

Colina Del Norte Homeowners Association Minutes of Regular Meeting of Board of Directors	November 27, 2006 Tatum Ranch Community Center 29811 North Tatum Boulevard Cave Creek, Arizona 85331
Directors Present:	Barry Fletcher, Vice President Mike Frost, Secretary Lance Ulik
Directors Absent:	Don Aldridge, President Joe Kovac, Treasurer
Other Members of the Association Present:	1
Cuellar Representative Present:	Ande Johnson

Administrative Matters:

A regular meeting of the Board of Directors of Colina Del Norte Homeowners Association (the "Association") was duly constituted and held beginning at 6:45 p.m. on November 27, 2006, at the Tatum Ranch Community Center, 29811 North Tatum Boulevard, Cave Creek, Arizona 85331.

All directors except Don Aldridge and Joe Kovac were present at the meeting; and, therefore, a quorum was present for transaction of business at the meeting.

The Association's Vice President, Barry Fletcher, acted as Chairman of the meeting, and the Association's Secretary, Mike Frost, acted as its Secretary.

Approval of Minutes of Prior Board Meetings:

The minutes of the October 23, 2006 regular meeting of the Board of Directors contained the incorrect year (2004) in the header on page 2 of the minutes, and those minutes were amended to reflect the correct year (2006). Upon motion duly made, seconded and unanimously carried, the minutes of the October 23, 2006 meetings of the Board of Directors, as so amended, were approved.

Cuellar's Administrative and Maintenance Report:

Ande Johnson presented to the meeting an administrative and maintenance report including the following:

- Communications to, from or with homeowners and vendors since the last Board meeting.
- Action items for the Board's consideration.

Property Tax Issue:

Ms. Johnson reported that she had contacted a Maricopa County official, Chad Clarke, regarding the property tax that the Association had recently paid on the common area; and Mr. Clarke had told her that an error had been made by the County, and a refund would be made to the Association.

Notices of Violations:

Ms. Johnson reported that §33-1803 of Arizona Revised Statutes, as recently amended, requires that before the Association can take action to enforce the provisions of the Association's documents regarding the "condition of the property" of a member of the Association, it must first provide to the member a written notice containing the following information:

- The provision of the community documents that has allegedly been violated.
- The date of the violation or the date the violation was observed.
- The first and last name of the person or persons who observed the violation.
- The process the member must follow to contest the notice.

Thereupon, upon motion duly made, seconded and unanimously carried, the Board adopted the following resolution:

WHEREAS, recent amendments to §33-1803 of Arizona Revised Statutes have made significant changes with respect to the way community associations operate in Arizona; and

WHEREAS, such amendments have created the need to provide to members of the Association better documentation of violations of the Association's documents regarding the "condition of the property" of members of the Association;

NOW, THEREFORE, pursuant to Section 3.3 of the Association's Declaration of Covenants, Conditions and Restrictions, as amended, the Board hereby adopts the rule set forth below.

RESOLVED, that a picture will henceforth accompany each written notice sent to a member regarding any such violation, and with the addition of a picture, an administrative cost of \$10.00 for each such notice (which will be charged by Cuellar Realty Services, Inc. to the Association) will be passed on to such member to reimburse the Association for such administrative cost.

2007 Budget:

Due to the absence of the President and Treasurer, the Board deferred action adopting the 2007 budget, with the understanding that the Board would subsequently adopt such budget by e-mail and ratify such action at the next Board meeting.

CPA Firm:

Due to the absence of the President and Treasurer, the Board deferred action selecting the Association's CPA firm, with the understanding that the Board would subsequently select such firm by e-mail and ratify such action at the next Board meeting.

Landscaper:

Ms. Johnson reported that she had had called community's landscaper, Jim Ryan, several times in an attempt to discuss his work for the Association; however, he has failed to return her calls. Ms. Johnson stated that, in her opinion, a new landscaper is needed. She presented bids from two landscapers. The consensus of the meeting was that those bids were unacceptable because they did not adequately describe the scope of the work that the bidders proposed to do for the community. The Board decided that this matter should be referred to the Landscape Committee.

Financial Report:

Ms. Johnson presented to the meeting a financial report for the Association for October 2006 and the ten months then ended. The Board noted that the financial statements did not reflect the investment of \$175,000 (\$125,000 from the Association's certificates of deposit which matured on October 25, 2006, plus \$50,000 from the Association's reserve account—in seven certificates of deposit in the original principal amount of \$25,000 each), which had been requested by the Board at its October 23, 2006 meeting. Ms. Johnson was requested to report to the Board the status of such investment.

Adjournment:

After a brief discussion of miscellaneous other matters, including the Trammel Crow project and the Association's radar device, the meeting was adjourned at 7:25 p.m.