

FINAL MINUTES
LAS TORRES HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
Thursday, November 14, 2019 10:00 am
Carefree Fire Hall Community Room

ATTENDANCE

Board of Directors:

President - Leigh Tollefson

Vice President - Michael Moore

Treasurer - Debbie Robertson

Member at Large/Oversight - Sunny Wong (via cell phone)

Homeowners present:

Bob Tollefson 106

Tom Desmarais 303

Kris Strike 603

Nan Boyer-Searle 202

Pam Dixon 401

- I. Call to Order at 10:00 am by the president
- II. Homeowners Forum
Pam inquired about the garbage and recycling pick up days - garbage is picked up on Thursdays and recycling picked up on Wednesdays.
- III. Approval of Minutes from August 19, 2019 BOD Meeting. **Motion was made by Michael Moore and seconded by Sunny Wong to approve the Minutes, motion passed unanimously.** Final Minutes will be posted to the website.
- IV. Treasurer's Report. Attached to these Minutes. Unanimously accepted by the Board.
Landscape Committee Report. Michael Moore, Chair. Report attached to these Minutes. Unanimously accepted by the Board.
Maintenance Committee Report. Bob Tollefson, Chair. Report attached to these Minutes. Unanimously accepted by the Board.
Rodent Trap Report. Michael Moore. Report attached to these Minutes. Unanimously accepted by the Board.
- V. Unfinished Business
 - A. Sport Court/Repair and update of bocce ball court - bids/estimates. Bob Tollefson and Debbie Robertson will call for estimates for repair of the pickle ball court and redo to regulation standards the bocce ball court.
- VI. New Business
 - A. Doorbell Cameras. Survey attached. **A motion was made by Sunny Wong to repeal the previous Board of Director's decision on doorbell security cameras dated May 8, 2018 that added doorbell security cameras to the February 16,**

2017 vote prohibiting exterior mounted security surveillance cameras, with special emphasis that exterior mounted security surveillance cameras remain prohibited, and that only one (1) doorbell security camera be approved for installation at the front door of a unit by the Homeowner, provided a request is made using the Architectural Request Form and subject to Board approval, seconded by Michael Moore passed unanimously.

- B. Call for Landscape Committee volunteers. A notice will go out in December to our Homeowners seeking volunteers who would like to help with the landscaping and grounds of the Association.
- C. Kris Strike requested agenda item: recommending a committee of owners willing to put together a more clear description of the Board's powers. After some discussion, **a motion was made by Sunny Wong to deny Kris Strike's request to form a committee to "put together a more clear description of the Board's powers" by reasoning that the powers and authority of the Board of Directors are already clearly stated in the Las Torres HOA CC&Rs and Bylaws and which can only be revised by no less than two-thirds (2/3) of the eligible voting power of members, seconded by Michael Moore passed unanimously.**
- D. 2020 Budget Round Table Discussion. 2020 Draft Budget attached.
 - 1. 2020 Budget Committee Minutes, attached. Unanimously accepted by the Board.
 - 2. Draft 2020 Budget and Discussion. The budget based on continuing self management and an informational budget including the costs for a management company and an audit were done to compare the costs of each.
 - a. Motion to approve Tree Doctors' 2020 contract (trimming and root feed). **Motion was made by Michael Moore to approve the Tree Doctors, Inc. estimate for tree trimming and root feed for \$3,678.60, seconded by Sunny Wong passed unanimously.**
 - b. Approved contracts/services for 2020 (little to no change in charges and continued good service): Sexton Pest Control, Arizona Termite Specialists (one year warranty), Republic Trash and Recycling, Lawns by Les, Desert Sparkle.
 - c. Roof maintenance - Our tile roof warranties end December 1, 2019. Rather than buy expensive warranties that do not provide adequate coverage, we were advised to set that money aside for any repairs. \$4,000 has been budgeted for roof repairs and placed in the Operation Reserve Account.

- E. **Motion to present 2020 Budget for ratification by the Homeowners as adopted by the Board made by Michael Moore, seconded by Sunny Wong and passed unanimously.**

Budget Ratification Meeting scheduled for Monday, December 16, 2019, place and time to be determined. Ballots and draft budget will be mailed on or about November 25, 2019, to be returned by U.S. mail by Saturday, December 14, 2019 or ballot can be hand delivered at the meeting; only the voting member's ballot will be accepted. Please do not ask another Homeowner to deliver your ballot.

