial concern of CRCA as an association, but rather needed to be addressed as individual tax payers to the Town of Marana. Mr. Lambert presented some historical information regarding his discussions with Marana personnel some

years ago. He noted a licensing agreement approved by the 2004 Board of Directors. The upgrading of the Silverbell strip is fully the responsibility of the Town of Marana. Ms. Ziegler, as a member of the Town of Marana Town Council, spoke of a current consideration to set aside money for future upgrading; however, noted there is not \$400,000 available at this time for a completed project. Mr. Lambert noted that improvements to Silverbell's appearance affects CRCA's appearance, overall area credibility and encourages potential home buyers.

Notes were requested from the Executive Session. Mr. Lambert explained that items discussed during closed session were legal matters and client/attorney confidentiality privileges had to be maintained. Notes are not available.

A letter had been sent to Account #20476 in Sierra Estates, regarding a small trailer, and the recipient came forward to discuss. Mr. Lambert offered his apologies for the oversight in not having this issue on the agenda for the Board to review in advance preparation. With no study information available, Mr. Lambert asked this resident to attend the next BOD meeting and offered thanks for being patient.

VII. LETTERS TO THE BOARD OF DIRECTORS:

A. TRASH CAN AT WINDMILL PARK:

Ms. Anna Kline, Parcel 19, requested the community consider placing an additional trash can at the west side of Windmill Park. Discussion indicated that two receptacles in this area had been stolen, and there is no current budget plan to replace with some more permanent type receptacle. No action at this time.

B. CONFIRMATION FROM WORLD CARE:

Letter received 6 January 2012 from Ms. Pam Boyer-Pfersdorf of World Care indicated that the four computers donated by CRCA were wiped free of data and reformatted using DOD standards.

VIII. LETTERS FROM THE BOARD/REQUESTS TO APPEAR: None.

IX. CONSENT AGENDA:

Minutes of the following committee meetings were received: Covenants—13 December 2011 and 4 January 2012; ARC—5 January 2012; Pool—9 January 2012; Ad hoc Community Center Paint Color—10 January 2012.

BOARD ACTION ITEMS:

Activities—Full page ad in February, March and April *Windmill* asking for volunteers.

Pool—Request from resident, Mr. Dave Lawrence, to purchase up to six

chairs (three lawn and three lounge) at a cost of \$10.00 for each chair and \$15.00 for each lounge chair, now that new furniture has been received; proposal from Oasis Pool Service, Tucson, to drain and refill Community Center pool and chemical re-balance, at cost not to exceed \$600.00, no tax.

Finance—Approve December 2011 Finance Reports as recommended by committee; appoint Ms. Joyce Grosso to the committee; change of meeting night to the 2nd Tuesday of each month beginning in March 2012.

Landscape—Rodent treatment by R.P. Streiff Exterminating, Inc. Tucson, at cost of \$300.00; DLC to install two 15-gallon mesquite trees on Sacramento Hill Drive, cost \$230.00; DLC to install new cacti in El Rio cul-de-sac, \$225.00; DLC to install plant replacements in common area, Parcel 15-C, cost \$1,858.00; DLC to relocate ocotilla at Coachline/Opal Moon Court to better area, cost \$80.00; DLC to install 19 new plants and retrofit irrigation system where needed in Windmill Park playground, cost \$418.00.

Covenants—Change meeting date to first Wednesday of the month; recommend Mr. Bill Cicala as committee Chair and Mr. Bob Volbrecht as Vice-Chair; resignation of committee member Mrs. Leslie Hammond accepted with regret and thanks for serving the community.

X. ACTIVITIES COMMITTEE:

The Board previously approved proceeding with the community's annual Easter Egg Hunt function without support of a current Activities Committee. Mr. Lambert tasked Ms. Jocelyn Canovali to prepare a power point presentation of tentative plans, including activities, vendors, prizes, time schedule, volunteer support needed, etc. with a current estimated cost of \$4,465.00, within budget. The report of the 2011 event requested and the overall cost of the 2011 event were not available. Mr. Lambert offered his thanks to Ms. Canovali. Volunteers will be needed to support this project.

XI. POOL COMMITTEE:

Committee presented new swimming pool rules (with 27 instructions vs. 40 in the existing posted rules.) One amendment to new procedure noted: Item 9 add: "use of soaps or shampoos in shower prohibited." **MOTION made/seconded (Ziegler/Pope) to accept revised swimming pool rules as presented with amendment to Item 9 by adding "use of soaps or shampoos in shower prohibited. Discussion: Publish rules in *Windmill*. Unanimously approved.**

Posting of signage at both pools discussed. Cost factor unknown. Pool committee asked to provide cost information at the next meeting.

