

STAR VALLEY HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES

DATE: August 20, 2009
TIME: 6:30 p.m.
PLACE: Santa Cruz Lutheran Church

ROLL CALL:

Board of Directors Present: Jim Williamson
Jill Chamberlain
Pat Linn
Bernard McHenry

Management Representation: Cindy Borquez, Community Association Manager
Minute Taker: Linda Evans

GUEST: No homeowners outside the Board members were present

HOMEOWNER INPUT:

- Mr. McHenry asked what has the Board done for the community.
- Mr. Williamson responded,
 - There is a website to help keep homeowners informed,
 - Used Surveys to solicit advice and input from the community,
 - Posted important contact information in the newsletter, on the website, and provided the management company phone number on signs around the basin. Provided access to the Neighborhood Coalition information from the SVE website
 - Removed the downed fence at the drain channel
 - Established a Basin Committee that helped determine the need for the Basin.
 - Funded the hydrology study that has reduced the cost and the responsibility of the basin by 2/3rds, while maintaining the same water flow control
 - Established a welcome committee
 - Fund two bi-annual community yard sales
 - Funded Special trash pickups
- This is why it is important for fresh people to be on the Board and committees. This stimulates new ideas that will help improve the community. Perhaps we should have a social event in conjunction with the annual meeting.

CALL TO ORDER:

The meeting was called to order at 6:49 PM by the Association President, Jim Williamson.

QUORUM

A quorum was established to conduct an official meeting.

APPROVAL OF MINUTES

MOTION: To approve the minutes of the July 16, 2009 Board of Directors Meeting, with an approval date of August 16.
Motion was seconded and passed unanimously.

OFFICER REPORTS:

- **President**

This is a list of topics from Mr. Williamson's president report. The full report is attached to these minutes, as Attachment 1. The main points are as follows:

- 2010 Budget
- Weeds violation suspension
- Vacant board position
- Nominating committee
- Retention/Detention basin
- Negotiation with Cesare
- The Basin Committee ongoing need
- Homeowner input
- Email directory
- The legality of Star Valley Estates HOA
- Yard Sale

- **Treasurer**

Ms. Chamberlain summarized a written report which is attached to the minutes, as attachment 2.

MOTION: To accept the Treasurers report. Motion was seconded and passed unanimously.

MANAGER'S REPORT

Mrs. Borquez submitted a written report of which a portion is attached to the minutes (non-personal items), as attachment 3.

COMMITTEE REPORTS:

- **ACC**

There was no report available for this meeting.

- **Welcome**

There was no report available for this meeting.

- **Yard/Garage Sale**

There was no report available for this meeting.

- **Basin**

There was no report available for this meeting.

OLD BUSINESS:

- **Vacant board position:**

The Board is soliciting nominations for the vacant board position. Those individuals interested in filling the vacant position should be aware that all the officer positions have been filled at this time. We are seeking a Director at Large that can dedicate 2.5 hours per month for attending the monthly Board meetings. It also requires reading and responding to emails, at your convenience, for approximately 30 minutes per week. The purpose of the emails is to help expedite the agenda or follow-up items of the Board meetings. All final decisions are made at the Board meeting, except for actions in lieu, which are ratified at the next session of the Board. This position expires March, 2010. The requirements to fill the vacant board position can be found in the Association governing documents

MOTION: to send a post card to all homeowners regarding the vacant board position, with a follow up in the newsletter.

Motion was seconded and passed unanimously.

- **2010 nominating committee and Chairperson:**

The Board is soliciting a chairperson and members to form a nominating committee, as specified in the governing documents. The term of the committee expires March of 2010. The purpose of the nominating committee is to solicit individuals that may be interested in being a Board candidate in the next election. It is the Board's intention to comply with the requirements of our governing documents, so we request that you contact the Board through the website or the management company.

MOTION: to send a post card to all homeowners regarding the 2010 nominating committee and Chairperson, with a follow up in the newsletter.

Motion was seconded and passed unanimously.

