

**Minutes of Sunrise Mountain Ridge Homeowners Association
Board of Directors Meeting, September 12, 2019**

Call to Order: President, Jim Warner, called the meeting of the Board of Directors to order at 9:10am, September 12, 2019.

1.1 Directors Present: President – Jim Warner, Landscape – Eloise Gore, Treasurer – Carole Malan, Recreation Facilities – Jay Flaherty, Secretary and Nominations Chair – Susan Arbuckle, Architecture – Larry Glasser

1.2 Directors Absent: Archive, Roads, Vice President– John Mitchell

1.3 Committee Chairs Present: Hospitality – Leslie and Marc Adams, SAC Representative – Cynthia Clark, Volunteer Liaison – Wendy Reed

1.4 Committee Chairs Absent: Database – Herb Burton, Publications – Alan Frankle, Neighborhood Watch - Jim McAlister

1.5 Guests: Barbara Carbajal, Nancy Bower, Sandy Glasser, Bob Shaff, Mary Yacomio

President Report: Jim Warner

This month's meeting will be centered on discussions of items necessary for the upcoming Annual HOA meeting.

Budget and reserve study

The first item is the 2020 budget in conjunction with the 2020 Reserve study to determine the association's short and long term financial needs and how they are to be funded. Carole (Treasurer) and her committee have been working hard to prepare the 2020 budget and the reserve study. Thank you to all for taking the time to research and complete your sections of the budget and reserve study. The board will discuss the budget and any assessment changes necessary to keep the HOA on a solid financial footing.

These discussions will take place during the Treasurer's section of the meeting.

New board members

The second item is the replacement of board members. Several positions are being vacated in 2020 and Susan (Nominating) and her committee (along with many of the current board members) have been trying to recruit volunteers for these positions.

These discussions will take place in the Nominating section of the meeting.

Annual Meeting

Lastly, a discussion of the annual HOA meeting including date, time and place. Voice any ideas to assist recruitment. For the sake of time, please limit your section discussions to the prepared report with the exception to major changes since the report was written. I would like to put the focus of this month's meeting on the financials.

Secretary Report: Susan Arbuckle

The June minutes are submitted for approval. Minutes approved.

Thank you to Barbara Carbajal for taking minutes at our September 12 meeting.

Thank you to all committee chairs who have sent in updated Committee task lists.

I would also like to thank Joy Greenberg, Joy Jensen, and Elisa Mitchell for handling the SMR mail in my absence.

The annual mailer will be sent out on October 15. I will need annual reports from the following committee chairs by SEPTEMBER 30.

Database: Herb Burton,

Hospitality: Leslie and Marc Adams

Neighborhood Watch: Jim McAlister

Publications: Alan Frankle

SAC: Cynthia Clark

Volunteer Liaison: Wendy Reed

Budgets for 2018 and 2019: Carole Malan

The annual meeting will take place on Wednesday, November 13 at St. Albans Church.

Treasurer's Report: Carole Malan

Cash Balances:		8/31/19	7/31/19
Operating Accounts:	Chase Checking	\$ 29,684	\$ 29,684
	Alliance Checking	\$ 72,681	\$ 86,570
	Alliance MM	\$ 30,159	\$ 30,144
	Alliance Debit Card	\$ 2,000	\$ 2,000
	Total	\$ 134,524	\$148,398
Reserve Accounts:	Alliance Assn. Bk MM	\$ 65,202	\$ 65,164
	Great Western Bank MM	\$244,298	\$243,948
	Goldwater Bank MM	\$100,836	\$100,733
	Total	\$410,336	\$409,845
	Total Cash Accounts	\$544,860	\$558,243

September Report:

