

**Minutes of Sunrise Mountain Ridge  
Homeowner's Association Board Meeting  
September 10, 2020  
Via Zoom Video conference**

**Call to Order:** President, Jim Warner, called the meeting of the SMR Board at 9:08 am.

**1. Directors Present:** President, Website Chair – Jim Warner, Vice President, Recreation – Jay Flaherty, Treasurer – Bruce Moore, Secretary - Barbara Carbajal, Archive, Nominations, Roads - John Mitchell, Architecture – Janet Pearce Foster, Landscape – Eloise Gore

**2. Directors Absent:**

**3. Committee Chairs Present:** Database – Herb Burton, Hospitality - Leslie Adams, Neighborhood Watch – Bob Shaff, Volunteer Liaison – Allen Hile

**4. Committee Chairs Absent:** Publications - Alan Frankle

**5. Guests:** Bob Cole, Jim Reeves, Jeff Bartell, Dick Grisham

**President Report:** Jim Warner

Well, here we are getting back together to take care of business. I am not sure but I think we are entering the 10<sup>th</sup> year of the corona virus. I have had many comments over the summer from residents and all have said how much they appreciate what we do for the community particularly with regard to the virus. I also want to say thank you to everyone for all you do.

The annual HOA meeting may be an issue that we will have to confront if the current corona virus restrictions are still in effect. I assumed we would have the meeting in a virtual mode but we had 63 homeowners attend the meeting last year which is just too many people to manage on the equipment we have. The HOA requirement for a quorum is 10% of the homeowners or about 30 people.

Some ideas I have is to limit the number of participants to 30 people (approx. 10-12 board members and 20 additional members) on a first come first serve basis. This still could be difficult (as a video conference) but manageable.

The meeting could be conducted with the board only in video mode and the rest of the attendees using the telephone to join the meeting to listen in.

Set up social distancing at the church meeting room which would also limit the number of people at the meeting.

Barbara and I could use any ideas that you have about conducting this meeting. In any event using mail in ballots will be of greater importance to have mailed (or dropped off) in time to be counted. (This sure sounds familiar.)

Of course, this entire discussion is moot if the social distancing restrictions are lifted.

Additional comments/Discussion:

Much discussion ensued regarding various means of telecommunicating the Annual Meeting virtually; whether by Zoom, Google Meet, Facebook etc. The bottom line is we must have a quorum of 30 people to vote on any board recommendations. The Annual meeting will be virtual and member attendees will need to RSVP to attend. Eloise noted that not all community members use/have computers.

**Secretary Report:** Barbara Carbajal

The June minutes are submitted for approval. A motion was made, seconded and approved; motion passed.

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: Bob Shaff

Publications: Alan Frankle

Volunteer Liaison: Allen Hile

President's Agenda and President's Letter - Jim Warner

Operating Budget comparisons for 2019 and 2020: Bruce Moore

Go to Dropbox SMR 04 Annual Meeting to find Committee Reports from previous years for reference if needed.

Biographies and pictures of nominated candidates due to me no later than **September 30** for inclusion in the annual mailer. (Pictures because we are meeting virtually.)

Send me any items that requires membership vote (Reserve fund transfers, bylaw changes etc.) to be included in the annual meeting mailing.

Additional comments/Discussion:

The annual meeting will take place on Tuesday, November 10, 2020 at 7:00 pm via Zoom videoconference. Details to be determined before the October 8 board meeting.

**Treasurer Report:** Bruce Moore

1. The June, July and August 2020 financials have been distributed. For operating expenses there were no big surprises. For operating accounts, we continue to run well better than plan. Revenues are close to plan, while expenses are about \$48,000 or more than 15% below plan.
2. For reserves, the major item of the year occurred in April, with the payment for repaving of roads. Since then, we had significant expenses which were not anticipated in the 2020 plan, for enhanced coating of streets with HA-5 coatings, which was discussed and

approved in previous board meetings. For the remainder of the year, we face an unplanned expense for the replacement of the salt equipment for the east pool, ahead of the reserve study timing plan, and requiring a more heavy-duty unit than contemplated in the reserve study. (Further comments on the reserves from a longer-term perspective are provide in item 11 below.)

