

**Minutes of Sunrise Mountain Ridge Homeowners Association
Board Meeting, October 10, 2019**

Call to Order: President, Jim Warner, called the meeting of the Board of Directors to order at 9:00am, October 10, 2019 in SMR Clubhouse.

1.1 Directors Present: President – Jim Warner, Architecture Chair – Larry Glasser, Landscape Chair – Eloise Gore, Treasurer – Carole Malan, Recreation Facilities – Jay Flaherty, Secretary and nominations – Susan Arbuckle, Vice President and Roads/Archive Manager – John Mitchell

1.2 Directors Absent:

1.3 Committee Chairs Present: Hospitality – Marc Adams, Publications – Alan Frankle, Neighborhood Watch – Jim McAlister

1.4 Committee Chairs Absent: Database – Herb Burton, SAC Representative – Cynthia Clark, Volunteer Liaison – Wendy Reed

1.5 Guests: Barbara Carbajal, Dick Grisham, Bob Nichol, Bob Shaff, Tom Triplett

President Remarks by Jim Warner

Hopefully the deliberations and discussions of the 2020 budget and assessment have been completed and the information can be put in the information packet for the November annual meeting.

I received an email from a resident about putting the calendar feature back into the newsletter. I don't recommend we do that since we have a calendar link on the website that documents the clubhouse schedule. Is there any reason that the calendar can't be open to other entries such as road work, pool and spa maintenance, landscape zone work, annual meeting, etc.? I think this could be another easy and up to date way to communicate to with the residents.

I also want to put into the minutes my thank you to the board for all their hard work to producing the 2020 budget and assessment best solution possible. Thank you!

Additional Comments/Discussion:

Currently our calendar shows Clubhouse events. Jim Warner asked if the board would like to add other community events to the calendar. Members agreed that doing so would be a good idea. Jim will contact Kathie Flaherty who manages the calendar to ask her to add other items that Committee Chairs want to have on the calendar.

John Mitchell will continue to contact residents impacted directly by road construction.

The discussion led to talk of better ways to communicate with residents. Eloise Gore brought up the idea of adding freestanding bulletin signs/boxes close to each mailbox and shared a photo of what Sunrise Mountain View Estates had placed next to their mailboxes. It had space for 2 letter size sheets of paper, with a glass or plexiglass door that shields items from the weather. She will follow up with her contact to find out how much these signs cost.

Susan Arbuckle asked who would be responsible for changing the notices. Individual chairs would need to contact the person who typed up notices to be placed periodically in these boxes. We would have to determine who would add this to their current committee responsibilities. No decision was made at this meeting.

Eloise would also like the welcome letter which describes rules and other information be sent immediately to new homeowners rather than be placed in new homeowner packets handed out by Neighborhood Watch. Susan will add that to the volunteer opportunity letter she sends out after she gets the monthly resale report from Cadden.

Secretary's Report by Susan Arbuckle:

The September Board minutes were presented for approval. Motion made and September minutes were approved.

The Annual mailer is at the printer and will be mailed out by October 15. Return ballots will be collected by the members of the Secretarial Committee and held for Sue Triplett to tabulate the Monday before our annual meeting.

Director reports are due Wednesday November 6, one week prior to the annual meeting.

Additional Comments/Discussion:

I originally asked for the Director reports by November 1, but November 6 gives me a week to type them up. That should leave plenty of time to prepare the preliminary annual minutes.

The director reports are used in a similar way as the monthly reports. Once they are received, they form the basis for oral reports given at the annual meeting and go into the minutes. After the annual meeting, minutes are reviewed by the board and then placed into the annual mailer for review before approving them at the next annual meeting. Directors may use them as a guide to speak extemporaneously or can read them if they are more comfortable with that.

Treasurer's Report by Carole Malan:

Cash Balances	Account	9/30/19	8/31/19
Operating Accounts:			
	Chase Checking	\$29,684	\$29,684
	Alliance Checking	\$58,691	\$72,681
	Alliance MM	\$30,170	\$30,159
	Alliance Debit	\$2,000	\$2,000
	Total	\$120,546	\$134,524
Reserve Accounts:			
	Alliance MM	\$65,232	\$65,202
	Great Western MM	\$244,642	\$244,298
	Goldwater MM	\$100,943	\$100,836
	Total	\$410,817	\$410,336
	Total Cash Accounts	\$531,363	\$544,860

September Report:

1. Search for New Auditor for 2019 Financial Statements – We received proposals from two CPAs to prepare our 2019 Audited Financial Statements. Our prior auditor charged us \$4,250 for the audit and then our old bookkeeper charged us \$750 for the tax return. The first auditor who responded is from a large CPA firm. She would charge us \$10,250 for the audit and \$950 for the tax return. The second auditor is a Tucson CPA who is a sole practitioner. His name is Scott Meyer. His audit proposal is for \$3,000 and his tax preparation fee is \$250. I shared both proposals with the SMR Finance Committee and it was unanimous that we should pick Scott Meyer to perform our next audit. I have attached his proposal as an attachment with this report. I would like a motion at the meeting to select Scott as our new auditor.
2. Overdue Assessments – At our last meeting we approved sending the one lot that has not paid for two years to Cadden's Collection Department. Cadden sent out a collection letter about three weeks ago. Two copies were sent – one certified mail, and one regular mail. I spoke with Cadden today, and they have not received notice that the owner picked up the certified letter. I will follow up with them to see what the suggested next steps might be.

Additional Comments/Discussion:

A motion was made to approve the hiring of Scott Meyer to prepare 2019 Audit and file our tax return. It was approved by the directors.

Carole added funds to cover some debit card costs that occurred this month. This was to cover cost of changing the lock to the tennis court as well as purchases by landscape committee.

Carole will meet with Dick Grisham in December to help him with the transition process.

Architecture Report by Larry Glasser:

New Member: I would like to ask the Board's Approval for Chuck Blacher on the Architecture Committee. Chuck has lived in Sunrise Mountain Ridge for about 5 years, is now retired with background in manufacturing and commercial real estate.

Unfortunately, we have not found an Architecture Chair for 2020. As of now, I plan on being on the committee next year, but cannot be the Chair.

Over the last month we have approved 3 backyard landscape projects and completed 4 resale inspections. We continue to develop a committee database and, as an option, have also investigated commercial HOA software packages for a data base and have looked at costs. The thought was if we find an economical one that the HOA and Architecture could both use, then it may be worth presenting and demonstrating to the Board. Our investigation showed most software was geared to Professional HOA Management Companies and the cost appeared to be about \$3500 per year (approximately \$1/home/month). We thought this was too costly and have discontinued any further pursuit.

We are finalizing our homeowner maintenance reminders and will bring that package to the Board next month. In addition to our yearly SMR wide inspection of the homes, we will be doing a focus on the condition of “front lamp posts”.

We are investigating Identification badges for committee members, so when we do inspections, homeowners will know it is an official member of the Architecture Committee.

Additional Comments/Discussion:

The directors approved the addition of Chuck Blacher to the landscape committee.

Angie Perryman continues to serve on the architectural committee and notifies Cadden when houses come on the market. Resale inspections follow the initial listing and are kept as part of sale documents.

Larry reported that his committee is considering forming a volunteer crew to paint lamp posts for those who are unable to do the work themselves or to find a painting contractor to do the work.

Hospitality Chair Report by Marc Adams:

SEPTEMBER EVENT:

On Thursday, September 26th, we entertained 37 of our neighbors with a Pima County Parks and Recreation presentation that began with a Happy Hour at 5:15 and Julie’s presentation at 6:00. We learned about the biology and adaptations of some of Arizona’s amazing creatures including rattlesnakes, scorpions, Gila monsters, and toads. Julie entertained us and answered numerous questions from the audience.

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 will be relocated to the Clubhouse for 2020.

Leslie and Marc Adams, Hospitality Chairs, hospitality@smrhoa.com or 520-638-5891

Additional comments/discussion:

Alan Frankle requested that someone on the committee be charged with taking photos for the newsletter.

IT Group

Archive Report by John Mitchell, Electronic Archive Manager:

No report.

Database Report by Herb Burton:

Database is up to date.

Publications Chair Report by Alan Frankle:

The October Newsletter was posted on time. The SMR Photo Gallery is receiving some beautiful photos from a greater number of residents illustrating the beauty of SMR.

Website Report by Jim Warner:

Jim will accept “want ads” from committee chairs so that they can be posted under “Help Wanted” link. Please send volunteer needs to him to be posted on website.

Landscape Chair Report by Eloise Gore:

I have learned that every season is a busy one for Landscape. Currently Darrin and his team are working on eliminating the weeds that bloomed after the September rain. We did apply Pre-emergent to suppress weed growth over the summer, but the unusual lack of monsoon rains in July and early August diminished the effectiveness of the treatment. Timing the application is tricky. I understand that the growth would have been far worse without the Pre-emergent.

It is also the beginning of planting season. We are buying plants to enhance the East Pool, the West Pool, and further enhance Carrillo Hill. Darrin will be planting over the next few weeks.