1. Reserve Study Update – Last week we received the final version of the 2019 Reserve Study from Tom Thompson at Advanced Reserve Solutions. I have forwarded a copy of the report to all the voting members of the Board. The HOA's reserve funds have been decreasing for a few years as the HOA has been repaving all its roads and rebuilding its tennis court. The projected reserve fund balance at December 31, 2019 is \$433,000. Based on the reserve study calculations, if we want to be "fully funded", we should have \$718,306 saved at December 31, 2019. This means that the HOA is 60% funded. After 2020, we will not have many large expenses for several years. The Reserve Study projects increasing assessments to move towards a "fully funded" reserve fund balance. Here is a brief summary by year:
 - a. 2024 – 73% funded – Projected Cash Balance = \$582,124 – Fully Funded Balance = \$795,450
 - b. 2029 – 91% funded – Projected Cash Balance = \$1,063,862 – Fully Funded Balance = \$1,175,538
 - c. 2034 – 97% funded – Projected Cash Balance = \$1,717,610 – Fully Funded Balance = \$1,774,812It is important to note that to reach these funding levels we will need to increase reserve assessments by \$7 per lot each year.
2. Overdue Assessments – We have one lot that has not paid its assessment for two years now. The balance due is \$2,636, plus late fees of \$438, for a total due of \$3,074. I spoke with our HOA attorney, David McEvoy, last week. He does not handle collections cases and put me in touch with a collections attorney. That attorney charges fees that are quite large. I then spoke with our financial manager, Cadden Community Management, which has a Collections Department. They will send out a collection letter for \$70, and, if there is no resolution, a lien will be put on the property. The lien fee is \$250. All of Cadden's fees are charged to the lot owner. If the lien is ignored, we can move towards other collection actions. I will make a resolution that we turn this account over to Cadden's collection department.
3. 2020 Budget – I have sent a draft of the 2020 budget to the Budget Committee members, Mary Yaconiello and Bob Cole. I am hoping that they will give me their feedback by Monday or Tuesday. You may receive an updated budget before Thursday's meeting if changes are made.
4. Search for New Auditor for 2019 Financial Statements – As I reported several months ago, the CPA who audited our 2018 financial statements has resigned. I just sent out letters to 8 CPA firms that perform audits of homeowner associations regarding our 2019 audit. If I receive responses before the Board meeting, I will give an update.

Additional Comments/Discussion

1. Carole presented a history of the reserve fund. In the 2013 reserve study, we were projected to reach the 75% funding level by 2019. We did not meet this goal and are currently still at 51% funding. The board discussed how to

reach the 75% level faster and it was agreed that we need to increase our assessments. We discussed assessment levels of \$1,400 to \$1,600/year. It was finally agreed to set the assessment for 2020 at \$1,450 beginning in 2020 and going forward.

2. Susan Arbuckle made a motion to raise annual dues to \$1450 beginning in 2020. It was seconded and approved.

3. A motion was made that we use Cadden to start the collection process for the homeowner whose assessments are two years in arrears. If the owner does not pay the past due assessments, a lien can be placed on the property. It was seconded and passed.

Architecture Report: Larry Glasser

The Architecture Committee (AC) did not meet over the summer, but we have had a fairly busy summer with Resale Inspections, Project Requests, and some initiatives we are getting ready for. We have conducted 7 Resale Inspections this summer as the market in SMR seems to be very active. The AC approved 5 project requests from exterior home expansions to driveway repairs to complete backyard landscaping projects. Our homeowners think it is an excellent time to improve their properties.

Through the committee's summer efforts, there are a few projects we are working on to improve the way the AC conducts its business. We are developing a process and notifications for maintenance violations that will show the homeowners that we care about the "look and feel" of SMR, focus on getting the needed maintenance items accomplished without increasing individual stress and defensiveness. We are refining an AC database to track all actions on each home in SMR. This will be used when doing resale inspections, tracking homeowners projects and keeping track of needed maintenance. The AC is exploring ways to help connect homeowners with contractors to get regular maintenance items completed in a timely manner. We would like to propose coordinating with the Hospitality Committee and having 2 information meetings next year for SMR residents with Southwest Gas, TEP, and Tucson Water on the latest ways to conserve resources, maintain our life style and still save money.