- **Rules & Regulations to reflect verification procedure:**

The Secretary is working on the verbiage to be used in the document, and will present it as a motion at this meeting.

MOTION: To amend the Rules & Regulations, changing pages 2(table of contents), page 4, section II, assessment Due Dates, and page 9, Section IX, Collections, as shown in the attached document. The revised pages should be included with an article in the next newsletter, and the new version be posted on the website. Motion number 090820-005

Motion was seconded and passed unanimously. See Attachment 4.

- **Design Guidelines verbiage for waivers versus variances**

The Secretary is working on the verbiage to be used in the document, and will present it as a Motion at this meeting.

MOTION: To amend the Design Guidelines to reflect August, 2008, Motion #052109-001, waivers and variances, and May, 2009 Motion #052109-002, paint schemes. The new pages will be published in the next newsletter, and the new document posted on the website. Motion was seconded and passed unanimously. See Attachment 5. Motion 090820-006

- **2010 Budget,**

The Board needs to complete the budgeting process no later than the October, 2009 meeting. To meet this deadline, the Board needs to hear from any and all homeowners, committee chairpersons and our Management company prior to the September, 2009 Board meeting. The process of setting up the budget for 2010 is in progress. Changes can be made later if needed to address corrections or omissions.

Our treasurer Jill Chamberlain submitted a budget for the upcoming 2010 calendar year. See attachment 6. The president requests that each Board member review the proposed budget and if there are any questions do not hesitate to contact Jill Chamberlain. This item will be placed on the September agenda so more time can be dedicated for the 2010 budgeting process. Mr. Williamson requests that this process be completed no later than October, 2009.

- **Negotiations with Cesare:**

The Board sent SVA a letter stating that 2/3rd of the basin is no longer required for water retention/detention. In that letter, we proposed that SVA/Cesare take full responsibility of the basin and that the association is willing to maintain the plants that surround the outside perimeter of the basin. See attachment 7.

Mr. McHenry suggested that we send a registered letter to Mr. Cesare (SVA) stating our position on the basin with a respond by date.

MOTION: Mr. Williamson and Mr. McHenry will draft a new letter discussing the issue, requesting a response by September 11, 2009.

Motion was seconded and passed unanimously.

- **E-mail incentive:**

The Board would like to provide an incentive of a \$5.00 gift certificate for those who provide their e-mail addresses. The purpose of the email address is to establish an email directory. The directory would be used to notify the community of HOA-related topics, and provide a means of rapid notification of website updates, such as meeting minutes, newsletters, and meeting agendas. The cost of sending out four newsletters per household exceeds the \$5.00 cost. The email directory will allow the Association to provide more information quicker. The estimated cost savings to the Association, over 5 years, would be \$3500, at the current postage and printing costs, and we know those are likely to increase.

MOTION: this item was tabled until September.

Motion was seconded

NEW BUSINESS:

- **Reimbursement to the Welcoming Committee:**

For the reimbursement for the purchase of wine for new homeowners as reported at the July meeting (is this a practice or a one-time event)

MOTION: this item was tabled until September

Motion was seconded.

- **Basin Committee ongoing need:**

The objective and reasoning for formulating the Basin Committee has been completed. Is there a need in the future or a new goal for the Basin Committee? If not, should they be disbanded at this time?

MOTION: to dissolve the Basin Committee. Motion was seconded. Discussion ensued. The Board agreed that we should send each individual on the committee a personal letter of thanks, with an additional thank-you in the newsletter, and update the website with the status of the Basin Committee. Motion passed unanimously.

- **Insurance renewal:**

The insurance is due the end of August. Although we are in negotiation with SVA/Cesare taking full control of the basin, the insurance premium has not changed at this time, but the Board will continue to pursue financial relief if the status of the basin changes the premium required.

The insurance renewal came through at a \$101 increase over the 2008 budget. The insurance was

approved for payment.

- **Magnets containing Contact information:**

At an earlier board meeting, Ms. Chamberlain had a suggestion for putting contact information on a refrigerator magnet. Would we like to proceed with this for the community? Jill Chamberlain will provide a sample.