VII. Adjournment Michael Moore made the motion to adjourn the meeting, seconded by Sunny Wong and unanimously agreed. Meeting adjourned at 11:28 am.

Respectfully submitted,

Michael Moore Sunny Wong

Michael Moore, Vice President and Sunny Wong, Member at Large/Oversight acting in the role of Secretary



BOARD OF DIRECTORS MEETING 2020 DRAFT BUDGET ROUND TABLE MEETING AGENDA

November 14, 2019, 10:00 am
Carefree Fire Department Community Room

I. Call to Order

NOTE: This is a LTHOA Board of Directors meeting. LTHOA Owners may participate only during Housekeeping, Homeowners Forum, Unfinished and New Business portions of today's meeting after being recognized by the presiding Director. Owners can comment on and ask questions about agenda items after the Board has discussed the item, but before the Board takes formal action on that item. We are a small group but Parliamentary Procedures still apply unless suspended by the presiding Director.

II. Homeowners Forum

III. Approval of Minutes from August 19, 2019 BOD Meeting

IV. Reports

- A. Treasurer's Report (Debbie)
- B. Landscape Committee Report (Michael/Leigh)
- C. Maintenance Committee Report (Bob)
- D. Rodent Trap Report (Michael)

V. Unfinished Business

- A. Sport Court/Repair and update of bocce ball court - bids/estimate (Bob Tollefson)

VI. New Business

- A. Doorbell Cameras (Sunny)
- B. Call for Landscape Committee volunteers, Michael Moore, Chair
- C. Kris Strike requested agenda item: recommending a committee of owners willing to put together a more clear description of the Board's powers.
- D. 2020 Budget Round Table Discussion (Debbie)

1. 2020 Budget Committee Minutes
 2. Draft 2020 Budget and Discussion
 - a. Excess 2019 money
 - b. Motion to approve Tree Drs. 2020 contract (trimming, root feed, olive tree spraying)
 - c. Approved contracts/services for 2020
 - Sexton Pest Control
 - Arizona Termite Specialists (one year warranty)
 - Republic Trash and Recycling (purchased Curbside in 2019)
 - Lawns by Les
 - Desert Sparkle
 - d. Roof maintenance - tile roof warranty ends Dec 2019
- E. Motion to present draft 2020 Budget to Homeowners for ratification
1. Additional questions to Homeowners on the ballot?
 - Return to a management company/Continue self management?
 - Get an audit/Ask Sunny to review the books in his professional capacity/None needed

VII. Adjournment

Per Arizona State Statute 33-1248 (AZ Condo Act) All meetings of the Association and Board of Director Meetings are open to all members of the Association or to any person designated in writing by a member to appear as the member's representative for that meeting.



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LAS TORRES HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
Thursday, November 14, 2019 10:00 am
Carefree Fire Department Community Room

SIGN IN SHEET 1 of 2

Unit Number and Name	Signature
101 Luciani	
102 Sternthal	
103 Wong	
104 Verhelst	
105 Lonnstrom	
106 Tollefson	<i>B. Tollefson</i>
201 Swete	
202 Searle	<i>Tom Boyer-Searle</i>
203 Salinas-Hayes	
204 Vaughn	
301 Robertson	<i>Deborah Robertson</i>
302 Kaffer	
303 Desmarais	<i>Tom Desmarais</i>

LAS TORRES HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
Thursday, November 14, 2019 10:00 am
Carefree Fire Department Community Room

SIGN IN SHEET 2 of 2

401 Dixon	<i>Pat Dixon</i>
402 Storla	
403 Daley	
501 Hine	
502 McFadden	
503 Griffiths	
504 Moore	<i>Michael Moore</i>
505 Ray	
601 Archibald	
602 Cresta/Barry	
603 Strike	<i>Kris Strike</i>
604 Simons	

LAS TORRES HOMEOWNERS ASSOCIATION
BUDGET COMMITTEE MEETING
October 9, 2019, Unit 301

Committee present: Debbie Robertson, Michael Moore, Leslie Hine and Pam Dixon

- I. Meeting began 6:00 pm.
- II. Proposed Budget draft presented to members.
- III. Budget was reviewed.

