

**Catalina Pueblo Association
January 11, 2011
Annual Meeting Minutes**

The annual meeting of the Catalina Pueblo Association was held Tuesday, January 11th 2011 at the Catalina Foothills Church, 2150 E. Orange Grove Road at 7:00 p.m.

President, Joe Thompson, called the meeting to order at 7:10.

A moment of silence was observed for the events which took place Saturday, January 8th.

Forty Seven (47) households were represented and Secretary, Cherry Rosenberg, announced that there was a quorum. The minutes were approved by unanimous vote.

Aldine von Isser moved/seconded by Roy Langenberg.

Reports by Members of the Board of Directors:

**Treasurer's Report—Prepared by Jay Book – Read by Judy Mott
See Attached.**

Discussion:

Nancy Milburn: Asked if road fund is designated just for roads. Answer: yes

Nancy Milburn: Asked about collection of dues for foreclosed homes. Answer: have collected majority of dues, just \$50 or so outstanding. CPA placed a lien on one home and recovered almost all of the dues.

Fred Frech: What was the over budget item and how did that relate to Harris. Answer: will discuss at length latter in meeting

Walter Stackman: Can we enter into a lawsuit without a vote. Answer: yes but more on that latter.

Nancy Milburn: Why are there line items over budget, don't you have to stay within budget for line items? Answer: no – we can take monies from one line item and give to another. This is done often between landscape/architecture and pools.

Fred Frech made a motion to pass the budget in its entirety/seconded by Roy Langenberg.

There were no dissenting votes.

Vice President/Roads Report as written by Carol Sinclair

It has been my privilege being a member of the Board for the past 3 years. We have all worked well together to uphold our CC&R's and to better our fine community.

We had a number of bids to resurface our roads. No decision has been reached.

Our streets were repainted last year.

We were forced to change from our long time light bulbs. They are no longer made. The new bulbs are less expensive but also do not last as long. This creates a lot more work for our four volunteer light bulb changers. Hal has found an efficient bulb that I will discuss with the new board.

Thank you to our light bulb monitors and changers. In the summer it has been Lew and Caryl Dougherty and the winter, Aldine von Isser and Hal Grieve. The community would like to thank you and give you this small token of our immense gratitude.

Gift certificates were given to the light bulb czars for all their hard work – this was greeted with resounding applause.

President Joe Thompson – report on proposed Cobblestone project

Idea came from road maintenance discussions

3 of 5 potential vendors came to us

Looked at Mexico imports and labor. Not feasible.

Benefits:

Last longer than we need to know

Set in sand base with matching curbs on both sides

Easily negotiable by chairs, carts, bikes

Easy, cheap to repair, pull up necessary brick, relay

Test strip free of charge, 100 linear feet, colors, patters, sizes, etc. Replaced free if not wanted.

Environmentally friendly

! Water drainage, no run off

! Heat throw off minimized

! No petroleum products

! Being recognized at Federal, state, local levels as environmentally wise choice

Estimated 10K value increase to home

Posada home driveways instead of street to tie in overall visual appeal.

Instillation, (by street, years, etc) and resulting costs can be tailored almost any way we want

10 year complete warranty on materials, instillation and settling

Individual financing offered

Manufacturers will make to our specs - non-standard

Draw backs

High initial cost but not prohibitive - estimated \$3,500 house if done all at once.

Long instillation time - very flexible

Probably no speed bumps but not impossible

Discussion:

Marvin Chapman: Anything in Tucson? Joe: We would be the first.

Walter Stackman: In Geneva IL, his summer home community, they have put pavers not bricks and they are causing problems.

John Cain: In his summer neighborhood they placed pavers in 1860 and replaced them in 1989.

Roy Langenburg: Portsmouth NH – like them, zero problems.

George Doran: Seen them in San Miguel, Mexico – likes them

Sherri Henderson: Problems with hers ants tunnel under them. Joe: said a curb would prevent such a problem

Nancy Milburn: What is estimated cost? Joe: \$350,000 approximately.