MOTION: To table until September. Cindy Borquez needs to request bids for estimated cost of production.

Motion was seconded.

- **Approved ACC Forms:**

Homeowners have expressed concern they are not receiving a signed copy of the Architectural Request Form (ARF) that was submitted, only a letter that an approval was granted. ACC committee needs to provide a copy of the signed ARF. The reason is that homeowners need a reference copy of exactly what was approved. At the last meeting, Cindy Borquez was directed by the Board to contact Brian Hodge to provide her with a signed copy of the ARF that was actually submitted. She can then make a duplicate, one for the homeowner to be included with the approval letter and one for the lot file. The Board also requested that Cindy needs to have a monthly report of what has been submitted and the disposition of all items that were submitted on a monthly basis. This report should be available no later than at each Board meeting.

MOTION: For Cindy Borquez to send a letter to the Chairman of the ACC Committee to regarding the Board's concerns.

Motion was seconded and passed unanimously.

- **Special Trash Pickup:**

A special trash pickup was budgeted last year for the 2009 budget. Are we going to use this fund? If so, when, and what type of arrangements do we want to have made to facilitate the special trash pickup?

MOTION: to schedule a special trash pickup Friday October 2nd thru Monday October 5th, with a cost not to exceed \$1500.00.

Motion was seconded. Discussion ensued. The Board requested Cindy Borquez to solicit bids for the services. Motion passed unanimously.

The discussed service will be a dumpster placed at the East side of Ironstone across from Turtlecreek.

NEXT MEETING: September 17, 2009

The next Board of Directors Meeting will be held **September 17, 2009** at 5:45 PM. The meeting will be held at the Santa Cruz Lutheran Church.

ADJOURNMENT

MOTION: To adjourn at 7:51 pm. Motion was seconded.

Attachment 1: President's Report

August 2009 President's report

- 2010 Budget: The Board is in the process of setting up the budget for 2010. Based on the Consumer Price Index (CPI) of 1.7% that was reported on August 14, 2009, I'm requesting that if the Association assessment dues are increased, the increase does not exceed that of the CPI or 6%, whichever is lower. The Board needs to complete the budgeting process no later than the October, 2009 meeting. To meet this deadline, the Board needs to hear from any and all homeowners, committee chairpersons and our Management Company prior to the September, 2009 Board meeting.

- Weeds violation suspension: Due to the increased rains that the monsoon season brings, the Board decided this year, consistent with the actions of the past two years, to suspend weed violation notices. The Board does feel that weeds are an eyesore and a nuisance. The Board would like each homeowner to take pride in ownership and see that weeds are removed promptly. The Board is aware that our homeowners need latitude at this time of the season to be more flexible in the removal of the unwanted weed population. I would like to also take this opportunity to recommend that the use of post and pre-emergent would help eradicate existing and prevent the growth of unwanted weeds and grasses, including those on the county's outlawed list. The deadline that the Board set for the suspension on weed violation notices ends on September 30, 2009: this is the official end of the monsoon season. I would like to applaud those that felt that the suspension was unwarranted. You are the ones that normally keep your lot in pristine condition. But I ask you to be patient with, and lend a helping hand to those who are not as successful in controlling their weeds.

- Vacant Board position: The Board is soliciting nominations for a vacant board position. Those individuals interested in filling the vacant position should be aware that all the officer positions have been filled at this time. We are seeking a Director at Large that can dedicate 2-3 hours per month. Duties include attending monthly Board meetings, and responding to emails. The emails are to help expedite the agenda or follow-up on items from previous Board meetings. All final decisions are made at the Board meeting, except for actions in lieu, which are ratified at the next session of the Board. This position expires March, 2010. The requirements to fill the vacant board position can be found in the Association governing documents. All interested candidates should contact Cindy Borquez, our Community management representative at Cadden. She can be reached at 297-0797, or by email at CBorquez@Cadden1.com.