XII. LANDSCAPE COMMITTEE: No meeting held.

XIII. COVENANTS COMMITTEE:

Account #19373 street parking complaint is now in compliance; complaint closed. Future violations with this account will need to be submitted on a new complaint form. No further action needed.

Account #19456 trash can complaint. **MOTION made/seconded (Pope/DeLarge) to fine \$25.00 and loss of pool privileges for 30 days. Unanimously approved.**

Account #18708 camper complaint. **MOTION made/seconded (Lemieux/DeLarge) to fine \$25.00 and loss of pool privileges for 30 days. Unanimously approved.**

Account #18576 street parking. **MOTION made/seconded (Lambert/DeLarge) to send back to committee for recommendation. Unanimously approved.**

Action on the RV storage moved to Executive Session.
Action on trailer in driveway issue moved to next meeting.

XIV. FINANCE COMMITTEE:

The December financial reports sent to the Board and the Finance Committee indicated: Operating cash--\$489,013.47; Total Cash Reserve--\$913,788.13; Restricted Sunflower Mitigation Fund--\$13,670.58; Accounts Receivable--\$740,562.40; Other assets--\$182,255.96; Prepaid Insurance--\$679.00; Prepaid Income Tax--\$6,614.00. Total Assets--\$2,351,584.14.

The 2010-2011 Audit will be finalized by 31 January 2012. The Board is invited to attend the Audit Review meeting of the Finance Committee on 8 February 2012, 6:30 p.m. in the Windmill Park boardroom.

Mr. Kermit McCutchen questioned the unusually high Accounts Receivable amount of \$740,562.40. Finance Committee Chairperson, Mrs. Carol Altmann explained that this amount is always high in the months following dues assessments, and reduces considerably as assessment payments are received. Also, year end figures from the auditor are not yet available, and once instruction is received from the auditor, this figure will change.

Also questioned was how collection accounts are paid for services in collecting; each account is charged individually by the collections attorney.

XV. ELECTION COMMITTEE:

The Election Committee is finalizing balloting/voting procedures to be presented at the February BOD meeting. Ms. Joyce Grosso referred to the

Association bylaws and requested a legal opinion regarding the requirement for the slate of nominees to include the number for vacating Board positions plus one, and what happens to an election if this "plus one" is not achieved after all efforts of the Nominating Committee? Concern will be forwarded to the attorney.

XVI. REQUEST TO PURCHASE:

Three proposals were received regarding upper tree maintenance. **MOTION made/seconded (Lambert/Pope) to accept DLC Resources proposal for maintenance to 63 trees in common areas and 25 trees in large washes at a cost not to exceed \$6,725.00 including tax. Unanimously approved.**

XVII. NEW BUSINESS:

A. VIOLATIONS FOUND WHEN INSPECTING FOR TITLE TRANSFER:

Mrs. De Men explained that when violations are noted during home inspections for title transfers, corrective action has been requested from the property owner. In some cases, the actual homeowner is already gone. Currently, such requests are being given to the title company to give to the buyer for corrective action within a period of 30 days from recordation of sale date.

B. INSURANCE:

The existing insurance expires 5 March 2012. The renewal quote is \$21,000 per year for three years, with a 30-day out clause at the end of each year. There is no change in coverage; however, property value estimate has risen from \$650,000 to \$750,000 with explanation that the cost of materials/labor for actual replacement has risen. The existing policy costs \$1,614 monthly or \$19,368 annually. The renewal increase is \$136.00 monthly or \$1,631.00 annually. **MOTION made/seconded (DeLarge/Bracken) to request three bids for insurance coverage to be considered at the next Board of Directors' meeting. Unanimously approved.**

C. BOARD TRAINING ITEMS REQUIRING ACTION: None.

D. OFFSITE BACK-UP STORAGE FOR CRCA SERVER:

Mr. Seng discussed information received from Carbonite. The Board was concerned about comparison costs, external storage or fire-safe storage. Mr. Seng was requested to obtain additional information and comparison costs.

E. AREA MAP WALL HANGING:

DLC has offered to provide a new detailed and mounted three-panel map of the Continental Ranch area, to be displayed in the office lobby. **MOTION made/seconded (Lambert/Stimpson) to accept DLC's offer for a mounted three-panel map, to be installed in the office lobby for resident access, at a cost not to exceed \$750.00. Unanimously approved.**

F. NEW BANKING FACILITY RECOMMENDATION:

Following a recent favorably-settled legal issue, there remains an uneasiness with one participant in the action also in authority with Canyon Community Bank, where CRCA has a substantial investment. **MOTION made/seconded (Lambert/DeLarge) to move CRCA's current account from Canyon Community Bank to U.S. Bank.** Discussion: This issue has not been discussed with the Finance Committee and involves operating funds of current assessments billed, deposited into a main account up to \$250,000 FDIC insured, and a second operating "overflow" account. **Motion unanimously disapproved.**

MOTION made/seconded (Lemieux/Ziegler) to forward this issue to the Finance Committee for recommendation in possibly moving funds from Canyon Community Bank to one of several area banking facilities in order to obtain the best services possible. Unanimously approved.