We request that the Board Approve David Peterson, 4321 N Camino Ferreo, as the newest member of the Architecture Committee. David is a Retired Scientist for the Department of Agriculture, has roots in Wisconsin, but is now a full time SMR Resident. We feel Dave will be a great addition to the Architecture Team.

We continue to look for a Chairperson of the Architecture Committee for next year and are adding new committee members.

Additional Comments/Discussion

1. The Board approved the addition of David Peterson as a new member to the Architecture Committee.
2. It was suggested that ID tags similar to ones used by Neighborhood Watch be used for members of the AC when out and about on AC business in the SMR community

Hospitality Chair Report: Leslie and Marc Adams

The Hospitality Committee will host the first fall event in late September. We have booked clubhouse space through the remainder of the year, and into early 2020.

SEPTEMBER EVENT:

On Thursday, September 26th, we will welcome many of our neighbors back to Tucson with a Pima County Parks and Recreation presentation beginning with a Happy Hour at 5:15 and Julie's presentation at 6:00. Our neighbors will learn about the biology and adaptations of some of Arizona's amazing creatures including rattlesnakes, scorpions, Gila monsters, and toads.

The remainder of the year unfolds as follows:

Tuesday, October 29th from 5:00 to 7:00 we welcome back our very own Over Easy band for a Music and Munchies event. Happy Hour and the Band start at 5:00. The Over Easy band has become a real draw with over 80 attendees last March.

Wednesday, November 20th from 5:15 to 7:00, we will have a Happy Hour followed by a 6:00pm presentation about mountain lions – the top level predator found in Arizona, by SMR resident, Mattie McAlister.

Sunday, December 8th at noon, we host our annual Potluck Holiday Luncheon. Decorations will go up in early December, so the clubhouse is ready for a festive afternoon. Hospitality will supply a holiday ham, all beverages, and paper/plastic supplies while our neighbors bring their favorite holiday dish!

Sunday afternoon, on January 26th, we host the annual “New Neighbors” event welcoming all those that bought a home in our wonderful neighborhood during 2019. Last year’s event was held at the Adams home, but it may be relocated to the Clubhouse for 2020.

Hospitality Committee has spent \$2044 of it’s \$4000 budget to date. We expect to come in at or below our budget for the year. We have requested \$4000 again for next year.

IT Group

Archive: John Mitchell

The Archive Chair continues to maintain the folders in Dropbox to ensure that the relevant documents are archived. In addition to the Dropbox cloud backup, the Dropbox files are backed up periodically on an external hard drive. Board and Committee Chairs have asked what they need to store on Dropbox. I would like to emphasize what Larry and Jim said in the June meeting. Chairs should put any document that they think may be important to future chairs. Try to envision whether the document you have in front of you would be useful to the next chair facing the same issue. It is also better to put too much rather than too little in Dropbox. Dropbox contains our institutional memory, and several times I have been asked to find something on an issue that was discussed a few years ago. It was essential to have the Dropbox files available.

Database: Herb Burton

The database is up-to-date as of September 8.

The process for sending e-blasts and newsletter announcements was changed from using bcc with long lists of email addresses to MailChimp. The former process was resulting in some emails being blocked as spam. I hope MailChimp will result in no blocks. If any of you hear of residents not receiving announcements/e-blasts, please let me know.

Publications: Alan Frankle No report

Website: Jim Warner

SMR website continues to improve and is up to date as of 9/9/19.

Landscape Chair Report: Eloise Gore

My June 2019 Board Report described Darrin’s completion of Zone 5 and mentioned several resident issues. I will pick up where I left off and recap a very busy and dry summer for Landscape. Much of our focus has been on irrigation, in many cases hand watering by Darrin and his team to keep the flora planted last Spring alive through these long dry spells. Lack of rains also means higher water bills because the drip irrigation had to keep running. Darrin’s stewardship has kept our new plants alive and blooming impressively. He has completed regular maintenance in Zones 6, 7, 8, and 1, as well as addressing the occasional leaks and other issues that require attention to other zones. Lack of rain has one good side: far fewer weeds than usual.