Explanations from the Treasurer Debbie Robertson presented and discussion and input from committee members taken and will result in line item and presentation changes to the budget.

Committee requested a 2nd draft budget to be created that would include all costs if not self-managed and to include the cost of an audit. Request for additional reports noted and will be provided to committee.

- IV. Request from homeowner not in attendance to address the possibility of an assessment reduction. All committee members were in agreement that they did not favor a reduction this year.
- V. Request by a few homeowners not in attendance to consider a financial audit. Debbie informed committee the cost would be approximately \$5,000. She also presented the offer by Sunny Wong (auditor for Washington state) to do an audit at no charge. Committee not opposed but wanted to see cost in budget.

Meeting concluded at 7:30 pm.

Submitted by:
Debbie Robertson
Treasurer
Las Torres HOA

**LAS TORRES HOMEOWNERS ASSOCIATION
Treasurer Report
11.14.19 Board Meeting**

Balances: as of 10.31.2019

NBAZ Checking	\$9,483
NBAZ Ops Reserve	\$13,775
NBAZ R&R Reserve	\$146,037
Total	\$169,295

Past Due Assessments:	\$80
Prepaid Assessments:	\$1,032

YTD Expenses (less Reserve contributions)	\$61,380
October Income(Loss)	\$978
2019 YTD Income(Loss):	\$4,375

YTD Reserve Expenses/Contributions	
R&R Reserve Contribution	\$13,000
Ops Reserve Contribution	\$4,000
Reserve Expenditures	
Ops Reserve	\$7,000 Trash Enclosure
RR Reserve	\$1,940 Trash Enclosure
	\$3,370 Spa Work
	\$1,470 Firepit
	\$7,265 Flat roof replacement

Budget Committee Meeting
Meeting was held October 9, 2019
Committee: Pam Dixon, Michael Moore, Leslie Hine
Minutes of meeting attached.

Website:
Continuing to add documents to the website
2017 and 2018 Financials are available
2019 thru August or uploaded. Will be adding current and beginning with September
financials will include General Ledger and bank statements.
Governing documents and forms are available.
16 homeowners have signed up on the website
Plan is to continue to add historical documents

**Submitted by: Debbie Robertson
Treasurer**

2:20 PM
 11/02/19
 Accrual Basis

Las Torres Homeowners Association
Balance Sheet
 As of October 31, 2019

	Oct 31, 19
ASSETS	
Current Assets	
Checking/Savings	
NBAZ-Checking	9,483.06
NBAZ-Ops Reserve	13,774.73
NBAZ-R&R Reserve	146,037.83
Total Checking/Savings	169,295.62
Accounts Receivable	
Accts Receivable - Assessments	-249.00
Total Accounts Receivable	-249.00
Other Current Assets	
Utility Deposit	1,980.00
Total Other Current Assets	1,980.00
Total Current Assets	171,026.62
TOTAL ASSETS	171,026.62
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	237.00
Total Accounts Payable	237.00
Other Current Liabilities	
Prepaid Assessments	1,032.00
Total Other Current Liabilities	1,032.00
Total Current Liabilities	1,269.00
Total Liabilities	1,269.00
Equity	
Opening Balance Equity	9,825.59
Reserves	
Operating Reserve	
Ops Reserve Fund Contribution	20,774.73
Ops Reserve Fund Expense	-7,000.00
Total Operating Reserve	13,774.73
Repair and Replace Reserve	
R & R Reserve Fund Contribut...	163,285.26
R & R Reserve Fund Expense	-17,247.43
Total Repair and Replace Reserve	146,037.83
Total Reserves	159,812.56
Retained Earnings	-4,255.34
Net Income	4,374.81
Total Equity	169,757.62
TOTAL LIABILITIES & EQUITY	171,026.62

4:18 PM
 11/12/19
 Accrual Basis

Las Torres Homeowners Association
Income and Expense Report
 January through October 2019