Allan Bogutz: Larger cost to each home if Posada was not included. Joe: Driveways could be done for those homeowners on Posada in lieu.

Annette Kolodny: Was concerned about wheelchair accessibility dues to the uneven surface. Joe: When they lay the pavers they would be fairly smooth.

Bill Ridlinghafer: Why not pave the first 50 feet of each entrance to try it?

Marvin Chapman: Joked and said a toll should be charged.

Rosemary Pinto: Pima Canyon has cobbles as well as the Cobblestone entrance at the top of Campbell.

Joe Sheppard made a motion to form a steering committee/Roy Langenburg seconded. 33 in favor/6 opposed.

JoJene Mills: At \$3,500 per home the committee should establish first if homeowners want to incur the cost.

Secretary's Report – Written by Cherry Rosenberg

It really has been my pleasure to serve on this Board for the past 3 years, although a strain on my free time I really have valued this process as a tremendous learning exercise in local government, which I feel is the backbone of any well run community. Changes which have occurred in the past year are as follows:

Pursuant to feedback we received at the Annual Meeting last year I have added more content to the minutes, to substantiate the motions. The minutes are posted on-line and at the pools a month following the meeting.

We also created a Communications Committee this year. The committee comprises of Connie Church, Jo Ann Marcus and I. The purpose of this is to streamline the communications and formulate those communications into a succinct fashion. The CC is chaired by Connie Church and falls under the Secretary. Connie really is the work horse behind everything, which includes, and is not limited to: the website, monthly newsletter and the directory. I (we as a community) really have to give Connie so much credit and thanks for all that she does. I don't think anyone realizes just how much work goes into the creation of these wonderful resources we have and she really does an outstanding job. Another addition of the CC was the creation of a welcome packet or homeowners manual, of which you may have seen as you signed in this evening. These were given to our new homeowners this past year, but are also available for purchase. The price is \$10 which is the net cost of producing this manual.

Every year we distribute a directory to all our members. This is always changing and constantly being updated. We would ask you to check your listing and confirm that all the information is current and correct. You may have done this if not please so as you are leaving. Further on this note, members have been using this distribution to e-mail other members on mass. This is something that perhaps the new Board needs to address. In the meantime you can choose to remove your e-mail from the directory if you so wish and you will only be sent e-mails from the Board.

Once again I would like to thank all our Javelina Express delivery people: Marianne Van Zyl, Terry Temple and Casandra Wry-Ridlinghafer. Each year the list of deliveries gets slightly smaller as more and more people join the world of computers. If you are receiving the JE and do have a computer please let us know – we like to keep our printing costs as low as possible. I would also like to acknowledge those which contribute to the newsletter each month: Mark Sammons does the Garden column with Jo Ann. Terry Temple & Charles Hackenbrock contributes beautiful photos, as well as David Scott Allen who submits delicious monthly recipes.

A round of applause was given for Connie Church for her undying dedication to this community and the wonderful work she does.

Thank you everyone.

Respectfully, Cherry Rosenberg

Social & Membership Report—Written by Marianne Van Zyll

My three year term as your social chair has come to an end. Even though I'm not a comedian I've very much enjoyed keeping our community entertained.

I would like to go over this past year's activities hoping not to leave anything or anybody out.

Our Spring Luncheon, or now our Spring Madness event, took place on March the 20th @ my home with a turnout of 38 people. Most of the time we're very spoiled with good weather but all our winter coats had to come out of the closet. In spite of very windy and chilly temperatures we had a good time enjoying lots of delicious hors d'oeuvres by Chef Michael Neylan and our own alcoholic beverages.

Under somewhat better weather conditions we celebrated our Cinco de Mayo potluck/pool party on May the 2nd at the Adelita pool. Because of record breaking winds our coats had be worn again but we did have a turnout of 50 very good sports who enjoyed the event. We were entertained by a professional group of Mariachis called "Mariachis Azteca del Sol". What an absolute treat and hopefully something that can be repeated in the future.