Currently one of Darrin’s team is concentrating on spraying the invasive grasses that persist in the undeveloped areas. These are buffelgrass and fountain grass, both of which are flammable and harmful to the native plants. Most of what was sprayed or pulled last year has not returned, but there are several large areas that were not addressed last year, including a large swath downhill from Trocha Alegre. Dick McGann continues to serve as Buffelero Commander overseeing this important aspect of the Landscape portfolio.

I am sorry to report that two of the new solar lights on Carrillo Hill were stolen. I believe this occurred some time in July. They were removed from the uphill, inbound side of the road. They are easy to remove because they are merely planted in the dirt. We have replacement lights available but I am reluctant to install them until we find a way to deter

future theft. Two suggestions are to install them in concrete or perhaps plant small but thorny cacti around them to discourage thieves. Other suggestions are welcome.

In June I mentioned we had problems with two residents who had unsightly bare spots in their front yards. One of these residents has completely taken care of the problem, and the front yard looks lovely now. The other resident lives in Pennsylvania year round. Her house here is empty. She promised to come to Tucson and fix the remaining bare spots in her yard, but she has not fulfilled that promise. I think we will need to move forward with a stronger letter to her. We have resisted that approach knowing that it is unlikely to produce a positive result. I will keep the Board posted.

Over the summer several residents requested trimming or removal of trees in a common area in order to improve their views. Some of these requests have already been addressed. The others will be addressed when Darrin returns to the zone in which the common area in question is located. The Landscape Committee takes these requests very seriously, particularly when a tree would be removed. We consider both the resident's view as well as the impact on the community of the loss of a tree. This is probably the hardest part of our jobs on the Committee.

I regret that I may not be able to attend the Board meeting on September 12th as we will be in Spain. I am aware that the important issue of the 2020 Budget will be discussed during this meeting. I submitted my proposed 2020 Landscape Budget on August 22nd, which I believe all of the Board members have reviewed. I appreciate the positive feedback. If there are further questions, you should be able to reach me by email while I am travelling. If it is feasible, I will try to call in to the Board meeting.

Additional Comments/Discussion:

Eloise was able to call in and participate in the Board meeting discussions.

Eloise added to her report that the homeowner who had not taken care of her front yard has now done so. No need for escalating this one.

Neighborhood Watch Chair Report: Jim McAlister (Nancy Bower represented Jim)

- Kathleen Flaherty has volunteered to be a Block Leader on Troche Allegre. She will be replacing Lu Salisbury. I request the Boards approval to the Neighborhood Watch Committee.
- 12 residences in SMR were contacted by phone or email concerning their post lamps being out. Some of the post lamps have been out for several weeks due to the resident being out of town. I sent a "friendly reminder" email to Gail Dunn since hers has been out the longest and appears to be in town. Since the CC&Rs state that the post lamps are to be on from dusk to dawn, I feel it is the resident's responsibility to have post lamps lit whether they are at home or away. I would like the Board's input on how these lamps that have been off for several weeks should be handled. I would like to thank Nancy Bowen, Ellie Jewel and Mary Beth Kuehn for their help with the post lamps.
- 3 parking permits for the West pool area have been issued since the last Board meeting.
- One resident was contacted concerning parking on the street overnight. Issue resolved.
- A Welcome packet was delivered to James and Michelle Hailey at 4191 N Camino Ferreo.
- The Fall meeting of the Neighborhood Watch committee will be held Wednesday, October 23, 2019 at the SMR Clubhouse, at 6:00 PM. Guest speaker will be John Walka from Rural Metro.

Additional Comments/Discussion:

Nancy requested input from the Board about how to enforce the rule that outdoor lamp posts be maintained. It was suggested that Neighborhood Watch use letters similar to what Landscape and Architecture use to address the problem.

