

SAN IGNACIO HEIGHTS HOA  
Board of Directors Meeting  
March 20, 2008  
3:30 p.m.

Minutes

1. Members present: Bill McGovern, Jane Bryant, Marilyn McClellan, Jan Paulsen. Director Emeritus: Frank Smith. Visitors: Bob Blair, Tom Kane, Chuck McAninch, Jim and Julie Horton.
2. Call to Order: After declaring that a quorum was present, the meeting was called to order at 3:30 p.m.
3. Minutes: On a motion by Jane, seconded by Marilyn, the Special Board Minutes of March 4, 2008 were approved.
4. Residents' Time: Chuck McAninch inquired about the presence of Waste Management trucks within SIH HOA. Bill replied that as far as he knew none of their trucks were seen this week.
5. President's Report: Bill distributed copies of the Determination Letter from the IRS dated Feb. 28, 2008 informing our Association that we are exempt from Federal income tax under section 501(c)(4) of the Internal Revenue Code. Bill explained that the effective date of exemption is retroactive to August 23, 1989. Jan has made a copy of the entire document and has it on file.

Bill sent a letter to Waste Management telling that company that their heavy trucks are not allowed on SIH streets. Jan asked questions about the decision to send the letter to the Waste Management Company in Houston, Texas and about the content of the letter itself.

He reported on the changes in our insurance policy issued by the Skip Francisco State Farm Insurance office in Green Valley and asked Jan if she had received the bill for this. She replied that the policy has not been received and that the bill will follow.

He then discussed the letter of March 10, 2008 signed by Myron Thiel and Frank Smith which identified lots for which the HOA should not be responsible for the landscape maintenance behind the fence lines because lot lines extend past the fence lines. (See attached letter.)

He reported that the GVCCC workshop held on March 10 for HOA officers presented useful information including a newsletter called "Answers" from Mulcahy Law Firm, P.C. The newsletter warned Board members about the use of E-mail for the purpose of carrying on Association business. It was the consensus of members present that the Board of Directors is not in violation of any portion of Arizona law.

6. Vice-president's Report: Jane felt that the workshop held by GVCCC was helpful, but that certain things should have been done including introduction of attendees to encourage interaction and discussion of mutual problems.
7. Treasurer's Report: Jan announced that dues have been paid by all homeowners for this year.

In her monthly Financial Statement Jan listed expenses submitted for erosion control work on Desert Jewel Loop and said she will keep track of all expenses for the work done.

She explained her concerns about GOLF not maintaining their share of DJL maintenance and expenses on the west median and north shoulder. She reviewed the history of agreements between GOLF and SIH HOA through the years and of GOLF's poor payment schedule for bills submitted by us.

She reported that the history of Lot #6 would be in the April Newsletter.

Marilyn gave Jan copies of forms to use to change the name and address of the regulatory agent for our Association when filing the annual report with the Arizona Corporation Commission.

8. Secretary's Report: Marilyn reported that the GVCCC workshop for HOA officers gave a good presentation for secretaries.

She asked if Bob Blair and John Purdhoie were approved as co-chairs of the Audit Committee since their names were not brought to the Board by Bill McGovern who is no longer Audit Committee chair. Consensus of Board members present approved their being named as co-chairs.

9. Committee Reports:

- a. Architectural: On behalf of committee chair Bud Gregory, who was unable to attend due to surgery, Marilyn presented the Architectural Improvement Request submitted by James and Julie Horton, owners of Lot #134 at 4223 S. Westcotta Court. After discussion Marilyn moved and Jan seconded a motion that the Board approve the Architectural Improvement Form submitted by James and Julie Horton. Motion passed.
- b. Common Ground Maintenance/Residential Landscaping: Chuck McAninch discussed two complaints submitted to the committee. One complaint from Doug and Marcia Jurgens of Lot #159 at 1670 W. Mariquita, was taken care of prior to its being submitted to the Board. Marilyn moved and Jan seconded a motion to accept the recommendation of the committee to act on the complaint to remove a dead tree. Motion passed.

Ed Russell, owner of Lot #24 located at 1611 Acala, submitted a complaint re: a tree blocking his view, however, the committee determined that his is not a view lot and recommended that the Board deny his complaint. Jane moved and Jan seconded a motion that we approve the committee's recommendation that the complaint be denied. Motion passed.

- c. Audit: Bob Blair, co-chair of the committee explained the report dated March 20, 2008 which listed certain deficiencies found during the audit process. These concerned the need for copies of cancelled checks; need for co-signatures on checks of \$1,000.00 or more; unauthorized payments by the Board; and Ramada funds. Jane moved and Marilyn seconded a motion to make arrangements with Chase Bank to obtain photocopies of cancelled checks. Motion passed.

No agreement was reached on the other items within the Audit Report. Marilyn stressed the fact that the Board has no policy statements regarding the other items. Also there are no restrictions within the By-Laws of the Association that fit the alleged deficiencies. Bill asked Marilyn to report at a later date how policy statements are proposed to and voted on by the Board.

There was disagreement about funds held by the Ramada Scheduler. Jan, Jane and Marilyn explained the history of the money donated for the purpose of providing supplies at Ramada Coffee Klatches and of money earned from a minimal charge for rent of the Ramada to Association members. Marilyn explained that on the form used to file with the IRS, there could only be an amount actually earned from rents. Otherwise the other money held should not be reported because they are donations, not business fees. Due to the disagreement about funds held by the Ramada Scheduler, Bill stated that he would not file the required SIH 2007 tax returns.

10. Unfinished Business:

- a. List of Scheduled Events for 2009: Marilyn received from Lou English the list of events scheduled at the Canoa Hills Recreation Center for 2009. She noted that these events are posted on the bulletin board at the Ramada.
- b. Annual Meeting Minutes: These will be distributed in January 2009 in the packet of materials mailed to the membership prior to the Annual Membership meeting scheduled for February 2009.
- c. April Newsletter: Marilyn asked for and received approval of the April 2008 Newsletter.

11. Adjournment: The meeting was adjourned at 5:35 p.m.

12. Next meeting: April 17, 2008 at 3:00 p.m. at the Ramada.

Minutes submitted by:

Marilyn McClellan  
Secretary  
SIH HOA Board of Directors