

SMTOA BORD MINUTES JULY 17 2007 UNIT 207 SUN MESA TOWNHOMES

A. CALL TO ORDER: President Pierce called the meeting to order at 1530. Board members present; Pierce, Book, Browne, Frier, Abeyta. Board members absent; Roche, Skora. Kerry Cantrell, Z&R Management also present.

B. APPROVAL OF THE MINUTES. Pierce presented the Board Minutes for May 15, 2007 as written to the Board, asked for any corrections. There being none, Book moved, Abeyta seconded that the Minutes of May 15, 2007 be approved. Unanimous approval was given by the Board.

C. MANGER'S REPORT.

1. Cantrell reported that the delinquent account for unit 12 has been paid in full. He also noted that the account for Unit 32 has had two payments, but still remains in arrears.

2. Pierce asked Cantrell to make sure that all entries on the SMTOA Web Site are both up to date and accurate. Several Board members pointed out instances which needed correction. Cantrell will review the Site for items noted and other updates necessary to make the web site accurate.

3. Several Board members did not receive their Notes prior to this meeting. Cantrell noted that in the future, all Board members will get the Z&R prepared Board of Directors Notes approximately a week before the next Board meeting.

4. Cantrell will email to each Board member the revised Policies and Procedures of SMTOA Rules and Regulations affected by required compliance with SB 89 so that the Board can determine how to provide these documents to the homeowners for their review and comment.

5. Cantrell reported that a bid for the next painting cycle to start in 2008 had been received. Book asked when the painting cycle had been changed from five to four years. According to appropriate documents regarding the painting cycle, the next one is to start in 2009. Cantrell was asked to reject the bid for 2008, and request a bid for 2009 at the appropriate date. Further discussion concerning painting the window wells ensued. The Board agreed that the next window well painting event should occur when the appearance of the window wells indicates painting is needed.

D. OFFICER'S REPORTS

1. President's Report: a. The watering cycle was discussed. There was a conflict of instructions from Donala concerning which days and at what times the watering process should occur. After discussion, Pierce instructed Cantrell to have ULS water on Tuesday, Thursday and Saturday from midnight until 0900 and from 1800 to midnight of each of those days.

b. Pierce introduced the efforts to reduce the watering area so as to achieve a 25% reduction of total area to gain the benefit of a rate reduction. This reduction has not yet been reached by the Committee, so the Board returned all ideas back to the Committee for their action. Pierce noted he will publicize the problem in detail in the monthly news letters so that owners will be apprised of the progress, need and concepts under consideration. The Board will provide some recommendations in the near future.

c. Pierce discussed possible cement replacement for the year. He provided a list of units and related areas which may need cement replacement, asking each Board member to inspect those areas and provide a recommendation to him by email no later than 7 days from today concerning what if anything should be done.

d. Pierce noted that Dyster had given the Board a list of units which had holes in the stucco. After discussion, the Board decided to solicit Ove's and Ander's help in obtaining repair kits or whatever is necessary to repair those holes. Volunteers will be sought from members to accomplish the repairs as a cost saving effort.

e. Pierce reported that a request to replace decking had been received. The owner had been instructed to submit the request to the ACC. Browne noted that since these parts of the units are Limited Common Areas, then the owners are responsible for replacing the decks as they desired, but that the ACC should be notified of any intention to accomplish any deck

replacement so that some sort of uniformity will be maintained throughout the Association.

f. Pierce asked that in the process of Board members inspecting the noted sites for cement repair, that they also inspect the northeast stucco fence to establish a position on whether that fence needed any kind of repair.

2. Vice President's Report. None

3. Treasurer's Report. a. Book reported that the cumulative expenditures for the first half of 2007 show that we have a net year-to-date income of just over \$13,000. However, we have paid only 5% of the budgeted water expense (\$18,000) and only 35% of the expected insurance premiums (\$25,000).

b. Our long-term reserves with Dain Rauscher are \$180,000 with an expected annual income of about \$9,000.

c. Book noted that despite the Board's intention and instructions to defer paying any income taxes, Z&R had paid \$443 taxes in May. He asked Cantrell to determine why this payment had been made contrary to the Board's instructions.

d. Trash removal expenditures have increased because the Company has added a monthly fuel charge. A continuation of this charge, which is likely, will put the trash removal budget in debt since that fee had not been considered when establishing the amount to be allocated for trash removal.

4. Secretary's Report. None

E. COMMITTEE REPORTS. 1. ACC Committee: None.

2. Social committee: None.

3. Maintenance Committee: None.

F. OLD BUSINESS. There was no report from Cantrell on the request to reschedule the SMTOA fiscal year to the term of the Board.

G. NEW BUSINESS. Book reported that he, Frier, Roche and Abeyta had attended the NEPCO meeting last Saturday. He provided each Board member a copy of the notes from the conference.

H. ADJOURNMENT. Pierce asked the Board meet on September 18, 1530 at Unit 207. He then adjourned the meeting.

Respectfully submitted,

Roger Browne II
SMTOA Secretary