Nominating Chair Report: Susan Arbuckle

We are still searching for replacements for Architecture Chair and Treasurer. Barbara Carbajal has agreed to take over Secretary position and Allen Hines has agreed to take over as Volunteer Liaison. The Nominations chair must be one of the directors, and that position will need to be filled also.

We are doing several things to make residents aware of volunteer needs. Among them are the following:

- Jim Warner has created a link for volunteer requests on the SMR website.
- Volunteer brochure and volunteer request letters are sent to new homeowners.
- Leslie and Marc are planning a combination volunteer appreciation and recruitment event during the month of February
- We continue to submit newsletter articles outlining volunteer needs.

Additionally, I would like to get the Board's approval for placing "Volunteer Needed" signs at the pools, tennis court, and clubhouse. We could also create banners to be used at social events.

It is still my belief that we should be recruiting Board members from within our committees whenever possible.

Our committee continues to look for actions that will encourage more people to serve on the Board.

Additional Comments:

The Board approved placement of "Volunteer Needed" signs at the mailboxes.

Barbara has agreed to take over Secretary position as of 9/5/19. THANK YOU BARBARA.

Recreation Chair Report: Jay Flaherty

East Pool

The East pool deck was repaired and refinished the last week of August. New drains, depth markers and no dive markers were replaced and the two ladders in the deep end of the pool were secured properly. The east spa was drained and refilled during the deck work. The brick pavers are showing some wear and may need an upgrade at some point in the next few years. There were no major equipment failures at the east pool this Summer.

West Pool

The beams above the covered patio and shower area were repaired and repainted in June. The West pool and spa have operated without any issues all Summer.

Both the East and West pools received steady use this Summer by residents and guests. No unauthorized or late night use was detected by the security system.

Tennis/Pickle Ball Court

No issues with the facility however the padlock has been causing some issues when it comes to locking the facility. I plan to have Roadrunner Lock replace the padlock with a keyed deadbolt assembly this month. Windscreen replacement will begin to take place when committee member Dan Stricof returns in December.

Clubhouse

No issues with the facility however some users are not closing the blinds and emptying the trash when finished. We will address with yet another sign and remind users to close the blinds and remove their trash.

Resale Report: Merrie Morris/Cadden

James R. and Michele S. Hailey - 4191 N Camino Ferreo

Kenneth M Nagel - 4450 N Trocha Alegre

Roads Chair Report: John Mitchell

A section of Carrillo was damaged by a leak in an underground irrigation pipe. The road has been repaired and the irrigation pipe removed.

The Roads committee has been preparing a budget and plans for road maintenance and repair for the remainder of 2019 and 2020. It is anticipated that the most of the major road repaving projects will be finished in 2020. We expect that the SMR roads will require only minimum maintenance until about 2030 at the earliest.

SAC Report by Cynthia Clark –SMR Representative

No Report

Volunteer Liaison: Wendy Reed

I would like to have the board's input on having an SMR "Volunteer Fair" to encourage and promote and provide information about volunteering in the neighborhood. It would be a social occasion (drinks and light refreshments) in someone's home. Board members, committee chairs and a select group of enthusiastic volunteers would be the hosts. We could invite all residents by email and promote it to the people who come to the Annual Meeting in November. Hopefully it would attract people who are interested in participating in the HOA and don't know how to get involved or are not sure what they could contribute. The hosts would enthusiastically provide information and encouragement! This idea needs some modest funding (\$150-200) and should be scheduled when most residents are in town. It could be billed as an opportunity to become engaged in our community and keep the HOA managed by those who are most invested in its success.

Additional Comments/Discussion:

Since there is already a Volunteer event scheduled in February, it was decided to combine appreciation and recruitment at that event.

Old business: None

New business: None

Member Comments: None

Motion was made and seconded to adjourn the meeting. Motion passed unanimously. Meeting adjourned at 10:55am.

Next regular meeting of the SMR HOA Board will be held on October 10, at 9:00 am in the SMR Clubhouse

Respectively submitted,

Acting Secretary, Barbara Carbajal _____

Date_____

President, Jim Warner _____

Date_____