- Nominating committee: The Board is soliciting a chairperson and members from the community to form a nominating committee. The term of the committee expires March of 2010. The purpose of the nominating committee is to solicit individuals that may be interested in becoming a Board member. It is the Board's intention to comply with the requirements of our governing documents. We request that you contact us through the website or the management company, if you or someone you know might be interested in being a committee member.

- Retention/Detention basin: The Board commissioned Psomas to conduct a hydrology study to ascertain if the retention/detention basin was required in its present configuration. The results of that study yielded that two of the three lots that currently comprise the basin are no longer needed for flood water detention or retention. The Pima County Flood Control District has verified the Psomas report. There is a revert clause in the warranty deed for each of those 3 lots that states if the basin is no longer needed for flood control, the lot automatically reverts to SVA control.

- Negotiation with Cesare: The Board sent SVA a letter on July 22nd, stating that 2/3rd of the basin is no longer required for water retention/detention. In that letter, we proposed that SVA/Cesare take full responsibility of the basin and that the association is willing to maintain the plants that surround the outside perimeter of the basin. I am requesting that the Board attach a copy of that letter to the August 2009 Board meeting minutes. There has been no response from SVA/Cesare: I am recommending that we adopt Mr. McHenry's suggestion that a follow-up certified letter is sent with a response date repeating our proposal that the entire basin be given to SVA/Cesare.

- Basin Committee: I am recommending that the Board disband the Basin Committee with our sincere thanks and appreciation for a job well done. The Basin Committee fulfilled all the goals that were set forth last year to help determine the disposition of the Basin. With that goal being completed, there is no longer an ongoing need for that committee.

- Homeowner input: If you can't make it to the meetings, the Board would like for you to write-in or email your suggestions or recommendations to us. This information can be added to future agendas for discussion and action. The Board is utilizing an expanded agenda to help facilitate the meetings. I would like to remind the community the purpose of the agenda is to set the contents and the flow for the meeting. Motions provide the focus for actions to be taken. In the future, the Board would like to have the ability to publish agendas in advance, through the use of an email directory.

- Email directory: The Board would like to create a list of all individuals/members of the association with their email addresses. This list can be used to update the community on any issues that affect the community. Examples are reminders of meetings, agendas, and notices of newsletters and minutes. The email directory goal is to have 100% participation.

- The legality of Star Valley Estate's HOA: At the July meeting, a homeowner stated that he felt that the Star Valley Estates HOA has no legal standing based on his reading of the Arizona statutes. Our governing documents, which include the Articles of Incorporation, Bylaws, and our Covenants, Conditions & Restrictions (CC&R's) state that the Corporation (HOA) was formed under the "non-profit corporation act" Arizona Statue 10-3101 et seq and AZ 33-1801 with a period of duration that shall be perpetual (quoted from the Articles of Incorporation). If a homeowner would like to challenge the legality of this HOA he/she has every right to do so, but I do not feel that it's an issue for the HOA Board to address.

- Yard Sale; the next yard sale is scheduled for the first Saturday in October, for more details contact Tanna Babiak through the website starvalleyestates.org

Jim Williamson
President
SVE HOA

Attachment 2 – Treasurer's Report

For August 20, 2009
July Month-end Balances

Summary of Financial Report	Balance
Operating Account Balance	11,240.06
Reserve Account Balance	4,610.30
Reserve Investment Account*	20,324.78
Delinquent Balances**	5,537.67
Prepaid	752.68
Income	2,038.31
Expenses	1,255.06

Observations/Concerns:

- * Statements issued quarterly, not monthly. Cadden needs to find a better way to get the interest posted in a timely fashion.
- ** Delinquent Balance amounts no longer include Cadden collections fees. Fees and interest are included in this balance.
- The budget is on track.

Observations/Recommendations:

- Until such time as the financials have been running cleanly for 6 months, we need to apply extra oversight and diligence to reviewing the reports.