3. To deal with the large reserve expenses, we had to shift some bank funds. We moved \$50,000 from the Chase reserve account to the Alliance reserve account with a check in July.
4. As of the end of August, there are two significant outstanding assessment balances still due for the January 1 assessments, the same cases discussed at previous board meetings. One is a bankruptcy case, where we have engaged an attorney who is advising us on how best to pursue collection. For this bankruptcy case, the homeowner is also delinquent on post-bankruptcy assessment for January and July, and we have to decide how to pursue those. The other had received and not responded to their third notice of late payment for the January, and we placed a lien on the property covering amounts owed. Despite that lien, ownership of the property passed to a buyer, HUD, and we are pursuing establishing our claim with them. There are signs that HUD intends to have those fees paid as part of their sale process.
5. The billing process for July 1 assessments was unusual. Invoices for the second half of 2020 assessments, due July 1, were distributed on June 17. E-statements were sent to 72 homeowners (who had elected e-billing), and paper statements to the remainder. (We have communicated to Cadden that we would like them to be sent earlier for future dues generally around the first of the month preceding the due date, and they have agreed to do that.) The summer SMR newsletter, distributed around July 15, included a front-page reminder to people to pay.

Payments came in much slower than expected. The two cases discussed in the previous item who are still late on their January payments did not make their July payments either. In addition, there were 16 other people who had not paid by August 6, and we sent late notices to them on August 10 (including the 10% late penalty). Of the 16, 8 had originally gotten e-statements, and 8 had gotten paper bills. We had attempted informal follow-ups with them (as well as with several others who had not paid by late July but did after we contacted them) by phone or email in early August, before the formal first notice of late payments went out. We have not been able to identify any kinks in the system that caused so many late notices (I am told that a typical cycle might have closer to 10), but are trying to tighten up our procedures for next time.

As of August 31, six of the late payers, after paying in early August, pleaded for forgiveness of the late fee after paying promptly on receipt of the late notice, citing unusual problems they faced and a previous spotless record of timely payment, and I generally granted those requests. Six of the late payers have paid their full amount, including the late fee. Seven have paid the

assessment, but not the late fee, but have also not requested a waiver. If no other action is taken, their unpaid late fee will be added onto their next bill.

Only one homeowner remains unpaid for the assessment as of now, and a second late notice has been sent.

6. Cadden has changed the vendor they are using for distributing bills for HOA assessments. They believe that the new vendor will be more reliable. The new vendor will also offer a smoother process for electronic payments, by allowing us to specify the amount to be automatically entered into the payment field. We may be able to test that in December. The new vendor does not allow access to past bill payment history online, but that does not seem to have been a problem except for one or two people. The announcement of the new vendor (both to the Treasurer and to other homeowners) was not as smooth as would have been desired - a somewhat baffling email sent to all people getting e-statements on July 6 - but this did not seem to cause a lot of late payment issues, and should not be a recurring problem.
7. Cadden management fees will increase in 2021 to \$361 a month, from \$350 currently.
8. The 2019 audit was completed, and we got a clean opinion. The audited financials and the audit opinion letter were distributed to the Budget and Finance Committee and to the board. The process seemed to work very smoothly, and with less cost than in the past. With the board's approval, I propose to appoint the same firm to do the audit and tax work for 2020.
9. I am in the process of selling my home in SMR, and will of course no longer be treasurer once that is done. Neil Schneider has been identified as an ideal candidate to succeed me in the treasurer role. We plan to have him stand for election to that position at the November HOA meeting, and assume the role in December. At that time, I will join the budget and finance committee. Since I may not be available for a long post-election process of helping Neil learn the role, I will start that process in September.
10. In recent years, the treasurer has had a personal credit card at Chase, linked to the SMR checking account there. This has had an advantage of generating cash back awards (estimated around \$500 so far in 2020) on expenses paid with it. It has the disadvantage of being cumbersome to change when the treasurer changes, and intermingling the treasurer's personal finances with those of the HOA. For example, should the HOA have disputes on this card, the treasurer's personal credit rating would be impacted. I plan to move to a debit card linked to our Alliance Bank operating account (similar to those held by several board members now). We will raise the balance in our debit card account there to make sure that it can handle payments currently made using the credit card.