The 3rd social event of the year was our Halloween party/potluck at the Adelita pool on Oct.23rd where we shared our dishes of good food and again margaritas on the house. There were many who dressed up in delightful costumes for the occasion. The winners in the costume contest were Janice Silvyn and Bob Taylor. We had a rather low turnout of 31 folks due to other activities that took place in town on the same day. Those present had a blast because we were entertained by three musicians, part of Joe Sheppard's band, who kept us dancing up a storm.

As with our recent fun gatherings we have enjoyed free margaritas served by our favorite bartenders Joe Thompson and Jeff Mott who I would like to thank for their expert knowhow. Also my thanks goes out to Caryl Daugherty for her willing and enthusiastic support and to Charles for doing the photography over the last three years.

Then, last but not least, we went out with a BANG at the Bangs. As many as 80 residents attended our end of the year Holiday party at the home of Frank and Pamela Bangs. We were made to feel very welcome in their spacious and beautiful home. Great food, plenty of desserts and lots of conversation amongst those who attended. Thank you host and hostess for making this such a successful evening. Also my thanks to Carol Sinclair for cooking two hams accompanied by her famous champagne sauce which only added to the fact that nobody went home hungry. What a way to end our year and my duties as your social chair. Thank all of you for participating in the different events because without you I would have nothing to do. My term as your social chair has come to an end and now I get to be one of the party animals.

Thank you for allowing me to be your director for fun things.

Wishing all of you a Happy and Healthy New Year.

Your social chair,

Marianne Van Zyll

Pool Report—Written by Steve Church

Minera Pool Bathroom Project:

Estimated completion date of construction: January 21, 2011

Estimated completion date of painting & landscape January 31, 2011

The project is on budget at \$15,000

All perimeter wrought iron fencing was painted at all 3 pools

New Pool signs have been put on all exterior gates at all three pools. New signs have been printed and placed at each bathroom at all three pools.

Thanks to Jo Ann Marcus for the beautiful landscaping & pots at Adelita

We continue to grind out savings (approx.. \$2,000 annually combined for all pools) because of the installation of solar at Caballo and electric heat pump at Minera.

Landscape and Architecture – Written by Jo Ann Marcus

Hello everyone: closing our board reports for the past year, a quick rundown on our Landscape/Architectural Committee accomplishments in 2010:

For the first time, we've established & published, in one central place, the criteria & procedure for landscape/arch renovation & modifications as indicated in our CC&Rs. This has so simplified the process that we had received seven requests this year, and each one was approved the very evening it was presented.

Working with our other six Directors, we've also clearly defined each of our position guidelines so you know who to go to for whatever issue or concern you might have. This too has been published.

Of course what report would be complete without mentioning the complaints and violations that certainly seem to appear every year. This year certainly was no different – we called, emailed, wrote, requested, reminded, begged, cajoled, & demanded 14 different homeowners to address various maintenance issues on their properties. As a side note – of those 14, only 2 live here fulltime. Although sometimes it took multiple contacts, more often the response was quick and thorough for which we are most grateful. For those of you that think this to be of minimal importance – how about volunteering to serve on the landscape/arch support committee this year and give our incoming Director a hand? We are always happy to have your assistance available. All our committees welcome a helping hand.

We worked closely with Pools this year and created rock arroyos to carry off pool backwash in accordance with our master drainage discussions of 2007 when we looked into the drainage and erosion issues at both the Minera & Adelita pool areas. We also added loose rock to the drainage riprap swale at Minera so the parking lot can be more easily accessed without hazard.

And of course we added several pots, large and small, at Adelita and started our rock garden there at the same time, bringing irrigation to each. Many thanks to Francisco Enriquez for his valuable assistance and beautiful work here, and at all our common areas. He does beautiful work for us and has great pride in what he does.