	Jan - Oct 19
Ordinary Income/Expense	
Income	
HQA Assessment	65,250.00
R&R Contribution Assessment	13,000.00
Ops Rsv Contribution Assessment	4,000.00
Late Fees	15.00
Other Fees	360.00
Interest	129.21
Total Income	82,754.21
Gross Profit	82,754.21
Expense	
Uncategorized	0.00
Reserve Account Contributions	
Ops Reserve (move to resv acct)	4,000.00
R&R Reserve (move to resv acct)	13,000.00
Total Reserve Account Contributi...	17,000.00
Administrative	
Misc	135.76
Website	407.85
Accounting Services	1,100.00
Legal Services	2,693.00
Insurance	5,167.00
Office	
Bank Charges	-53.80
PO Box Rental	228.00
Postage	77.31
Office - Other	418.04
Total Office	669.55
Permits/Licenses/Fees	505.00
Taxes	56.08
Administrative - Other	171.87
Total Administrative	10,906.11
Landscape	
Landscape Service	18,000.00
Landscape Improvements	2,096.17
Landscape Maintenance	35.79
Tree Maintenance	5,205.40
Irrigation	1,025.54
Total Landscape	26,362.90
Maintenance	
Maintenance/Repair General	653.92
Pest/Termite	
Termite Treatment/Warranty	2,225.00
Rodent/Pest Control	1,697.00
Total Pest/Termite	3,922.00
Roof Maintenance	306.00
Total Maintenance	4,881.92
Pool	
Pool Service	2,645.00
Pool Maintenance/Supplies	1,186.38
Total Pool	3,831.38

4:18 PM
11/12/19
Accrual Basis

Las Torres Homeowners Association
Income and Expense Report
January through October 2019

	<u>Jan - Oct 19</u>
Utilities	
Electric	4,020.87
Gas	1,361.70
Trash Disposal	2,920.00
Water	
Hum	1,355.10
Pool	1,997.64
Sundance	3,741.78
Total Water	<u>7,094.52</u>
Total Utilities	<u>15,397.09</u>
Total Expense	<u>78,379.40</u>
Net Ordinary Income	<u>4,374.81</u>
Net Income	<u><u>4,374.81</u></u>

LAS TORRES HOMEOWNERS ASSOCIATION
LANDSCAPE REPORT
November 14, 2019

In August and September we requested assistance from Lawns by Les on a few repairs to irrigation leaks.

During the winter upcoming months, the Maintenance team will continue to repair irrigation leaks. Everyone is welcome to join the team to help.

We've had many compliments on our grounds; we've also had some concerns and complaints which initiated a meeting with our landscape company--Lawns by Les.

Walk around with Les of Lawns by Les, Wednesday, Nov. 13, 2019
(assessment of grounds and need for plants and gravel):

Debbie and Leigh met with Les and walked the Association property to discuss the landscaping crew's weekly responsibilities at Las Torres; plans for plant removal and replacement and gravel needs.

- Las Torres is divided into three sections--one section done each week
- The crew is here for 1-1/2 - 2 hours each week depending on the amount of work that needs to be done.
- Las Torres is a desert landscape. As such, it does not need to be pristinely manicured and raked.
- The crew will be instructed to remove dead leaf and debris accumulated under plants and will rake bald spots and sidewalks after blowing.
- The crew will be informed they can enter all gated areas including closed gates to blow them out.
- The crew is focused on landscaping and clean up as opposed to gardening (weeding, trimming and grooming).
- If we want to contract for "gardening" services periodically through the year, we have that option.

- We will be removing plants that are in the process of dying due to age and end of life approximately the first week of December.
- we have several pups that are ready to be transplanted to the areas where plants have been removed and in some of the bare areas saving us plant purchasing costs.
- Les will be providing a bid for some additional gravel.
- All landscaping requests must go through the Board.
- Please do not make onsite requests of the crew. You will be politely turned down. Please do not put these people in the uncomfortable situation of having to deny your request.
- If there is a true emergency, they will attend to it.
- If you have pots, you are responsible for their care and upkeep. Be sure to remove any dead, **potted** plants.

On behalf of Las Torres

Michael Moore
Debbie Robertson
Leigh Tollefson

Maintenance Team Report for BOD meeting 11/14/2019

Irrigation Site irrigation leak repairs continue through fall. The Maintenance Team repaired 11 site leaks the week of Nov 10th. Robert Luciani has done a great job of running Oleander drip lines around the Sport Court over the summer.