11. The treasurer's duties include periodic reports to the board on the reserves, and I will do that here. Our latest reserve study was in 2019, involving 30-year projections starting at 1/1/2019. The study called for member contributions to the reserve of \$112,008 and \$113,800 in 2019 and 2020 respectively. Actual member contributions were \$144,536 in 2019, and are projected to be about \$134,000 in 2020. Reserve study expenses were projected as \$216,328 in 2019 and \$174,418 in 2020. Actual reserve expenditures were \$215,658 in 2019, and are projected to be about \$212,000 in 2020. The net amount of contributions less expenses is about \$15,000 better than in the reserve study. The 2020 actual expense number includes repaving Upper Colorado, which was provided for as a 2021 expense in the reserve study, in the amount of \$91,673. Also here are the costs of HA5 coatings, which we expect will save money long term. There were some other differences of items provided for in the reserve study but not actually done in 2019 or 2020, but they were all much smaller. Allowing for that, and for interest income (small amount) below the reserve study levels, we are probably doing about \$100,000 better than projected in that study.

The reserve study projected a balance at the end of 2020 of \$310,069. At the end of July (with about \$12,000 of 2020 reserve expenses expected to be paid later in 2020), our total reserve fund balance was \$372,715, even after paying for upper Colorado repaving in 2020, so we are well above projected amounts from the last reserve study. But we are still well below the "fully funded 2020 ending balance" of \$628,848 from the last study.

The next reserve study will involve some major changes in the approach to roads, with higher expenses for HA-5 coatings, hopefully more than offset by a 10 to 15 year increase in the time to next repaving. The new level of reserve funding that results will be largely a result of current assumptions about what actual expenditures will be some 30 to 40 years in the future.

12. A preliminary 2021 budget has been separately distributed to the board, and input on that is welcome now. This budget shows an operating surplus with assessment fees maintained at the current level, higher than provided for in the reserve studies.

**Additional Comments/Discussion:**

Much discussion regarding Reserve vs Budget - Bruce will discuss separately with chairs involved.

A separate issue is upcoming costs not included in the budget concerning Recreation assets. Per Jay, if all projects are completed this year the reserve funds utilized would be:

- \$25,400 for East pool re-plastering
- \$12,000 to upgrade East pool salt system
- \$4,500-5,000 to resurface the tennis court.

Eloise requested that the next Reserve Study commence in 2021 for ensuing years so that we are not in the year affected and already spending dollars not yet allocated.

**Architecture Report:** Janet Pearce Foster

The September Architecture Committee meeting is scheduled for Monday, September 14th, during the week after the board meeting therefore, this report covers the committee's activities during the balance of June through the summer months of July and August. The September AC meeting will be held via Zoom teleconferencing due to COVID-19 social distancing recommendations and will be included in a combined report to the board in October.

A. Project Applications/Approvals/Denials

- 1) From June through the end of August there were ten project applications, eight of which were approved; two are pending discussion at the September AC meeting

B. Resale Inspections

- 1) Three inspections, all in the month of August.

C. New residents: unless noted, info and dates are as reported by Cadden Management

- 1) 4361 N Camino Ferreo, Julie Anne Wolff; 6/16/20
- 2) 6770 E. Loma del Bribon, Regvivs Properties, LLC; 6/17/20
- 3) 4525 N. Arroyo Vacio, Ana Claudia Athie de Toledo; 6/26/20
- 4) 6800 E Via Colorada/Perry. New tenants = Joshua and Hattie Linam (reported to Cadden by Wanda Perry's brother who has POA for his sister Wanda Perry)
- 5) 4507 Placito del Tio, Raymond McKeefery; 8/10/20
- 6) 6840 E Via Colorada, Dusty Davison; Reported by Resale Inspection Manager, Angie Perryman, after new owner called with questions. Has not yet been confirmed by Cadden Mgt.
- 7) Secretary of Housing and Urban Development\*8; 4379 N Camino de Carrillo, Lot#228. Reported by Cadden Management on 8/31/20.