We look forward to continued efforts in beautifying our common areas at the pools this year and again wish to thank you all for your very positive feedback and kind comments.

Respectfully,

Jo Ann Marcus

Landscape/Architectural Chair

Ballot Responses:

66 votes were received in favor of the new board:

Allan Bogutz, Traci Grabb, Connie Church, Russ Carden, David Scott Allen, Jean Paine and Donn Poll were all elected.

Old Business:

None

New Business:

Presidents Report-Written by Joe Thompson

Joe gave a time line of the Mike Harris of 2791 E. Avenida de Pueblo (MH) case:

1/2008 First Amendment Adopted 74 votes, 59-Y, 11-N, 4 abstain Y=85% of Y/N votes cast

3/2010 Exemption policy published as devised by board/Mike Butler – CPA attorney
7/13 Resident sends email they advised Harris of restrictions before closing
7/24 MH > JRT (Joe Thompson) ltr request exemption, aware of rental restrictions, sold mother-in-laws house. Harriet Cleveland. Hardship claimed.
7/30 JRT>MH ltr reply 7/24 ltr outline F.A. Reasons, advised 9/21 meeting to request exemption
8/11 MH>JRT Special situations letter. Hardship not claimed.
8/14 JRT > MH email re 9/21 board meeting with address & time.
8/15 JRT>MH visit home at 2791 Pueblo
8/19 MH>JRT email require MH decision require board decision by 8/27 - I am on vacation, East Coast.
8/21 MH>JRT email letter of 8/19.
8/23 MH>JRT email forward from Pat Griffin (PG – Harris’s attorney) re board legal status and demand by board to vote by 8/27 two prospective tenants.
8/25 Tenant signs lease effective 9/15 - 3/31
8/27 MH signs lease. Didn’t wait to see if board voted.
9/21 board reviews Harris request. Finds no grounds. No=5/0
9/22 JRT>MH Ltr re: board vote.
9/29 PG > JRT Ltr w/lease (required to be approved in advance) 3-4 years rental period.
10/1 MB > PG Board obligated to enforce CC&Rs, takes exception to attempts to intimidate.
10/12 Tenant moves in
10/19 Harris once again invited to board meeting. Attend. Charlotte states 4+ years at least needed to downsize. No common ground. Board votes to proceed with legal.
12/9 Harris distributes response to my newsletter letter along with PG > MB letter. Many misrepresentations. Curious mention of filing liens for maintenance. Totally illegal.
12/23 MB > JRT ltr response to MH ltr to neighborhood
12/31 Various homeowner responses to MH begin.
Harris Time Line highlights (excludes counsel conversations, emails, meeting)
Summary: Most of what I have presented tonight is the back and forth of the board and the Harris’. It is to give you the background that drove the board to the position we feel we have had no other choice but to take. It does not represent what at this point are the legal issues. From our point of view those issues rest on points that are not yet settled in Arizona law. For reasons of client/attorney confidentiality we cannot discuss the details until this issue is settled. You have all seen Mike Butler’s letter published in the January newsletter. The vagueness may be frustrating to some of you. Others, I know fully understand the implications. Mike Butler is a fine attorney who came to us highly recommended. He is a U of A graduate who began his career as a clerk to an Arizona Supreme Court Judge and has a successful practice here in Tucson.
The new board has expressed a desire to take this issue as their own. For that reason we will not be presenting any motions concerning this or the First Amendment this evening.
Thank you
Harris Time Line highlights (excludes counsel conversations, emails, meeting)

Discussion on Harris:

Gisele Nelson: Objects to her right to rent. Thinks Harris issue is treated unfairly.
Nancy Milburn: Would people be interested in repealing the 1st amendment, times have changed.

Jill Atlas Amendment:

Jill Atlas: presented her motion, which was presented to the Board on December 5th.

