

Esperanza Estates HOA

Minutes of Board Meeting

October 16th, 2023

The meeting was called to order at 1.00 pm by Dave Sielken.

QUORUM DETERMINATION

A quorum was confirmed by Ken Lindeman:

Dave Sielken, Tom Cooke, Ken Lindeman, Kevin Welsh, Cyndie Alto, Gary Rautio, and Debbie Ries were present in person. Dean Lockwood joined the meeting by phone.

Sharon Falor was excused.

APPROVAL OF MINUTES

The minutes of the Board Meeting held on September 18th, 2023 were accepted as written.

TREASURER'S REPORT – Dean Lockwood

1. September Financial Reports (as of 9/30/23)

a. Balance Sheet

- i. Our cash, money market and CD's are sitting at \$101.4K. At the moment, we are investing extra cash in CD's where we are getting roughly 5.0% interest.
- ii. Our investment accounts decreased in value in September by roughly \$5,600. The Edward Jones Reserve account is valued at \$100.9K on an investment of \$110.5K. The GGVCF (Greater Green Valley Community Foundation) investment is currently valued at \$83.4K on an investment of \$75K. August & September were rough months on our investments, however, overall our investment accounts have increased in value by \$10,800K since 12/31/22.
- iii. Total checking and savings of \$285.8K is up by just over \$63.2K from last year at this time. This is primarily due to the special assessment to cover the Titan bills for 2023.
- iv. Accounts receivable is \$602. This represents the 2023 dues and special assessment on one property.
- v. On the fixed assets, we did invest in new pool equipment in May of \$9400 for a new pool heater and sand filter.

b. P&L Statement

- i. Total income so far this year is \$203.8K. Dues revenue of \$122,500 represents 350 houses at \$350 each. The Special Assessment of \$63,000 (350x\$180) was recorded in April. We billed \$427 in late fees between the HOA dues and assessment. We have had 14 transfer fees so far this year. Combined interest income and change in value of our investments are just over \$15.8K for the first eight months.
 - ii. Administration expenses of \$59.7K is \$1,150 favorable to plan. There are no significant variances to plan.
 - iii. Common Area expenses of \$38.2k are \$11.6K favorable to plan. Our Palm Tree trimming expense is \$8.7K so far and is \$3.3 favorable to plan. We have had some various tree trimming expenses so far this year, but otherwise we continue to run favorable in our Common Area expenses.
 - iv. Recreation expenses of \$26.0K are \$3.4K unfavorable to plan for the first nine months. Our pool service and repairs are running \$2.6K unfavorable from some repairs in February and a salt celt that needed replacing in March. Natural gas for the year is running just over \$1,100 unfavorable. In the first five months of the year, not only was the price per therm increased from \$1.12 per therm to \$1.38, but the therms used per day were up for most of that same period. From April through September, we have seen a nice reduction in therms used per day, however the cost per therm on the May and September bills are averaging over \$1.60 per therm. We will continue to monitor our gas usage as the weather starts cooling off.
 - v. So after nine months, our income is favorable to plan by \$11.1K and our expenses are favorable to plan by \$9.3K for a total favorable variance so far of roughly \$20.4K.
2. Ken asked if the problem with the Solar Heater might explain the increase in therms used. It was agreed that this may be the case.

The Treasurer's Report was accepted.

At this juncture Dave asked if there were any new attendees present. Alan Anton of 793 Regalo was welcomed.

COMMITTEE REPORTS

Finance Review – Kevin Welsh:

Kevin explained the remit of the Finance Review Committee. He noted that all members of the committee would be back in Green Valley soon and they would review the HOA's investments with our Advisor so as to provide a report to Next Month's

Board meeting. Kevin stated that Quickbooks records agreed with Bank/Investment Statements and thus all was in order at this time.

Architectural Control – Debbie Ries:
completed, and two more requests were expected.

Debbie reported that one Paint review was

Capital Projects – Tom Cooke:

Tom had nothing to report.

Common Area Maintenance – Cyndie Alto: Cyndie noted that the Points West Contract will be discussed under New Business. Otherwise, she had nothing to report.

Gardeners – Rod Harp:
at 8.00 am on Tuesdays. He invited new members to join returning volunteers.

Rod reported that volunteers were meeting

He detailed the recent plantings. Rod announced that there will be a Terracotta / Plant Sale on December 2nd in conjunction with the Craft Sale – he requested donations as he said it was hoped to raise some \$300 to \$400 to buy tools and maintain Amigo (Golf Cart).