D. Ongoing Issues and Updates

- 1) **Non-compliant buildout at 4390 N Camino Ferreo: a Notice of Violation** was emailed to owner's son (Robert Wallen) and a copy sent to the owner (Sylvia Wallen) via USPS on 6/3/20. Followup on 9/4/20 resulted in resolution of all issues.
- 2) **6810 Loma del Bribon** was reported by a neighbor to have had its **roof recoated in white**. The AC chair has been in contact with the owners who are out of town, asking if they could address the issue upon their return. If board members are approached about the problem, please refer them to Janet.
- 3) **4490 N Trocha Alegre** is missing the front lamp post which was blown down in the earliest wind storm of the summer and discovered to be complete corroded. Owner is waiting for delivery of replacement post/fixture and availability of electrician.

E. Architecture Committee Projects.

1) The chair has asked current members to indicate intention for continuing on the committee in 2021.

2) Updates to the current ADR are being considered.

**Archive Report:** 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.

**Database:** Herb Burton

Database is up to date.

**Hospitality:** Leslie and Marc Adams

Leslie and I are disappointed that we have not been able to hold an event since February. We do not believe it will be possible to hold any kind of social gathering through the end of the year, or until there is a reliable COVID-19 vaccine.

Hospitality will be well under our 2020 budget. That said, Leslie and I are going to do a thorough inventory of supplies and equipment and will replace/replenish to be ready for when events can safely resume.

**Landscape:** Eloise Gore

Three topics to cover in this report:

- 2021 Budget
- New Spreadsheets for Tracking Landscape Work and Seasonal Tips
- Resident Issues

**PROPOSED 2021 LANDSCAPE BUDGET**

The Landscape Committee has evaluated SMR's landscape needs, both current and future, and we propose the attached budget for 2021. In sum, we can reduce five of the eleven existing accounts and maintain the same 2020 level in two other accounts. However, we need to increase four of the existing accounts and add two new accounts. The proposed net increase for 2021 is \$6,086, which is less than 5% over Landscape's 2020 budget.

We have closely tracked work done in the eight Landscape zones over the past 22 months and found that we are unable to assure that every zone has a focused rotation twice a year. Two rotations per year has been the Committee's goal in order to maintain the Common Areas for the community as a whole and in particular for the adjacent residents who are most directly affected. But, even with the extra Contract hours added in 2020, there is simply too much to do to achieve

that goal. We are exploring hiring other contractors as well as asking Infinity Earthworks to spend more time in SMR.

In addition, as Landscape has primary responsibility for erosion control, we need to add a separate account for that work in maintaining the waterways and drainage paths throughout the community. We are requesting the addition of Erosion Control to be funded in the Reserve Fund, as well as adding it to the operating budget. Some of the erosion control needs are regular maintenance and some are more significant repair or replacement on an occasional basis.

We also find that a new account is appropriate for the Wildfire Mitigation work; specifically, any necessary tree and shrub work in the common area just beyond residents' property lines. This work will focus on reducing the "ladder" effect that could enable a wildfire in the swale to reach a home. We recently learned of the benefits of reducing this "ladder" from our consultation with the Arizona Department of Forestry and Fire Management.

Here are the specific adjustments for the accounts that we are increasing or adding (the other seven accounts are unchanged or reduced from 2020).

4605 - Maintenance Contract - \$1,786 increase per 3-year contract with Infinity Earthworks

4606 - Extra/Non-Contract days - \$1,000 increase to allow for additional hours or alternative outside contractors

4610 - New Plants/Trees - \$2,000 increase to fill bare spots and replace failing plants

4615 - Irrigation maintenance - \$150 increase for repair/replacement as original equipment ages

New Acct - Erosion Control - \$3,000 for drainage/waterway clean up and restoration (covers labor and materials)

New Acct - Wildfire Risk Mitigation - \$3,000 for clean-up, trimming & pruning in perimeter to reduce "ladders" to a home

I will appreciate the Board's consideration of our request for an increase for 2021.