December 5, 2010

Dear Catalina Pueblo Board:

I will be attending the Catalina Pueblo Annual Meeting of Homeowner on January 11, 2011 and will be making the following motion to amend our current CC&Rs and calling for a discussion and a vote:

My Motion:

I PROPOSE Catalina Pueblo HOMEOWNERS *THAT OWNED THEIR RESIDENCES PRIOR TO JANUARY 2008*, WHEN THE AMENDMENT TO SECTION 9.3 Leases; “9.3.5 Limitation on Number of Leased Dwelling Units” WAS ADDED TO OUR CC&Rs, **BE GRANDFATHERED INTO The Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for Catalina Pueblo (the “Declaration”), which was recorded in the office of the County Recorder of Pima County, Arizona on May 1, 2003, in Docket 12041 at pages 797 *et seq.* (The CC&Rs prior to the Amendment to Section 9.3 Leases that was recorded with Pima County on January 18, 2008)**

I propose this amendment as an ADDITION to SECTION 9.3 Leases; and 9.3.5 Limitation on Number of Leased Dwelling Units.

Please let me know the procedures you would like to follow and my place on the Agenda.

Thank you,

Jill S. Atlas

**Jill Atlas
2610 E. Avenida de Pueblo
Tucson, AZ 85718
520-360-9651**

Comments in support of this motion:

Gisele Nelson: Like Nancy Millburn’s motion to repeal the 1st amendment in its entirety.

Walter Stackman: Voted against the 1st amendment.

Pete Hartwick: Wants rational

Bill Ridlinghafer: Variances Board has refused. Joe: Was the advice given by CPA lawyer.

Celeste Perrotta: Single woman it’s her investment.

John Cushman: Voted for the 1st. Can prove hardship, house has dropped in value from \$375K to \$290K. His feelings have changed, he is trying to sell his home and it is proving very difficult.

JoJene Mills: Also trying to sell her home. What are the rules, conduct? Membership has not been told it would vote. Back up, need do it properly, hold a special meeting.

Jill Atlas: Have to be sensitive to neighbors, feels the Board has been insensitive to variance approaches. Renters do not bring down the neighborhood e.g. Joe Sheppard and Kwan Wu Lai were renters and are now homeowners.

Comments not in support of motion:

Chuck Wagner: Was president 2005, 2006, and 2007. His Board was responsible for creating the 1st Amendment. He and his board approached Carol Goldschmidt because during the real estate boom many of the homes in the Pueblo were being snapped up as investment homes. Wanted to maintain the integrity of the neighborhood.

Allan Bogutz: He made a decision to live in this community and sign up for the rules which are associated with it. Feels that all other homeowners sign up for the same social contract and at that point you give up certain rights.

Dan Peters: If the amendment had not been in place we would've had many more renters and not enough people to serve on the Board.

Nancy Milburn: Against Jill's motion does not go far enough.

Trace Grabb: Wants to live in a community where people LIVE in the community. Purchased the Holland home (was one of the homeowners to ask for an exemption) and now she is on the new Board.

Annette Kolodny: 2003 moved here to CPA. Noticed a change for the better when people live in their homes and it increases people property values. Moved here because she likes the way the community looks.

Joe Thompson: If landlords outnumber owners they would control the power.

Joe Thompson: Arizona Statutes ARS 33-1812 both allows absentee balloting and prohibits proxy voting. So far we have received both proxy and absentee ballots. As of the opening of tonight's meeting there is no motion on the floor so there can't be absentee ballots voting on something that has not been motioned. Those absent have not been informed of both sides of the issue.

There are not enough homeowners present to have a vote. There are 47 homeowners present and need 55 in order to vote. Can't amend CC&R's until you have at least 55 votes. Vote must be the same as the passing of the 1st amendment which was conducted in the same way.

JoJene Mills: Wants to set up a special meeting. Feels like Jill Atlas didn't get a fair go.

Jill Atlas: No ballots, cannot vote by proxy. Said Joe did not inform Jill properly.

Pete Hartwick: Maybe we should language a new amendment and put together a committee.

