

**WARNER RANCH 4 ASSOCIATION  
BOARD OF DIRECTORS OPEN SESSION  
MEETING MINUTES  
September 8, 2009**

A meeting of the Warner Ranch 4 Association Board of Directors was held on Tuesday, September 8, 2009, at the office of Lepin and Renehan Management, 7955 South Priest Drive, Suite 105, Tempe, Arizona.

In Attendance: Brian Pio, Dave McCotter, Mike Gehring, and Kelly Kinnard

Absent: Bassam Asfoor

Also in Attendance: Laura Heffron of Lepin and Renehan Management

The meeting was called to order at 7:35 p.m.

After due discussion and upon motion duly made, the following resolutions were unanimously passed unless otherwise indicated:

Resolved: To approve the minutes of the July 7, 2009 Open Session meeting as written.

Mike Gehring gave the Treasurer's Report.

Resolved: To accept the financial statements dated June and July 2009, subject to audit.

Notation: There was a discussion of water usage.

Resolved: To approve the financial statements for the fiscal year 2008 as audited by Clyde and Joanne Raymond, CPA's.

Notation: There were no Committee Reports.

Resolved: To send a letter to Johnson (# 291) advising that their neighbors to the south are concerned about the dangers posed to their dog and child by the litter in their yard that comes from the tree in the Johnson's rear yard. They should note that Article 10.15.2 of the CC&R's states that "...no vegetation shall be permitted to exist on any lot or other portion of the property that is deemed to be unattractive in appearance or unreasonably detrimental to adjoining property." In addition, the tree in their rear yard should be pruned so as not to overhang the wall they share with their neighbors. Their prompt cooperation in addressing these concerns will be appreciated.

Resolved: To send a letter to Arndt (# 292) advising that a letter has been sent to their neighbors regarding their concerns about the neighbors' tree.

Resolved: To ask Augyn (# 366) if he has a preference for either heavily pruning trees # 13 and 14, adjacent to his property or removing them, as the Board is considering both options. He should respond in writing.

Notation: Kelly Kinnard will check the wall at the back of Perkins (# 444) and advise management if and how to proceed.

Resolved: Not to continue sending fine letters by certified mail.

Notation: Remarks concerning Lepin and Renehan customer service included "excellent" and "much improved." Because the Board was pressed for time, management will send Board members an email prompting additional input on customer service.

Resolved: To oversee winter grass for the 2009/2010 season.

Notation: The \$5,135.70 invoice from ECI for drywell cleaning was reviewed. Kelly Kinnard will speak to them about the amount. Copies of the Torrent Resources evaluation/proposal will be sent to Kelly Kinnard and Mike Gehring, and Brig Christensen of Torrent will be asked to contact Kelly to arrange an on site meeting to discuss his findings.

Resolved: Not to pay the ECI invoice at this time due to concerns about the charges.

Notation: Tree Doctors is to be instructed to remove the broken branch from the tree on the east side of Roosevelt, just south of Ray, as it is too high for Ground Specialties to reach.

Tabled: Tract P Drainage

Resolved: To approve the 2010 meeting schedule as follows: January 5, March 2, June 1, July 6, September 7, November 2, Annual Meeting – May 4.

Resolved: To reduce parking patrols to twice a month at a reduced cost of \$99.00 per month.

Resolved: To adopt all resolutions as indicated on the attached addendum, which is hereby made a part of these minutes.

Resolved: To reimburse Brian Pio in the amount of \$30.00 for pizza and \$12.12 for soda provided for this meeting.

The next meeting is scheduled for November 3, 2009.

There being no further business to come before the Board, the meeting was adjourned at 8:25 p.m.

Respectfully submitted,

  
Laura Heffron  
Recording Secretary

Respectfully submitted,

  
Bassam Asfoor  
Secretary *President*

**WARNER RANCH 4 ASSOCIATION  
ADDENDUM TO THE MEETING MINUTES OF THE BOARD OF DIRECTORS**

A meeting of the Board of Directors of Warner Ranch 4 Association, an Arizona Corporation, was held on September 8, 2009.

One of the purposes of the meeting was to discuss items concerning the 2010 Budget. After discussion and upon motion duly made and seconded, it was unanimously:

RESOLVED: To increase the annual assessment by the maximum as allowed in the CC&R's to \$1,936.00 per lot.

RESOLVED: To approve the attached budget at an annual fee of \$526.00 per lot for a total of 332 lots. The assessment is to be collected in semi-annual increments of \$263.00 each in accordance with the legal documents.

RESOLVED: To designate Reserve Interest to Tree Reserves at year end.