#### NEW SPREADSHEET AND SEASONAL TIPS

The Committee is developing two new spreadsheets. One will be used to track the time Darrin and his team spend in each zone, and the other describes a schedule for future zone maintenance rotations. We began by using the monthly reports that Darrin provides, going back to October 2018 and continuing through August 2020, to see how much time each zone has been given. We found that in terms of the full maintenance rotation, lasting three to six weeks, each zone has had a rotation every eight to ten months. We also tracked the time Darrin and his team spent in each zone to address needs outside of the full rotation. Every zone was reviewed every month and work was done four to seven times in a 12-month period. Going forward, Darrin will estimate the percentage of time spent in each zone on a daily basis so that the spreadsheet will be more accurate.

We have also begun compiling Seasonal Tips both for the Committee's planning and for advising residents. Darrin provides the information and we create a list for the Committee and a short chart for the community. We began in late August with Tips for Hot Weather, which we posted on the Bulletin Boards and also on the SMRHOA website. We plan to have Cool Weather Tips in October or November, and then Spring Weather Tips for February through April. I have heard from residents who were pleased to have the information. I intend to time the preparation of the Tips so that they can appear in the Newsletter, as well as on the Bulletin Boards and on the website.

### RESIDENT ISSUES

We have had two resident issues of note over the summer. First, in late July, a resident on Arroyo Vacio, in Zone 5, complained to us about a tree she wanted trimmed in an adjacent Common Area. She had expected it would be taken care of in June, but she had been misinformed about the timing for the Zone 5 rotation, which will begin in September. She also expressed concern about trees and weeds that she thought had not been addressed for over a year. In fact, Darrin and his team spent six weeks in Zone 5 last winter. I believe she was out of town and unaware of the extensive clean up and maintenance done in her area. We explained our process and the actual timing, and she apologized for raising the complaint in error. In fact, we used her concerns as an inspiration for the aforementioned new spreadsheets so that we would have ready access to the zone work data for the past two years and to better forecast when we will be focusing on a particular zone going forward.

The second issue arose recently when we learned that a resident had severely trimmed a large mesquite in the Undeveloped Common Area behind her home. This is the area where we only trim plants and trees if there is a hazard of some kind; e.g., a fire danger or threat of falling branches. We are investigating this incident but thus far the resident has not responded to our inquiry. I prefer not to provide any further details until we have a better understanding of what happened, who is responsible, and whether there is a way to remediate the damage to the tree

Sunrise Mountain Ridge H.O.A. 2021 Landscape Budget (8/21/20 draft)										
Acct Number	Description	2017 Actuals	2018 Actuals	2019 Budget	2019 Actuals	2020 Budget	YTD 7/31/20 Actuals	Est 8/1-12/31/20	2020 Est Total	2021 Budget
4605	Basic maintenance contract	78,271	79,320	81,325	81,324	90,374	51,964	38,410	90,374	92,160
4606	Extra/non contract days	0	673	800	659	500	376	124	500	1,500
4220	Refuse removal	5,197	7,706	6,000	4,849	5,200	2,858	2,100	4,958	5,000
4610	Plant materials	2,892	3,495	2,000	1,920	2,000	0	2,000	2,000	4,000
4045	Back flow valve inspection	585	600	700	776	750	526	0	526	600
4615	Irrigation maintenance	735	187	350	282	250	391	100	491	400
4625	Tree pruning	721	1,400	1,500	60	750	392	358	750	750
4630	Weed control	7,386	7,727	8,000	3,762	6,000	2,171	2,100	4,271	3,000
4660	Other landscape improvements	8,358	6,492	6,000	5,764	5,000	1,135	3,865	5,000	4,000
4640	Small Rock Ground Dressing	946	1,700	1,500	1,099	1,500	713	787	1,500	1,500
	Erosion Control	0	0	0	0	0	0	0	0	3,000
	Wildfire Risk Mitigation	0	0	0	0	0	0	0	0	3,000
	Total L/G General Maintenance	105,091	109,300	108,175	100,495	112,324	60,526	49,844	110,370	118,910
4120	Utility - Water	14,173	16,896	14,000	15,545	15,000	6,241	7,000	13,241	14,500
	Total Landscape/Grounds	119,264	126,196	122,175	116,040	127,324	66,767	56,844	123,611	133,410

#### Additional Comments/Discussion

Jim noted that the information provided by Eloise regarding fires and landscape tips was very helpful, timely and appreciated by the community members.