Landscape is also handling resident requests for tree trimming and, in a few cases, removal. We are implementing a new policy of promptly planting in the areas where trees are removed to reduce the bare space and exposed stumps that result when trees are cut down. Hopefully this will diminish the unpleasant shock to other residents when a tree disappears.

At the most recent Committee meeting, several members mentioned the ever-persistent pack rat problem that everyone seems to experience. If residents are having a problem with pack rats in their yard or their home, and the rat nests are observed in an adjacent common area, we can ask Darrin to remove the nests (not the rats!). Of course, if the nests are on private property, it is the homeowner's responsibility to deal with them.

Committee members are reviewing their zones and reminding residents to remove weeds and dead plants from their front yards, driveways and sidewalks. Most residents respond quickly. Some need another reminder. So far, no escalation has been needed.

Neighborhood Watch Chair Report by Jim McAlister:

Neighborhood Watch will hold their bi-annual meeting Wednesday, October 23, 2019 at the SMR Clubhouse. John Walka, battalion Chief for Rural Metro will be our guest speaker. He will cover their new Air Med program, fire prevention and suppression, medical emergencies and dangerous reptile removal that they provide.

SMR has been crime free the last month.

YTD -10 new homeowner packets have been delivered by NWC members.

We continue to have problems getting someone to deal with the post lamp at 6880 Loma del Bribon and 4580 Troche Alegre. It may be time to start an official notification process.

Additional Comments/Discussion:

The issue of exterior lighting continues to come up. Some residents who are away for summer months have let their lamppost light go out in their absence. Jim asked for suggestions. Jim Warner suggested hanging a temporary solar light from the post. Jim will research that as an option. No decision was made.

Nominating Chair Report by Susan Arbuckle:

At this time, we still have two vacancies on our 2020 Board. They are Architecture Chair and Nominations Chair. The Nominations Chair must be a current Director. This person will be heading up the 2021 search for directors to serve on the board. Last year, the membership approved the election of Jay Flaherty, John Mitchell, and Jim Warner to the board to serve from 2019 to 2021. If they serve a 3 year term ending in 2021, then the only positions to be filled next year for the following year, will be (possibly) Architecture, Treasurer and Landscape Chair. Our current Chairs for these positions agreed to finish out the terms of Directors who have resigned. Their terms may end before 2021. Hopefully they will extend their terms to beyond their predecessor's term.

Dick Grisham has offered to be Treasurer for 2020. Dick has been both Treasurer and President so brings great experience to the Treasurer position. Thank you to Dick.

Alphagraphics will be making the standing sign which announces our board meetings. I plan to place it at the Bribon/Colorado intersection. Next year, I will give that job to Jim Warner. Thanks Jim. Julie at Alphagraphics told me that she can make adhesive "Help Wanted" vinyl signs for the mailboxes. I need to contact the post office to get permission to place signs on the mailboxes.

Additional Comments/Discussion:

Each committee chair should identify who will be their replacement. It was agreed that the best way to staff the board positions is from within the committees. Therefore, the nominations chair and the volunteer liaison should partner together to reach out to residents to serve on a committee and or the board. Allen Hile will be taking over Volunteer liaison next year.

Susan will not move forward with "Help Wanted" vinyl signs at this time.

Marc Adams said that we should encourage co-chairing, however Eloise pointed out that our by-laws may not allow directors to share a position. Susan will research this.

Recreation Chair Report by Jay Flaherty:

East Pool

No issues to report at East Pool and Spa. The deck recoat continues to look good. Will be interesting to see how well it holds up over the next few years. All pool and spa equipment is functioning without issues. The solar field should start to contribute to energy savings now that cooler days are upon us. We will need to make a decision in late November /December if we want to drain the coils and turn off the system for the colder winter months so we don't have a frozen line leak issue. More to come on that as we enter the Fall.

West Pool

A new spa light was installed. All other pool systems are operating without issue.

Tennis/Pickle Ball Court

Residents are having problems with the padlock. Roadrunner will be installing a deadbolt lock on the gate shortly. The current key will continue to be utilized on the deadbolt gate system.

The new pickle ball nets are performing well. The windscreens are dry rotting and will need replacement soon. Dan Stricof will assist in that process when he returns from Michigan.

Security cameras have not captured any significant violations of facility rules and hours.

The clubhouse booking is picking up as we enter the Fall. At some point we need to consider replacing the carpet in the clubhouse. A carpet committee will be formed to make the selection.

I anticipate a county inspection of pools and spas shortly. It is overdue.

Resale Report by Cadden

New Owner:

Terence P McNulty 4321 N Camino de Carrillo

Roads Chair Report by John Mitchell:

The Roads Committee plans to submit for approval by the Board an RFP to repave Pico del Monte, the western section of Sendero Penoso-West, and Colorada above Loma del Bribon using Reserve funds. Repaving these three streets at the same time would achieve some savings in the cost of bringing in equipment and personnel. Additionally, it would be the last big disruption due to street paving until about 2036. It is planned to start this project early in 2020.