Attachment 3 – Manager's Report

Date: August 13, 2009

Items Completed:

- Site tours completed on July 16th, August 8th with Mr, McHenry. Violation letters sent to homeowners.
- Sent insurance premium statement to Board of Directors
- Delinquent notices sent to Homeowners
- Fielded email and phone calls from community
- Prepared Board of Directors packet for meeting

APPROVED

Attachment 4 – Rules & Regulations Amendment – Motion 090820-005

MOTION: To amend the Rules and Regulations, changing pages 2 (table of contents), page 4, Section II, Assessment Due Dates, and page 9, Section IX, Collections, as shown in the attached document. The revised pages should be included with an article in the next newsletter, and the new version be posted on the website.

Background:

Intent is to update the Rules & Regs, Section II, Page 4 Assessment Due Dates to change the topic to read: Assessment Due Dates, Amounts and Verification. To add the following after the 2nd sentence presently written: It is recommended that prior to placing an account in collections, filing a lien, reporting to credit agencies or referring for attorney action, the delinquent account balance should be confirmed by at least one Board member. The motion to amend the Rules & Regs was passed at the last Board meeting. The above wording is a recommendation for satisfying the motion passed at the last meeting.

Rules and Regulations

STAR VALLEY ESTATES

Effective Date of Implementation May 1, 2009

Motion # 090820-005 as of 08/20/2009

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I. INTRODUCTION

The purpose of this document is to supplement the governing documents of Star Valley Estates Homeowners Association. The Covenants, Conditions, and Restrictions (CC&R's) empower the Board to adopt, amend or repeal rules and regulations as it deems reasonable and appropriate which shall be binding upon all persons of the association, and shall be binding upon all persons having any interest in, or making any use of, any part of the property whether or not copies of the rules are actually received by such persons. It shall be the responsibility of each person subject to the rules to review and keep abreast of any change in the provisions thereof. In the event of any conflict between any provisions of the rules and any provisions of the CC&Rs, or the Articles or Bylaws, the provisions of the Rules shall be deemed to be superseded by the provisions of the CC&R's, the Articles or Bylaws to the extent of such conflict.

II. Assessment Due dates, Amounts and Verification (Motion # 090820-005)

The Association Assessment is due the first day of each quarter (January, April, July, and October). The Assessment amount will be set by the Board of Directors. **It is recommended that prior to placing an account in collections, filing a lien, reporting to credit agencies or referring for attorney action, the delinquent account balance should be confirmed by at least one Board member.**

III. Standard of conduct

A Lot Owner who has been found by the Board to be in violation of the terms of the Declaration, whether by non-payment of assessments or otherwise, including by reason of violating applicable covenants, rules or regulations concerning improvements on the Lot Owner's property, may not remain a member of a committee of the association if the violation remains uncured. Should such person be a committee member at the time the violation has been found to exist, then such person shall be deemed removed as a committee member twenty (20) days after the date the Board determines that the uncured violation exists, unless the Board also determines that, in the case of a non-monetary default, said Lot Owner is reasonably and diligently attempting to cure the default.

Qualification and Removal for Director

A Member of the Board who has been found by the Board to be in violation of the terms of the Declaration, whether by non-payment of Assessments or otherwise, including by reason of violating applicable covenants, rules or regulations concerning improvements on such Member's property, may not be nominated for election to the position of Director until the time such violation has been cured. Should the person be a director until the violation has been found to exist, then such person shall be deemed removed as a Director twenty (20) days after the date the Board determines that the uncured violation exists, unless the Board also determines that, in the case of a non-monetary default, said Member is reasonably and diligently attempting to cure the default.

a. Board members

1. Monetary fines for violation(s) of the governing documents and/or rules and regulations of the Association are as follows:

1. First violation	\$50
2. Second violation (of the same nature)	\$100
3. Third violation (of the same nature)	\$200
4. Each violation after the third (of the same nature)	\$500
2. An additional fine of \$5.00 per day may be assessed after the aforementioned fines have been assessed if the violation is a continuing one (EXAMPLE: A Lot Owner installs an improvement without Architectural Control Committee (ACC) approval. A First violation fine of \$50 is assessed. If the violation continues uncorrected, an additional \$5 per day fine would be assessed until the violation ceases. The Lot Owner ultimately corrects the violation. The Lot Owner installs another improvement without ACC approval. A Second violation fine of \$100 is assessed. If the violation continues uncorrected, an additional \$5 per day fine would be imposed until the violation ceases. Note: It is the obligation of the Lot Owner to advise the Association in writing that the violation has ceased.