#### **Neighborhood Watch:** Bob Shaff

##### Pool/Tennis/Pickleball keys

Bob Nichol at 520-615-1348 and [RECkeys@smrhoa.com](mailto:RECkeys@smrhoa.com) is the source of new, replacement and additional keys to the pools and courts. His contact information is correctly listed on the front page of our SMR directory. Recently, he has been told that residents have called him and complained that he didn't return their phone calls. I then discovered that the 4-page document entitled "Welcome to Sunrise Mountain Ridge," that is part of the New Resident Welcome Package, lists the wrong phone number for Bob on the 3rd page. I've revised the document with his correct number and added a paragraph on the Neighborhood Watch program. This revision is attached for your information, and all Welcome Packages now contain the new document. I have

notified all the Block Captains and asked them to provide the correct information to their neighbors.

### SMR Hospitality

The COVID-19 virus has had a devastating effect on our nation. The sicknesses, the deaths, the closed businesses, and the layoffs have hurt our country in so many ways, including our economy and morale. In my opinion, one of the most serious by-products of the virus has been its impact on our social lives. We are social people. We crave connections with our families, our children and grandchildren, and our friends. Our SMR HOA, correctly so, has canceled our hospitality events that make SMR so special...but we all miss them.

Here's an idea for our discussion:

What if we invited our neighbors around us to meet periodically in front of a couple of our homes or driveways when the weather cools, maybe starting in October? It's OPTIONAL, and everyone brings their own chairs, their own drinks/snacks. Hang out and CONNECT with your neighbors, socially distanced for an hour or so.

I'm surveying the NW Block Captains for their interest and feedback because we are already organized by street.

My question is this - Is this an idea that the HOA wants to support, or should we just let it happen or not happen by street?

### Additional Comments/Discussion

Herb said that his neighbors on Penoso have been informally meeting on the street for some time, safely distancing, to share some time together.

Bob wanted to apologize to Bob Nichols for publishing the incorrect phone contact number for him for the past 4 years. It has been corrected in the Newcomers greeting letter.

### **Nominations:** John Mitchell

The Nominating Committee has developed a slate of candidates for Director positions for 2021. The three Director positions that need to be filled are Treasurer, Architecture Chair, and Landscape Chair. The Nominating Committee has contacted three candidates who have agreed to run for these open positions: Neil Schneider, Eloise Gore, and Janet Foster. All would be elected to three year terms that would terminate at the end of 2023.

The Board will need to appoint a new Hospitality Chair in 2021 as Marc and Leslie Adams have completed their three year terms as chairs. The Nominating Committee has talked to Colleen McAuliffe and Ron Flynn, and they have agreed to serve as Co-Chairs for 2021. The Nominating Committee will propose that the 2021 Board appoint them for 2021.

The members on the Board over the last several years and the terms of office are shown in the table below. At the end of 2021, Jim Warner, Jay Flaherty, and John Mitchell will have served for three years and will need to be replaced.