Lower Camino Carrillo, Placita del Carrillo, and Sendero Chico were repaved last spring. Newly repaved roads such as these need to be seal coated within a year, and we plan to seal coat these roads in late spring. We have previously used traditional asphalt materials, but new products are coming on the market. One promising one called HA5 has been developed specifically for the climates of Arizona, Nevada, and Utah, and is promoted as doubling the life of an asphalt road. We will seriously explore its potential for our roads.

The Roads Committee will also consider some minor projects for 2019. These would come out of the Operating Budget.

1. Camino Ferreo was repaved in 2006 and the road foundation is expected to last for another 20 years. However, some large cracks have developed in the surface, and we plan to seal these sometime this spring.
2. We are planning to repaint the stop bars on a number of streets where the bars have either worn thin or were not painted after the street was repaved.
3. The reduction in the size of the circles on Placita Tio, Vereda Rosada, and Placita del Carrillo has allowed trucks and cars to make the turnaround without driving on the landscaping. We are going to look into similarly reducing the diameter of the Camino Ferreo circle.
4. Installing reflectors at the corners of road intersections to in order to increase visibility. Test reflectors were installed at the Carrillo-Bribon intersection and their benefits will be evaluated.

In response to the recent Operating and Reserve budget discussions, the Roads expenses in the 2019 Reserve Study were reviewed. Several conclusions were drawn from this study:

1. The budget entries in the Reserve Study and those used by the Roads committee to prepare budgets and bids are consistent. The difference between the two is due to slight different assumed costs for repaving (\$2.27/sf vs \$2.1/SF). The Reserve Study estimated costs are thus 8 % higher than the Roads Committee has been using.
2. The actual costs of repaving for the last three major projects (2016, 2018, 2019) were compared to the estimated costs in the budget. The actual and budgeted costs were quite close. The differences between the

actual cost of work and the estimated costs was due to including additional work such as the widening of Carrillo at Tanuri and the reduction in circles on Rosada, Tio, and Carrillo.

3. The Replacement cost for all of the SMR roads is \$ 1,295,500 and the Fully Funded Balance is \$ 602,000. It appears that the Reserve fund balance is \$410,816. If all of the Reserve were directed to fund roads, the roads would be 68 % funded.

Additional Comments/Discussion:

John asked for input on value of reflectors placed at Bribon/Colorado intersections. It was suggested that they be placed closer to the arc of the intersection.

SAC Report by Cynthia Clark –SMR Representative

No report.

Volunteer Liaison by Wendy Reed

No report

Old business: Executive meeting was held Monday, October 7, to review increase in assessment for 2020. Information from the reserve study as well as committee budgets were looked at once more. The directors concluded that in order to bring up our reserve savings, we needed to stay with the proposed increase.

Susan asked permission to add assessment comparison numbers that Eloise Gore sent to the Directors as a follow up to our executive meeting. They range in amounts from \$1850 to \$228. The ones most similar to us are listed below.

Sunrise Mountain View Estates - \$1,850 They have 238 homes, 2 recreation areas, and 3.2 miles of roads.

Sunrise Territory Estates - \$1560 with 114 homes, one pool and tennis court.

Sunrise Presidio Townhomes - \$1044 with 290 homes, one pool and tennis court.

We do not have any information on how much they keep in their reserve savings funds or the condition of their common area assets.

New business: Our regularly scheduled board meeting will be the day after our annual meeting. This is a required meeting to conduct monthly business. Reports may or may not be necessary since we will have given our yearly report the previous night. We might also review our Cadden partnership at that time.

Member Comments:

Tom Triplett said that previously when he researched signs similar to what Sunrise Mountain view had, the cost was around \$290 apiece. We have 7 mail stations here so costs might be around \$2100.

Dick Grisham related that when he served as a director, people often served for more than one term. There were often more director candidates than openings. The question was asked, "What has changed?" Possible answers were that younger people, still working, were moving in. Perhaps we have more snowbirds, and perhaps people are just not as interested in participating as in past years.

Bob Shaff said that before people serve on the board, they should attend meetings in order to know the work required.

Motion was made and seconded to adjourn the meeting. Motion passed unanimously and the meeting was adjourned at 10:20a.m..

Respectively submitted,

Next regular meeting of the SMR HOA Board will be held on November14 at 9:00 a.m. in the SMR Clubhouse.

Secretary, Susan Arbuckle Date

President, Jim Warner Date