IX. COLLECTION PROCEDURES

The Association pursuant to Arizona State Law has adopted the following resolution, at a regular meeting of the Board of Directors.

RECITALS

- (a) The Association is charged with certain responsibilities regarding care, maintenance and service of certain portions of the common areas of the community.
- (b) The Association must have the financial ability to discharge its responsibilities.
- (c) The Board of Directors is required by the Covenants, Conditions and Restrictions (CC&Rs) to pursue collection of assessments and other charges from delinquent owners.
- (d) The Board of Directors of the Association desires to adopt a uniform and systematic procedure to collect assessments and other charges of the Association.

NOW, THEREFORE, BE IT RESOLVED that the Star Valley Estates Homeowners Association does hereby adopt the following procedures for the collection of assessments and other charges of the Association:

It is recommended that prior to placing an account in collections, filing a lien, reporting to credit agencies or referring for attorney action, the delinquent account balance should be confirmed by at least one Board member. (Motion # 090820-005)

1. **Assessment Due Dates.** The annual assessment as determined by the Association and as allowed for in the Declaration, Articles of Incorporation and Bylaws shall be due and payable in 4 installments due on the **1st** day of each Quarter. Assessments or other charges not paid to the Association by the **15th** day of the month in which they are due shall be considered past due and delinquent. Fines are due and payable within 30 days of the date that the fine went into effect. The initial late charge shall be the lesser of fifteen dollar (\$15.00) per month or Twelve percent of

Attachment 5 – Design Guidelines Amendment Motion 090820-006

MOTION: To amend the Design Guidelines to reflect the disposition of waivers and variances, in accordance with the Motion passed in August, 2008. Page 5, Introduction, Definitions, should be changed to read as attached. The new page will be published in the next newsletter, and the new document posted on the website.

Update the document to include the paint scheme change approved in May, 2009.

APPROVED

DESIGN GUIDELINES

STAR VALLEY ESTATES

Revised as of: February 21, 2008

Inclusive of Supplements and Revisions from May, 2000 through February 21, 2008

Motion # 090820-006 Added 08/20/2009

Effective Date of Implementation March 31, 2008

I. INTRODUCTION

These Design Guidelines are intended to and shall serve as the Design Guidelines referenced in the Third Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Star Valley Estates (the "CC&R's"). Developer or Declarant, as applicable, reserves the right at any time and its sole discretion to amend, supplement or repeal the Design Guidelines as permitted by the CC&R's. The purpose of the Design Guidelines is to interpret, implement and supplement the CC&R's.

These Design Guidelines are binding on all Owners, as well as any person, company or firm whom intends to construct, reconstruct, or modify, any permanent or temporary improvement (buildings, landscaping, etc.) in Star Valley Estates or in any way alter any portion of the Properties. These Design Guidelines are adopted in accordance with Article 9 of the CC&R's, and shall be enforced in accordance with the terms of the CC&R's, as stated in Article 10. The provisions hereof are in addition to the requirements of the CC&R's, and nothing herein shall be interpreted to excuse any Owner from the obligation first to submit all plans, specifications and papers to the Architectural Control Committee (ACC) for review and approval prior to any work or construction commencing.

These Design Guidelines supersede any previous Design Guidelines.

Terms used but not defined herein shall have the meaning specified in the CC&R's, Article 1.

Definitions:

Revision – A revision to the Design Guidelines is defined as a change to multiple areas of the document, requiring a reissue of the document as a whole. The use is unlimited: it can modify some or all sections of the document.