<b>Position</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
President	McGann	Wiswell	Glasser	Warner	Warner	Warner
Vice President	Glasser	Glasser	?	Mitchell	Flaherty	Flaherty
Secretary	Wiswell	Arbuckle	Arbuckle	Arbuckle	Carbajal	Carbajal
Treasurer	Cole	Cole	Malan	Malan	Moore	Schneider
Architecture Chair	Glasser	Glasser	Smith	Glasser	Foster	Foster
Landscape Chair	Burton	Burton	Flannagan	Gore	Gore	Gore
Nominating Chair	Wiswell	Triplet	Triplet	Arbuckle	Mitchell	Mitchell
Director 6	Greenberg	Greenberg	Greenberg	Flaherty	Flaherty	Flaherty
Director 7	Triplet	Triplet	Triplet	Mitchell	Mitchell	Mitchell
Hospitality				Adams	Adams	New
Neighborhood Watch				McAlister	Shaff	Shaff
Recreation	Greenberg	Greenberg	Greenberg	Flaherty	Flaherty	Flaherty
Roads	Triplet	Triplet	Triplet	Mitchell	Mitchell	Mitchell
Volunteer				Reed	Hile	Hile
Archives				Mitchell	Mitchell	Mitchell
Darabase				Burton	Burton	Burton
Publications				Frankle	Frankle	Frankle
Website.				Warner	Warner	Warner

Over the summer, Eloise and I had a number of discussions about the bylaws and the role of the Nominating Committee. We consulted a number of previous Directors and with their help developed a document that attempts to clarify the terms used in the bylaws and the operation of the Board. That document is attached and I will highlight some of the items at the meeting.

**Board of Directors, Officers, and Committee Chairs Explained 7/17/20**

This document was developed by Eloise Gore and John Mitchell, Directors, as an attempt to further explain the composition of the SMR Board of Directors. The motivation was based on our need to define the role of the Nominating Committee and its responsibilities. The document is based on SMR's CC&Rs, the Bylaws of SMR, November 15, 2016, and the Duties of the Board dated November 14, 2019.

We would like to express our appreciation to Susan Arbuckle, Herb Burton, Bob Cole, Larry Glasser, Dick Grisham, Tom Triplett, and Carmen Wiswell. These former Directors reviewed the document and provided many helpful corrections and clarifying suggestions.

#### Definition of Terms:

- Board of Directors: The Board of Directors, also called the Board, consists of seven Directors who are responsible for managing the affairs of SMR.
- Directors: The Directors are elected by Members of SMR-HOA at Annual Meetings. The term of office is three years, and the terms are staggered so that not more than two or three elected directors' terms will expire in any single year. These are the Board members who vote on matters before the Board.
- Officers: These are the President, Vice President, Secretary, and Treasurer. They are elected/re-elected by the Board members at the first Board meeting after the Annual Meeting for a term of one year. (November Board meeting)
- Members: These are the owners of property in SMR.
- Nominating Committee: The committee that is responsible for nominating candidates for the position of Director to the Board. Once candidates are approved by the Board, the slate of candidates is presented to the Members for consideration and election at the annual meeting.
- Committees: Some SMR committees are required by the CC&Rs and the Bylaws (Budget and Finance, Architecture, Landscape, and Nominating Committee). Other Committees have been created by the Board to help carry out the responsibilities of the Board (e.g., Recreation, Roads, Hospitality). All committee members shall be Members.
- Committee Chair: The Chair of a committee is appointed by the Board at the first Board meeting following the Annual Meeting. The term of office has traditionally been a three-year period but, consistent with the By-Laws, could be for any length of time. The Committee Chairs report on their committee activities at the Board meetings, but, unless the Chair is also a Director, he/she cannot vote on Board matters.
- Chair of Budget & Finance, Architecture, Landscape, and Nominating Committees: The Chairs of these four committees must be Directors per the CC&Rs and the Bylaws. The Chair of Budget & Finance is the Treasurer.
- Member of the Board: This is a nebulous term and not defined in the Bylaws. Technically, the Members of the Board are the seven Directors.

### **Role of the Nominating Committee**

The Nominating Committee is responsible for selection of candidates for the Board of Directors. The committee consists of a Chair, who is a Director (but not the President), and two or more Members who are not members of the Board.

The Nominating Committee selects candidates to serve as Directors and not for specific Officer or Chair positions.

The position a Director holds on the Board is decided by the Board.

The election to the Board of Directors is by a secret written ballot conducted at the Annual Meeting.

### **Additional Comments/Discussion**

A suggestion was made that we add to the 7/17/20 Explanation document a description of what happens when a Director resigns mid-term.

### **Publications: Alan Frankle**

Newsletter was posted on time with great photos of owls. Please have October newsletter items in by September 20<sup>th</sup>. If anyone has ideas of new advertisers, please have them contact me. Yearly billings will go out the end of October.