Joe: There is latitude for the folks to ask for a variance. The Board offered Jill a variance to rent for 1 year and she turned it down.

Jill Atlas: Felt like she was being bribed by the variance.

There was an overwhelming motion to end the discussion, everyone consented.

Introductions were made by the new Board.

Aldine von Isser moved to adjourn the meeting, the motion was seconded by John Cain. The vote was unanimous. Meeting adjourned at 9.30pm

Catalina Pueblo HOA Treasurer's Report

Budget Report 2010

Income	2010 Actual	Approved 2010 Budget	Proposed 2011 Budget
Association Dues	\$ 53,954.23	\$54,000.00	\$54,000.00
Interest Inc	220.16	1,000.00	250.00
Light Bulbs	5.50	.00	.00
Minera project	.00	15,000.00	.00
Other Inc.	39.00	.00	.00
Title Transfer Fees	300.00	600.00	600.00
-----	-----	-----	-----
TOTAL INCOME	\$ 54,518.89	\$70,600.00	\$54,850.00
 EXPENSES			
Attorney fees	\$ 4,724.78	500.00	1,500.00
Insurance	1,752.02	1,750.00	2,250.00
Other (internet webpage fees, misc.)	215.35	.00	.00
Supplies (printing,postage,misc.)	603.55	650.00	650.00
Taxes and fees	62.64	100.00	100.00
Landscaping-Service	6,000.00	6,000.00	6,000.00
Special Projects	3,815.18	5,000.00	5,000.00
Roads & Drainage	775.00	2,000.00	1,500.00
Security (light bulbs)	938.19	\$1,700.00	1,200.00
 Pools			
Pool Routine Service and Chemicals	5,697.88	6,500.00	6,500.00
Electricity	6,647.11	7,750.00	7,000.00
Gas	6,871.62	12,000.00	11,500.00
Water	1,107.67	1,250.00	1,250.00
Housekeeping	1,487.99	1,600.00	1,600.00
Minera Project	10,381.92	15,000.00	.00
Other (permits, termite insp)	442.00	600.00	600.00
Repairs	4,852.45	6,000.00	6,000.00
 Capital Account (road fund)	 Transferred*	 1,000.00	 1,000.00
 Social Activities	 1,183.04	 1,200.00	 1,200.00
-----	-----	-----	-----
TOTAL EXPENSES	\$ 57,558.39	\$ 70,600.00	\$54,850.00
Under(Over) Budget	\$ 13,041.61		
Less expected Income	(<u>\$ 1,081.11</u>)		
Available Income	\$ 11,960.50**		

*The \$1,000.00 budgeted in the Capital Acct was transferred into the Money Market Index Reserve Fund Account for roads. This amount was not included in expenditure total as it was a transfer and not an expense.

**Of the \$11,960.50 in the budget balance, \$4,618.08 from the Minera Project and \$1,184.82 from the special landscape account will be forwarded into the 2011 budget to complete the Minera Project because it was not completed before yearend and those funds are needed for the project. Therefore the actual balance is \$6,157.60, which will be put in a separate reserve fund.

ACCOUNT BALANCES – AS OF 12/31/2010

Bank Accounts

<u>M & I Catalina Pueblo Checking</u>	<u>\$11,947.61</u>
TOTAL Bank Accounts	\$11,947.61

Investment Accounts

<u>7 mos CD-Reserve Fund for Roads</u>	<u>\$44,644.52</u>
TOTAL Investment Accounts	\$44,644.52