Gutter Repairs Getting bids for cleaning and repairing our gutter systems is on hold until January.

Sport Court repair estimates will begin in January, focusing on the Bocce Ball Court and the Hum end of the Pickle Ball Court.

Spot Painting by the Maintenance Team will begin in January also.

Reminder to report any light bulbs needing replacement or any other maintenance requests/reports to *LasTorresHOA@outlook.com*.

Bob Tollefson, Maintenance Chairman

Report on Rodent Control

Las Torres HOA

Board Meeting 11/14/19

Prepared by Michael Moore

Questions had been raised about the current use of rodent poison in traps used by Sexton in our HOA grounds, and possible negative impact on other wildlife.

Michael Moore contacted Sexton, and Board members of our 3 neighboring HOAs on what was used in the area and why.

Leslie Hine contacted local environmentally concerned groups to see what if any alternatives they recommended.

SUMMARY

Sexton recommends what is used because the bait sickens the rodent and it retreats to its nest to die. If the rodent dies in the trap and is not removed, it can/will attract predators such as coyotes, javelina, bobcats that are of greater community concern than the rodents.

Entrapment traps that capture the rodent are common among individual households since it is easy for them to check the traps even on a daily basis since the locations are known and usually close. However on HOA grounds as extensive as ours, the cost of daily professional patrol would be very high.

FINDINGS

Vista del Norte does not contract for outside rodent control since its common ground area is quite small. If a rodent problem is noted, individual owners address it or Board members volunteer oversight.

The same practice is used by the Colony where extent of common grounds is quite limited.

Almarte - the newest community - had substantial rodent issues when it opened and it then had a service that used poison traps that got the problem basically eliminated. This HOA also had landscapers clear overgrown common ground to help control the rodent population. Given the extent of the problem, apparently no concern was given to possible impact on the environment.

Environmentally concerned groups did not offer any solutions that they considered significantly safer for the environment and effective for the problem.

On a secondary issue, Sexton noted that some traps had been moved. Since its employees need to check the traps to ensure they remain properly baited. Michael did accompany the Sexton employee in charge of checking traps on his tour to check and add bait if necessary to the traps. All dozen current traps were located and mapped. (Several obsolete traps were discarded from the grounds.)

RECOMMENDATION

Keep our current system in place until a better alternative is identified.

Remind, if necessary, owners not to move the traps so that they can be freshly baited.

Owners can use traps of their preference within their premises if necessary.

Owners should **not** use or put out poison in an attempt to rid their area of rodents.

Putting out seeds for the birds is discouraged as it attracts rodents.