Supplement – A supplement to the Design Guidelines is defined as a new area or a specific change to an existing area of the document, its use should be limited in scope. An example of this would be to offset or strengthen, or add additional data to correct an error.

Waiver – A waiver is a request for permission after the fact, after any action or improvement has been made. The Board of Directors grants or denies waivers. (Motion # 090820-006)

Variance – A variance is a request for permission prior to any action or improvement being done. The ACC committee grants variances. (Motion # 090820-006)

II. SITE PLANNING

A. Zoning

Pima Country zoning governs all development, except as further restricted by the CC&R's and the requirements contained herein.

A. 4. Site Visibility, Restrictions

Site visibility restrictions prohibit the planting of plants with certain areas, as shown on the Plat, including within Lots 1, 18, 19, 36, 37, 52, 53, 70, 90, 91, 110, 111, 120, 121, 131, and 150.

E. Utilities

All utility services shall be installed underground, under driveways or other disturbed areas, to avoid additional site damage and repair. Utilities shall be clearly indicated on Plans. All exterior transformers, utility pads, meters and mechanical equipment such as solar cooling and heating devices shall be screened with walls, vegetation or other natural elements. All air conditioning units shall be screened from front view. All tanks, wood storage and trash or rubbish containers must be screened or enclosed at all times.

III. IMPROVEMENTS AND AMENITIES

A. Alterations and Construction

All alterations to original improvements, and all new improvements, walls or structures shall be built of the same materials, colors, styles, and architectural appearances as initial improvements built on the Lot, unless waived in writing by the ACC.

1. Outbuildings

No guest house, garage, workroom, shed, utility or storage shed, building or other outbuilding on any Lot may be constructed unless approved by the ACC, and the aggregate square footage of all such outbuildings shall not exceed 1000 square feet of floor area, or area under roof, whichever is applicable, unless approved in writing by the ACC. View fences of black wrought iron, alone or in combination with masonry walls to match existing walls, with a maximum of six (6) feet from original grade, shall be permissible with approval of the ACC.

2. Home Paint Colors

1. **Homeowners are allowed to paint their homes the same color as current, or stay within the approved paint schemes as stated in the Design Guidelines. If these procedures are followed, no ARF will be required..**
2. You may **choose one scheme from the five available color Schemes and submit your choice for approval** by the ACC. You are *not* required to paint your home the same as your current color. .
3. Colors used in painting the exterior of your home must be selected from the same Scheme. **Example:** If you chose Scheme 3, you must use the colors shown. You cannot select a body color from Scheme 3 and chose a fascia or pop-out color from Scheme 4.

Attachment 6 – 2010 Proposed Budget

Category	Category	2009 Budget	2009 Actual Expenditures	2009 Projected Expenditures	2010 Proposed Cadden	2010 Proposed Treasurer
	Income:				6%	0%
3010	Owner Assessments	28126	21093.93	28126	29526	28126
3020	Late Fees & Interest	0	-17.36	-17		0
3070	Fines - CC&R Violations	0	56	56		0
3180	Interest Earned	0	0.46	0		0
3190	Other Income		6	6		0
3990	Bad Debt	-3000	-156.72	-1000		-1500
	Subtotal Income	25126	20982.31	27171	29526	26626
	Expenses:					
	<i>Fixed Expenses</i>					
4010	Property Tax	25	0	25	25	25
4011	Reserve Transfer	0	0	0		0
4015	ACC Reporting	10	10	10	10	10
4020	Income Taxes - State/Federal	145	45	45	45	45
4030	Liability/D&O Insurance	1830	0	1931	1922	1922
4045	Backflow Testing	150	0	0		0
	Subtotal Fixed Expenses	2160	55	2011	2002	2002
	<i>Utilities</i>					
4120	Water & Sewer	75	29.85	30	0	0
	Subtotal Utilities	75	29.85	30	0	0
	<i>Operating Expenses</i>					
	Trash Service	1500	0	1500	1500	1500
	Subtotal Operating Expenses	1500	0	1500	1500	1500
	<i>General Repair & Maintenance</i>					
	General Repair & Maintenance	0	0	0	0	0
	Subtotal General Repair	0	0	0	0	0
	<i>Landscaping Expenses</i>					
4605	Landscape Maint contract	0	0	0	0	0
4615	Irrigation Repairs	0	0	0	0	0
4660	Non-Contract Landscaping	1000	120	120	1000	1000
4620	Weed Control	300	300	300	300	300