### **Recreation: Jay Flaherty**

#### Pools and Spas

As you all are aware we have been following the State and County guidelines regarding pool and spa safety during the pandemic. There is no end in sight to the restrictions in place and that are posted at the entry gates. Pool and spa users have for the most part been very cooperative in following the restrictions. EKonomy has been servicing the pools and spas 5 days per week since May and we will continue with that level of service through the end of the year. There have been some major equipment failures this Summer (Salt system at East Pool and West Spa pump). Replacing/upgrading the salt system at the East pool is under review. Most likely the system will be upgraded to a commercial pool capacity this Fall. The East pool may need to be re plastered and retiled. The reserve study has a pebble tech surface and tile replacement scheduled for 2020.

#### Tennis/Pickle Ball Court

The lights were repaired, replaced or cleaned this Summer and the court is getting increased night play. The court surface which was replaced in 2017 is beginning to show some cracks and surface wear due to heavy play and the remnants of the vandalism that took place in December 2018. Elite Sports will be inspecting the court this week to evaluate options. Court surfaces that receive heavy use are usually repaired and repainted every 3-5 years. I would like to stay ahead of the natural court deterioration with a regularly scheduled maintenance plan. More to come after meeting with Elite. Also, the windscreen replacement is on the to do list for late Fall/Winter.

### Clubhouse

The SMR clubhouse remains closed. No decision has been made on a possible reopening date.

### Trash Collection

Would like to have a discussion on trash collection and trash cans that we have a plethora of at SMR. I would like to reduce the number of trash collection locations to simplify weekly trash duty for our volunteers and reduce the waste we incur with trash bags.

### Facility Maintenance

Non urgent facility maintenance (primarily painting and west pool deck recoating) has been postponed during the pandemic to minimize the number of contractors/workers coming in and out of SMR and being at our facilities.

### Additional Comments/Discussion

With regard to the upcoming expenses to do with the Tennis/Pickleball court surface repairs, the Board agreed with Jay during the meeting that it was needed and necessary and there was agreement to go ahead with this expenditure per emails received by all the voting board members in unison. It will be paid for from the Reserve account.

### **Roads:** John Mitchell

In early June, the road preservative HA5 was applied by Holbrooke Co to roads that were repaved in the last two years. The roads treated were lower Carrillo from the Tanuri intersection to the end of the mailbox island, Sendero, Chico, Paseo Penoso, Pico del Monte, and upper Colorada. The Roads Committee will be assessing the performance of the HA5 coating on these roads to see how well it holds up over the coming summer and winter. If we are satisfied that this coating performs better than the other traditional coatings we have used, we plan to treat the remaining SMR roads with the product. The company, Holbrook Asphalt, recommends applying HA5 on a seven year cycle. If we follow their proposed schedule, we expect to extend the life of our roads significantly, with a positive effect on our Reserve expenditures.

There are three major projects that the Roads committee plans to undertake in 2021:

1. The application of HA5 to Trocha Alegre, Arroyo Vacio, Plaza de Toros, Loma del Bribon, and Camino Ferreo.
2. The application of slurry seal to the section of Bribon from the clubhouse to the dumpster (trash chute). This is the same material that is used on the sidewalk on the side of lower Colorada.
3. The repaving of Via Bronzino.

With the completion of the Bronzino project, all of the original SMR roads will have been repaved. We anticipate that none of the SMR roads will need repaving until 2050 at the earliest.

**Volunteer Liaison:** Allen Hile  
Nothing to report this month.

**Old Business:**

**New Business:**

**Member Comments:**

Motion was made and seconded to adjourn the meeting. Motion passed unanimously. Meeting adjourned at 10:29 am.

Next regular meeting of the SMR HOA Board will be held on October 8, 2020 at 9:00am via Zoom videoconference.

Respectfully Submitted,

**Secretary,** Barbara Carbajal Barbara Anne Carbajal Date 10/8/2020

**President,** Jim Warner Jim Warner Date 10/8/2020