Rod admitted that he had been asked to contact the Fire Department to review any Fire Hazards on our Property. He noted that there is Bufflegrass near the Pickleball Courts but that it is probably on Pima County Land – Dave advised that Rod contact the County before taking action, although he felt sure they would agree.

Rod noted that gravel would be delivered to Mountainview and Flag Parks – he hoped it would be spot dumped.

Green Valley Council – Hugh Rhine:

Kevin reported that Hugh had not been able to attend the most recent GVC meeting due

to being with his wife at a doctor's appointment. Hugh will be going on vacation soon and will miss the next GVC meeting, so no report will be available on GVC.

Recreational Facilities – Gary Rautio:

On Gary's prompting, Greg Gramstad said that all was well at the Pickleball Courts. It was noted that some participants forget to sign-in – a reminder will be circulated.

Gary said that after being away for a month, all was well for a week following his return but then problems arose. The filter pump motor failed. It was about nine years old and spare parts were not available. The pump was replaced complete with motor.

The pool temperature will be raised to account for colder nights.

Water loss was suspected in both the pool and the spa. A test revealed that the pool water loss was probably consistent with evaporation. The spa water loss is more severe and appears to be from a piping leak. The spa is closed while the problem is identified and corrected.

A sensor for the solar heating was replaced.

Hospitality – Robin Lockwood:

Hospitality will host a Halloween Pot Luck on October 31st – Gather at 4:30 pm for 5:00 pm start. A Pumpkin Carving Contest will be held – pumpkins should be carved at home and brought to the Ramada. Costumes are also encouraged.

Veterans' Day (11/11) will be recognized.

The Hospitality Committee will meet in the beginning of November.

Neighborhood Relations – Deb Wright:
supplied.

Deb was not present, and no report was

Block Watch – Sharon Falor:
report.

Sharon was not present, and there was no

Enhancement Team – Jackie Rautio:

Jackie said that the Team will meet on November 14th to get activities under way. She said that Esperanza numberplates are available at \$15 each as a fundraiser. She thanked Action Print and Copy for their work.

She emphasized that the Team is a “Fun” group and asked for new members to join.

Dave noted that a recent article in Green Valley News on HOAs mentioned that the best HOAs had features like those found in EE.

Dave noted that as Judy Hayes will be on vacation, items for the Monday Morning Memo should be send to John Nesavich (jnesavich@gmail.com).

OLD BUSINESS

- A Solar Company Billing for “Non-Visit”. It was stated that the incident drew attention to the unresponsiveness of the company we had been using. No payment had been made for the “Non-Visit” and none will be made. Bob Telford, the proprietor of our regular service company, Green Valley Pools and Spas, has become competent in Solar systems and will be used in future. He changed a thermostat recently.
- B. As noted under Finance Review, the Investment Portfolio report will be made next month.
- C. Dog Waste Stations: They are being used – dog waste is “not so bad” at present.
- D. Fire Prevention: As Rod Harp reported above, he will contact the County / Fire Department.

NEW BUSINESS

- A. **Points West Contract:** Cyndie reported that our Landscape Company, Points West, had operated for some years without any increase in payment. They have supplied a new contract which represents a 25% increase (hourly rate up to \$37.50 from \$30.00). Kevin moved to accept the contract and Dave seconded. In discussion, Cyndie reported that she had checked competitive rates from other firms – hourly rates from \$35 to \$42 were quoted. Doug Syme asked if there was an immediate need to approve the contract. Hearing that there was not, he suggested asking Points West if they could match the available rate of \$35.00 an hour. Kevin withdrew his motion and asked Cyndie to negotiate with Points West. Dean asked if Annual Dues should be increased as a result. He reminded the meeting that the Annual Budget must be presented at the November meeting. It was agreed that this would be explored further after negotiating with Points west.
- B. 949 Regalo Receivables: It was stated that the occupant is in difficult financial circumstances. After discussion, it was decided to ask Deb Wright to meet the occupant to see if the situation can be resolved. Due to a concern that there may be other entities raising liens on unpaid bills, it was also decided to prepare a Notice of Lien.
- C. Board Member Elections: Dave reminded the meeting that the terms of Kevin, Gary and Debbie end this year. Nominations for the Board were requested.

ADJOURNMENT:

Having no further business, the meeting adjourned at 1:56 pm.

Respectfully submitted,

Doug Syme