OVERALL TOTAL **\$56,592.13**

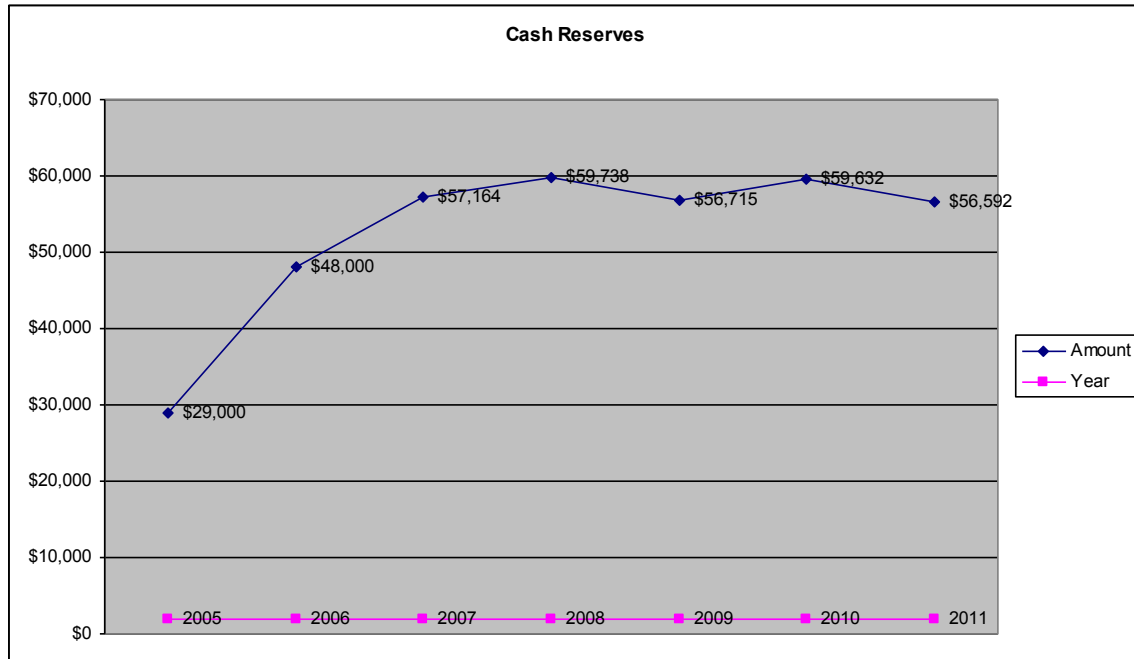
We stayed within budget for 2010 with a balance of \$7,238.71 and have deposited the \$1,000.00 capital fund monies plus interest into our Reserve Fund for Roads-Money Market Account. Our income fell short by \$1,081.11 of our budget forecast (uncollected dues and interest shortfalls). Therefore, a total of \$6,157.60 will be put into a general reserve fund.

Per reports from landscaping officer and the pool chairman, we have accomplished a lot in 2010. I think we have spent the Catalina Pueblo HOA dues wisely and cautiously.

House Sales

Three homes sold and closed in 2010.

Respectfully submitted – Jay Book
Treasurer



Catalina Pueblo Association Proposed 2011 Budget

Income:		
Dues @ \$500		<u>\$54,000</u>
Interest on Savings		<u>250</u>
Title Transfer Fees		<u>600</u>
Total Income		<u>\$54,850</u>

Expenses:		
Administrative 8.2%	Postage & printing	\$ 650
	Taxes and fees	100
	Insurance	2,250
	Other (includes Attorney fees)	<u>1,500</u>
	Subtotal	\$ 4,500

Capital Account (Reserve) 1.8% **\$ 1,000**

Neighborhood Infrastructure 25%	Landscaping	\$ 6,000
	Special Projects -Landscaping, etc	5,000
	Roads & Drainage	1,500
	Security (light bulbs)	<u>1,200</u>
	Subtotal	\$ 13,700

Neighborhood Social Activities 2.2% **\$ 1,200**

Recreational- Pools 62.8%	Routine Service & Chemicals	\$ 6,500
	Pool Repairs	6,000
	Gas	11,500
	Electricity	7,000
	Water	1,250
	Housekeeping	1,600
	Other (Permits, termite inspection)	<u>600</u>
	Subtotal	\$ 34,450

Total Expenses **\$54,850**

