

2024 Annual President's Report

Don Julien, President

February 15, 2024

This has been a year of ups and downs, but we've seen a number of projects and policies that we've been working on for a couple of years come to fruition.

Roads

The biggest project of the last couple of years has been an evaluation of our roads. After a couple of studies, hearings, and surveys, we conducted a special assessment election in April to raise funds for major roadwork. Of 133 returned ballots, 51 voted for & 82 voted against; so the measure failed.

The Roads Committee has been considering where we go from here. Meanwhile, they recommended that we tap current Reserve Funds to crackfill the roads in the HOA & do some limited fogseal to preserve the roads for future action. That work was completed in December, at a cost of \$40,000.

Capital Reserve Study

In September, John Plantz raised the question as to whether we should have a Capital Reserve Study conducted. Such a study would review the state of our common areas, including roads, landscaping & the Ramada, an analysis of available funding and a projection of what reserves will be necessary at various points in the future to cover major capital projects. After checking in with other HOA's, Reserve Studies are a useful planning tool that should be conducted about every five years and updated every year in order to keep the HOA on track for accumulating reserves for infrastructure projects. The last study prepared for San Ignacio Heights was conducted in 2003 and does not appear to have been updated. So although funds have regularly gone into Reserves, the transferred funds have not kept up with the reality of our capital needs.

In November, we received some bids and approved a contract for a reserve study by Capital Reserve Analysts; the results are expected this month. The Board will review the Study & make it available to homeowners. While the Study will not magically solve our funding problems, it will give us a reality check and give this and future boards a prod to stay focused on building the Reserve Fund.

Compliance Committee

In April, I met with our HOA lawyer to discuss a review of our Bylaws & CC&R's. That review has not been completed. Meanwhile, we've been discussing our duty to enforce the CC&R's, which has been delayed or confounded by Covid and the Arizona Supreme Court decision in Kalway vs Calabria Ranch court case.

When we reviewed our Rules and Regulations, we realized we had a couple of issues that needed to be resolved. First, the Rules & Regulations were either lacking in detail as to how to enforce or were out of sync with state law. Specifically, we wanted to create a Compliance Committee and give it the tools to inspect and seek compliance.

Second, there were a number of areas where the Rules & Regulations did not agree with the CC&R's. These conflicts needed to be clarified for the Committee, the Board & Homeowners.

We completed that review and adopted revised Rules & Regulations in December. Initially, we had intended the Compliance Committee to begin their work January 1, but the delay in adoption suggested we delay until after the Annual Members Meeting. The proposed revisions were distributed by email to Members,

posted on the website & input taken at the November & December Board meetings before approval. The approved revision is on our website.

Finances

The Investment Committee is in full swing. We currently have \$252,000 in CD's, earning 4.5 or 5%. This includes both reserves & operating funds that won't be needed until later in the year. Thank you to Chuck Willie and Dan Carlson for their input on this committee.

Our Secretary/Treasury, Denny Skelton submitted his resignation in November pending the sale of his house and a move back to Iowa. He continued to handle Treasurer duties during the ups and downs of home sale & purchase, and he planned to be here for the Annual Meeting, leaving for Iowa the next day; unfortunately, a family emergency dictated an earlier departure. We give him great thanks & good wishes. He and Gin plan to continue coming to Green Valley as seasonal renters. James Trobec has agreed to take on Treasurer duties, with some realignment of responsibilities.

Common Areas

John Plantz could not be here today, but he's submitted a written report. I'd like to mention a couple of things he didn't cover.

For a couple of years, we've been postponing the adoption of policies and guidelines for maintaining the common area landscaping, whether by homeowners, our maintenance contractor or HOA volunteers. We finally grappled with the task and approved an overall Common Area Landscaping Criteria, Guidelines for the maintenance crews, Guidelines for Homeowners wishing to do work in the Common Area, a revised Common Area Maintenance Request Form & a Volunteer Waiver form. Most of these are posted on our website.

A number of repairs have been completed in the Common Areas, including sealing cracks in the drainage causeway behind the houses on Constancia (Thank you, Chuck Willie), repairing the wall at the end of Mariquita, and removing some trees that were damaging homeowner's walls. There is still some painting to be done on the wall at the end of Mariquita, walls in the guest parking on Campina, and possibly Wescotta.

The Ramada had a number of major repairs this year. We had some roof leaks and swamping from water runoff coming in the north door. We recovered the roof, installed gutters on the North side, and installed a larger capacity drain trench in the north side sidewalk.

Member Communication:

In 2022, we expanded member communications to include Monthly Board Meeting Agendas & posting minutes on our website. This year, at the request of a member, the Treasurer has also been emailing the monthly financial reports to members.

We have also been mindful of emailing & posting Policy statements that are under consideration by the Board.

Diane Plantz took on the task of compiling a newsletter, initially twice a year, hopefully more often in the future. Two issues have been emailed to homeowners, last March and September.

Appreciation:

I want to offer special thanks to:

- Sandy Ott for taking on the responsibilities of Block Captain Captain,
- The Block Captains and residents that have hosted our Saturday Coffee or Happy Hours,

- Martha Gamez, who has served as our Recorder at Board meetings for the past year,
- Caroline Reilly, who served two years on the Board but took on a number of tasks with grace and efficiency, and
- Denny & Gin Skelton, the dynamic duo, whether weeding and trimming on Desert Jewel, sending out e-mail blasts, or restructuring the Treasurer & Secretary duties.

I also want to thank the Committee Chairs and Committee members that keep this HOA going. I've touched on a number of things that we or they have accomplished this year. You'll hear more in their reports. But I wanted to offer my own grateful thanks for the often-challenging work you do.

Finally, while we can always use volunteers for our various committees, I would like to add to the requests, a call for some volunteers for Board needs, specifically:

1) We need a Recorder to take minutes at the Board Meetings, and

2) We have a one-year Board term to fill; this is Caroline Reilly's position, who, although resigning because of time constraints, has agreed to continue as Compliance Committee Chair. This Board position will probably serve as Board liaison to the Committee.

If you have interest in either of these positions, please see me after the meeting.