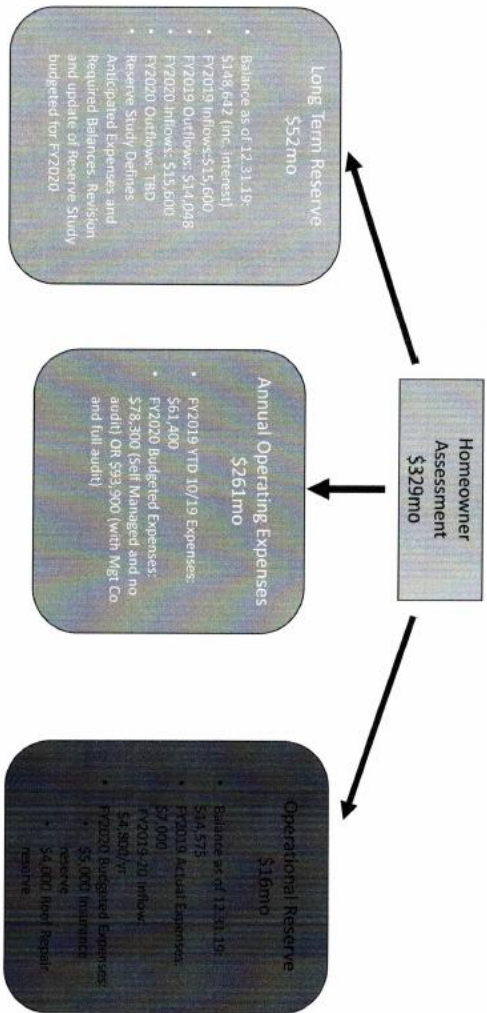
Las Torres HOA FY20 Proposed Budget

Presentation and Discussion

BOD Meeting November 2019

Homeowner Ratification December 2019

LTHOA Account and Money Flow



FY2020 Proposed Budget Highlights

- **Option 1: Self Managed, no full audit**
 - Requires willing resident volunteers to provide bookkeeping, vendor management, website management, landscaping and maintenance. Requires trust, goodwill and support of those willing to volunteer by all residents.
 - Total Operational Expense Budget: \$78,300 PLUS \$20,400 in Reserve Contributions
 - Anticipated spending consistent with FY2019 experience
 - Does not include a full audit
 - Audit Note: Sunny Wong has offered to conduct an audit at no expense to the HOA. His job as a regulator for WA state was to audit and investigate real estate, property management and HOA/COA management companies. His audits entailed making sure they were in balance and look for improprieties.
- **Option 2: Management Company Contract and full audit**
 - Assumes there are no willing and qualified resident volunteers willing to take on tasks of HOA management or majority of homeowners are dissatisfied with self management.
 - Total Operational Expense Budget: \$93,900 PLUS \$20,400 in Reserve Contributions
 - Increased expenses for management company, website management, full audit

LAS TORRES 2020 BUDGET

	2019 Budget		Budget		Optional Budget w/ Mgt Company and Audit	
	Proposed 2020	Notes	Proposed 2020	Notes	Proposed 2020	Notes
Income						
HQA Assessment	78,300		78,300		78,300	
R&R Contribution Assessment	15,600	No increase in assessments	15,600		15,600	
Op Rev Contribution Assessment	4,800		4,800		4,800	
Late Fees	200					
Interest						
Total Income	98,900		98,700		98,700	
Expense						
Reserve Account Contributions						
Op Reserve	4,800	Move above to Op Reserve	4,800		4,800	
R&R Reserve	15,600	Move above to R&R Rev	15,600		15,600	
Total Reserve Account Contributions	20,400		20,400		20,400	
Administrative						
Management Company	0		12,000	Management company @ \$1000/mo.	12,000	
Misc	150		150		150	
Website	900		900		900	
Accounting Services	2,500		1,500	Tax Return/Completion	1,500	
Audit	4,800		3,000	Audit quote from Butler-Hansen account	5,000	
Legal Services	7,200		6,000	Increase 5% over actual	2,000	Reduced \$1,000 with Mgt as they will provide advice
Insurance					6,000	
Office						
Bank Charges			120		120	
PO Box Rental			100		100	
Postage	322		507	Reduced \$400 with Mgt	107	
Office - Other						
Total Office						
Permit/License/Fees	606		506	Shop/food permits	506	
Taxes	53		53		53	
Annual Meeting			200		200	
Landscape						
Landscape Service	22,200		21,600	Contract same rate	21,600	
Landscape Improvements						
Landscape Maintenance	2,000		1,800		1,800	

Tree Maintenance	5,160	4,500	Tree Doctors quote for 2020	4,500	
Irrigation	500	1,200		1,200	
Maintenance					
Maintenance/Repair General	2,500	2,000		2,000	
Sewer Maintenance	600	600		600	
Gutters	2,900	Average Estimate		2,900	
Pest/Termite					
Termite Warranty	2,000	2,000		2,000	
Rodent/Pest Control	1,300	1,500		1,500	
Total Pest/Termite	750	1,000	No longer have warranty	1,000	
Roof Maintenance			Large items owned by Ops Res.		
Pool					
Pool Service	3,900	3,450		3,450	
Pool Maintenance/Supplies	1,800	950		950	
Utilities					
Electric	5,540	5,185	5% increase over est. actual	5,185	
Gas	2,750	2,500	5% increase over est. actual	2,500	
Trash Disposal	3,120	3,120		3,120	
Water					
Hum	2,000	1,800	5% increase over est. actual	1,800	
Pool	2,900	2,600	5% increase over est. actual	2,600	
Sundance	4,100	5,150	5% increase over est. actual	5,150	
Reserve Study Update	0	1,500	Quote from Chromium Kessler	1,500	
Total Expenses	98,900	98,700		114,200	
Net Income (Loss)	0	0		-15,800	This amounts to either \$20/mo per homeowner or reduction in amounts budgeted in other areas