August 20, 2009 Regular Meeting Minutes
 These minutes were corrected August 30, 2009
 These minutes were approved September 18, 2009

	<i>Subtotal Landscaping</i>	1300	420	420	1300	1300
	<i>Administrative Expenses</i>					
4705	Accounting/Tax Preparation	250	235	235	260	260
4710	Management Fees	11280	6580	11280	11676	11676
4711	Administrative Services		25			
4715	Postage	1700	359.2	616	1780	1500
4720	Copies	1200	682.4	1170	1250	1250
4725	Coupon Books	0	0			
4730	Statements	1040	533.75	1040	750	1040
4735	Legal Expenses	900	-16.29	400	450	450
4740	Long Distance Phone				10	10
4725	Office Supplies	300	77.85	133	175	175
4750	Banking Supplies	60	11	30	60	45
4751	Bank Fees		39.28	67	40	80
4755	Meeting Expenses	485	210	420	485	485
4760	Newsletters/Printing	1200	106.86	427	1200	1000
4765	Fax Services	24	3.75	24	24	24
4770	Committee Expenses	300	65.14	130	300	200
4775	Bulk Mailing		0	0		0
4780	Web-site Expenses	100	0	100	120	120
	Social/Welcome Committee	150	50	150	150	150
4780	Miscellaeous	60	0	0	60	60
4791	Storage	108	11	108	108	108
	<i>Subtotal Administrative</i>	19157	8973.94	16331	18898	18373
	Total Expenses	24192	9478.79	20292	23700	23175
	Current Year Net Income	934	11503.52	6879	5826	3451
	Ex-Budget - Basin Study		\$ 6,832.50			
	Revised net income (including Basin study			\$ 46.64		

Attachment 7 – Letter to Cesare

Star Valley Estates HOA

1870 W. Prince Road, Suite 47, Tucson, AZ 85705

Mr. Joe Cesare
SVA Corporation
4855 E. Broadway, Ste. 103
Tucson, AZ 85711

RE: Star Valley Estates

Dear Mr. Cesare.

We are writing to inform you of the recent decision the Pima County Flood Control District made in regard to the detention/retention basin located in the Star Valley Estates subdivision, east of Ironstone and south of West Brightwater Way.

We are the Homeowner's Association for Star Valley Estates, established by your Development Company and Lennar/US Home.

As I believe you are aware, we commissioned Psomas to conduct a hydrology study to ascertain if the retention/detention basin is still required in its present configuration. The results of that study yielded that two of the three lots that currently comprise the basin are no longer needed. The Pima County Flood Control District has verified that two of those three lots are not required for flood water detention or retention. There is a revert clause in the warranty deed for each of those 3 lots that states if the basin is no longer needed for flood control, it automatically reverts to SVA control.

The Star Valley Estates HOA Board would like you to take ownership of all 3 lots, not just the two lots that automatically revert to you. With your written permission, we would take maintenance care of the plants that are located between the chain link fence and the street, along the area that borders Ironstone, and Brightwater Way.

There is an access gate to the detention/retention basin, which is located at the Northeast corner of the basin, off of Brightwater Way. It presently has a lock installed on that gate for traffic control purposes. We would like to make arrangements so you can take control of that access and secure that gate by whatever means you feel would be appropriate for you.

Cadden Community Management represents the Association. All communications on this matter will be handled through them. Our management agent is Cindy Borquez. She can be reached at 520-297-0797, 1870 W. Prince Rd, Suite 47, Tucson, AZ 85705.

We look forward to working with you on this matter.

Star Valley Estates Homeowners' Association Board of Directors