RESOLVED: To designate SRP License reserves as follows:  
\$40.00 – Irrigation clock reserves  
\$162.50 – Vacuum breaker reserves  
\$795.74 – Contingency reserves

RESOLVED: To approve the following to go with the budget mailing

- Cover Letter

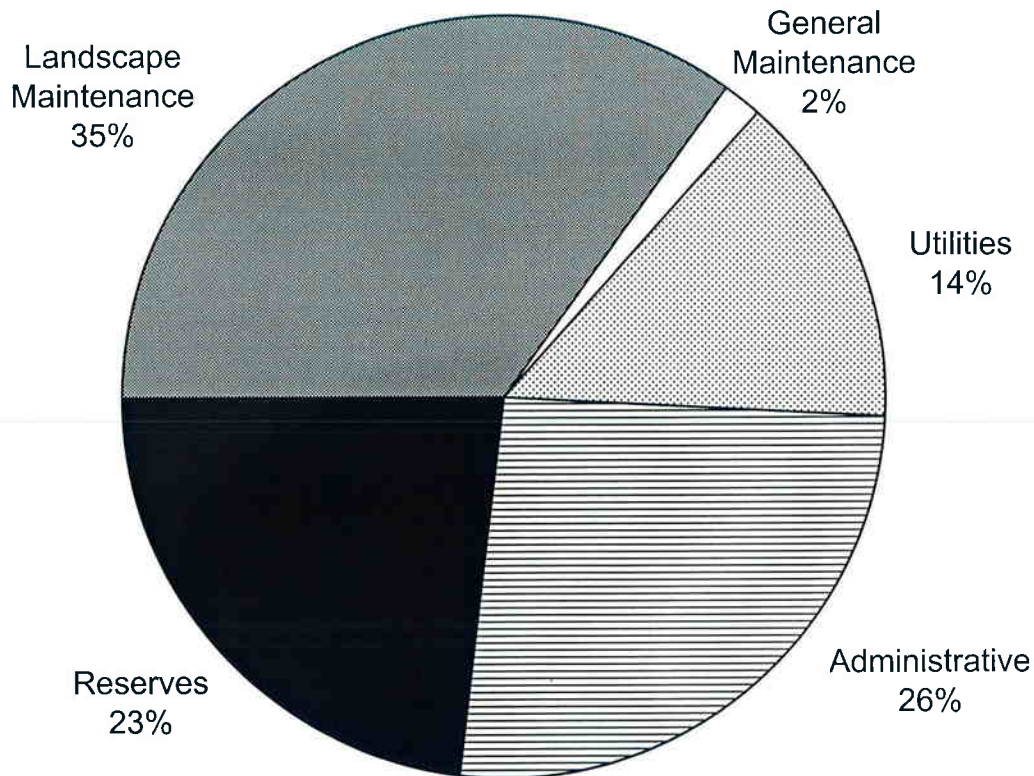
RESOLVED: To approve the following to be published on the website by the website administrator no later than December 1 in lieu of mailing to the homeowners with the 2010 coupon/statement and cover letter

- 2010 Budget Pie Chart
- 2010 Budget Narrative
- Assessment Collection Policy
- Direct Debit Authorization Form
- 2010 Board Meeting Schedule
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## WARNER RANCH 4 ASSOCIATION 2010 BUDGET

Total Project: 332 Lots

	Semi-Annual Budget per Lot	Annual Budget Per Lot	Total Annual Budget
<b><i>Landscape Maintenance</i></b>	\$91.92	\$183.84	\$61,036.00
<b><i>General Maintenance</i></b>	\$4.21	\$8.41	\$2,792.50
<b><i>Utilities</i></b>	\$37.65	\$75.30	\$25,000.00
<b><i>Administrative</i></b>	\$68.63	\$137.26	\$45,570.00
<b><i>Reserves</i></b>	\$60.59	\$121.19	\$40,233.50
<b>Total</b>	<b>\$263.00</b>	<b>\$526.00</b>	<b>\$174,632.00</b>



# WARNER RANCH 4 ASSOCIATION BUDGET NARRATIVE

## LANDSCAPE MAINTENANCE

**Landscape Contract:** Weekly maintenance of all common areas including trimming, mowing, irrigation system check, trash pick up, etc.