G. AD HOC COMMUNITY CENTER PAINTING RECOMMENDATION:

In a recent meeting of this ad hoc committee, color selection #15 from the approved paint palette is being recommended. The committee's tri-color selection areas were identified for Board consideration. No additional meetings are required of this committee. **MOTION made/seconded (Lemieux/Pope) to accept selection #15 from the Association color palette as recommended by the ad hoc committee. Unanimously approved.**

H. POOL FENCE JUMPER:

Security cameras clearly documented a young adult scaling the fence at the Windmill Pool recently, and being sent out the gate by someone already within the pool area. It was determined that the offender later returned and admitted himself properly via the authorized key pad. **MOTION made/seconded (Lemieux/Lambert) to impose a \$25.00 fine and 30-day suspension of pool privileges to the resident family. Five affirmative votes; one negative vote (Ziegler).**

I. ACTIVITIES COMMITTEE MEMBERS:

Mr. Lemieux, Liaison to the Activities Committee, indicated that with only one remaining committee member, there was not a quorum to make a procedural recommendation for new committee appointments. However, three residents have stepped forward to volunteer: Mrs. Linda DiPalma, Mrs. Sandy Padilla, and Mrs. JoAnn Ross, all long-time residents and veteran volunteers for Association activities. **MOTION made/seconded (Lemieux/DeLarge) to accept with thanks and immediately appoint Mrs. Linda DiPalma, Mrs. Sandy Padilla, and Mrs. JoAnn Ross to serve on the Activities Committee. Unanimously approved.**

XVIII. UNFINISHED BUSINESS:

A. SUNFLOWER/TWIN PEAKS WATER ISSUE: Moved to Executive Session.

B. PHOBOS FENCE:

Mr. Lambert recommended postponement until May, when Reserve Study is considered.

C. PARCEL 17:

Fence painting correspondence was sent to Parcel 17 property owners as recommended during the last meeting. Fourteen responses were received, with 13 affirmatively approving the plan of one-time painting with property owner assuming maintenance thereafter, and one in opposition. Discussion: how to handle maintenance on the one property not in agreement plus the unresponsive properties. Action postponed until the next meeting.

XIX. MANAGER'S REPORT:

Mrs. De Men discussed some of the items in her written report: Second and third late letters for assessments have been mailed. The third letters were sent certified to 54 accounts which are collection potential, with each owing \$327.00 or more to the Association. Four new office computers and the server are installed. The CPA is finalizing the audit to be presented 8 February. 124 pounds of food was donated to the Marana Food Bank during the holiday season. Lighting contest and angel tree events were coordinated and both successful. Many items of unused furniture have been sold. Assistance given to the annual Volunteer Luncheon event.

Maintenance items included installation of the office icemaker line and sink water trap cleanout. Windmill pool fence gate is being adjusted and a broken pony wall cap near the bathrooms was repaired. The Community Center pool bath gate revision is almost complete. New pool furniture has arrived. A vehicle accident damaging a property back wall in Lapis Moon is being handled. Several monument lights were repaired. Phone line conversion at Windmill was completed in December. Staff has assumed the initial planning of the upcoming Easter Egg Hunt. Four security cameras were repaired under warranty. Sunset Vista II monument destroyed by an auto accident was completely rebuilt, including irrigation repairs/setup and backflow repairs.

It was suggested that a listing of remaining replaced pool furniture and folding chairs etc. be published in the next *Windmill* to encourage prompt purchase.

XX. ADJOURNMENT:

With no further business, the meeting was adjourned at 8:30 p.m.

Upcoming dates:

Finance Committee Audit meeting: 8 February 2012, 6:30 p.m. at the Windmill Park office.

Board of Directors; Meeting: 16 February 2012, 6:30 p.m. at the Community Center.

MARILYN STIMPSON, Secretary

Attachments for file:

Sign-In Sheet

Amended Agenda

Committee Minutes—Covenants, ARC, Pool, Ad hoc Paint

Financial Statement

Covenants Recommendations

Consent Agenda Landscape Purchases Documentation

Tree Maintenance Proposals

Lobby 3-Panel Map Proposal

Manager's Report

(Minutes by Edna M. Coburn, draft reviewed by Management)