**Other Maintenance:** Storm clean up and erosion repair.

**Plant/Tree:** Plant and tree replacement as needed.

**Rye Seed:** Planting of winter rye seed in common area.

**Self Help:** Yard clean-up as requested by Board. This is charged back to the homeowner.

**Sprinkler Repairs:** Repairs and supplies for the irrigation system.

**SRP Licensing Fee:** License renewal fee.

**Supplies:** Miscellaneous stakes, guards and minor granite touch-ups.

**Trees:** Palm tree trimming.

## GENERAL MAINTENANCE

**Exterminating:** Common area treatment of gophers, aphids and bees as necessary.

**General:** Signs, paint for touch ups, and annual meeting room rental.

**Maintenance & Repairs:** Minor repairs and maintenance in common areas.

**Vandalism:** Repair of common area due to vandalism.

## UTILITIES

**Electric:** Power to irrigation time clocks and common area lighting.

**Water:** Irrigation for common areas.

## ADMINISTRATIVE

**Accounting & Audit:** As a corporation, the association has its financial records independently audited each year. Also includes federal and state tax return preparation.

**Accounts Receivable Fees:** Liens, Small Claims and other fees incurred collecting delinquent assessments. This is charged back to the delinquent homeowner.

**Brokerage Fee:** Merrill Lynch savings account.

**Insurance:** Property and liability coverage on common areas, Directors and Officers coverage and a Fidelity Bond.

**Management:** Professional management of association business including administration of Board policies, record keeping, financial services, bid solicitation and regular on-site inspections.

**Office & Printing:** Preparation of correspondence including homeowner letters, budget packages, semi-annual newsletters and meeting notices.

**Parking Patrol:** Patrols by professional company

**Postage:** Mailing of correspondence including welcome letters, budget packages, newsletters, meeting notices, etc.

**Professiona/Legal:** Legal, engineering and other professional services.

**Taxes:** Annual Corporation Commission fee, property tax on common area tracts and tax on interest income.

## **RESERVES**

**Contingency:** Cushion for financial shortfalls that may arise from unexpected expenses or late payment of assessments.

**Drywells:** Clean-out every five years

**Granite:** Top dressing of granite

**Irrigation Clocks:** Replacement of irrigation clocks

**Major Irrigation Repairs:** Major repairs of replacement of irrigation system

**Painting:** Repainting of common area walls and entry monuments.

**Professional Services:** Legal expenses relating to non-payment of assessments, consultation and CC&R violations that are not covered in the operating budget.

**Renovations:** Renovations to landscape and sprinkler system

**Structural:** Repair or replacement of lighting, common area walls, sidewalks, and entry monuments.

**Trees:** Major tree trimming and removal.

**Vacuum Breakers:** Replacement of vacuum breakers

**WARNER RANCH 4 ASSOCIATION  
ASSESSMENT COLLECTION POLICY**

**ADOPTED NOVEMBER 10, 2008**

**COLLECTION TIMELINE:**

- **30 DAYS PRIOR TO ASSESSMENT DUE DATE - INVOICE SENT**
- **ASSESSMENT DUE DATE**
- **15 DAYS AFTER ASSESSMENT DUE DATE – REMINDER SENT IF PAYMENT NOT RECEIVED**
- **30 DAYS AFTER ASSESSMENT DUE DATE - LATE FEE ATTACHED TO ACCOUNT IF PAYMENT NOT RECEIVED**
- **45 DAYS AFTER ASSESSMENT DUE DATE - ACCOUNT REFERRED TO COLLECTION AGENCY IF PAYMENT NOT RECEIVED**

**ATTEMPTS TO COLLECT PAST DUE ASSESSMENTS MAY INCLUDE BUT ARE NOT LIMITED TO:**

- LIENS
- JUDGMENTS
- GARNISHMENT OF WAGES AND/OR BANK ACCOUNTS

REFERRAL TO COLLECTION AGENCY MAY BE AVOIDED IF HOMEOWNER MAKES ARRANGEMENTS FOR A PAYMENT PLAN PRIOR TO THE 45<sup>TH</sup> DAY AFTER THE ASSESSMENT DUE DATE.

**ARRANGEMENTS MUST INCLUDE:**

SIGNED STATEMENT OF PAYMENT PLAN INDICATING PAYMENTS THAT WILL BRING HOMEOWNER CURRENT PRIOR TO NEXT ASSESSMENT DUE DATE **AND** PAYMENT OF THE FIRST INSTALLMENT OF THE PAYMENT PLAN.

IF BOTH ARE NOT RECEIVED PRIOR TO THE 45<sup>TH</sup> DAY AFTER THE ASSESSMENT DUE DATE, THE ACCOUNT WILL BE REFERRED TO COLLECTION AGENCY. IF AT ANY POINT A PAYMENT UNDER THE PAYMENT PLAN IS NOT TIMELY MADE, THE ACCOUNT MAY BE REFERRED TO COLLECTION AGENCY.

ALL COSTS OF COLLECTION WILL BE ATTACHED TO THE HOMEOWNER ACCOUNT.

THERE WILL BE A CHARGE FOR CHECKS RETURNED FOR INSUFFICIENT OR UNCOLLECTED FUNDS.