

SAMALAYUCA IMPROVEMENT ASSOCIATION ANNUAL MEETING – MINUTES

JANUARY 23, 2023

Meeting was called to order at 6:04 p.m. by Scott Doty, President. Everyone was welcomed. The Board members present were Scott Doty (President), Jennifer and Sam Esparza (Co-Vice Presidents), Amy Graham (Treasurer), Mark Koskiniemi (Secretary), Larry Bourne (Member At Large), and Leslie Michotte (Member At Large). The meeting was held at the Area A clubhouse.

Scott reviewed that on the sign-in table were extra copies of the forms that were emailed (or delivered) to households, the Neighborhood Watch sign-in sheet, and committee listings with the opportunity to sign up for any of the committees.

APPROVAL OF MINUTES: The 2022 annual meeting minutes were sent by e-mail to the membership. They were approved by ballot.

PRESIDENT’S REPORT: Scott reviewed that the purpose of the Association and the Board is to provide consistent leadership that protects our homeowner’s investment, preserves the natural resources we share, and generates a sense of community.

He reported that during the course of the year each of the committees did a lot of work on improvements and they will each report out.

The biggest items of note for the year were the completion of the water system booster pump project – now successfully complete; and the realization that with rising costs on several of the main expense items for the community, it will likely be necessary for the dues rate to go up to ensure we can maintain a solid reserve account.

TREASURER’S REPORT: Amy reviewed performance of the 2022 budget and the proposed 2023 budget. Overall, performance against the 2022 budget was in line with expectations. The only items that were moderately over budget were electricity (\$4000 over budget), the booster project required some unanticipated additional electrical work (\$3300 over budget), and pool services (\$2000 over budget). Savings were achieved with changes to several services, including new insurance coverage with better coverage, and landscaping. Overall, we finished the year spending just about \$500 less than budgeted. A good result on expenditures of \$109,334.13. We anticipate savings in our pool service and water system maintenance as we have made changes to those vendors as well.

During the year we also closed our Vanguard savings account (thank you to Diane Boyd for her assistance) as there was no longer a local office and the interest rate was suboptimal. We continue to look for a better interest-bearing account to use for our savings/reserve. A suggestion of Ally Bank was made from the floor. Amy will look into it. We finished 2022 with a bank balance of \$56,974.36. We would like to see our savings/reserve figure build back up to around \$100,000. Diane Boyd noted that a reserve study was done several years ago that recommended a reserve fund of \$100,000 - \$150,000 for our community.

Amy presented the 2023 budget. The budget totals \$73,241 with no large items planned for the year. Unfortunately, with rising costs and our current dues structure, there will be no increase in our account balance by year end.

To demonstrate where dues monies go, Amy did a breakdown of monthly amounts – on average the \$110 monthly dues are spent on \$30 for electricity (Area A including wells), \$20 for trash/recycling pick up, \$31 for maintenance/chemicals for our water system. This accounts for \$82 or roughly 75% of

the monthly dues amount. The remaining 25% goes to items such as landscaping, insurance, statutory payments, taxes, legal services, and servicing/supplies for Area A amenity items.

Amy did a sample budget with a new dues rate of \$135/month which, if adopted, should result in an ending account balance of \$65,000. Scott noted that the board is likely to put the issue to the membership early this year.

Mark made a motion to approve the 2023 budget. Sam seconded. The motion passed.

If anyone wishes to utilize electronic payment methods for their dues, see Amy for information.

COMMITTEE REPORTS:

Architectural Review Committee: Larry gave the report. Of the four projects that were underway in 2022, one is complete, and three are in progress. Larry reminded everyone that plans printed no smaller than 11x17 size are a big help and much appreciated (and generally what the County requires anyway).

Area A: Amy gave the report for Area A. Area A expenses were held below budget to ensure we maintained the overall budget for the year. Items that were replaced/updated in 2022 included new community street signs, replacement chairs, additional lighting, and a new tennis court net. Scott Bronnimann commented that the crank for the tennis court net was in need of repair and he had available an item to ensure it could crank. It was noted that if any of the assembly needed to be welded, Larry may be able to complete that work. Amy also mentioned that we have a new pool operator and he seems to be doing a good job. As always, if you are hosting an event at Area A, please be sure to clean up afterwards.

Water Conservation and Drought Preparedness: Mark gave the report. The committee did not meet in 2022. The committee did promote a Sustainable Landscapes event in March held at the UA Coop (Campbell and Roger). This is an annual event, so we are looking forward to doing the same in 2023. The committee also looked into possible funding under the Arizona Water Infrastructure Finance Authority (AZWIFA) and arranged a Zoom call in May between AZWIFA and the board. Unfortunately, we are unlikely to see a significant benefit from participating in the program, but we will continue to explore this and other options. The committee will also continue to advance programs and incentives through the board for water conservation and drought preparedness.

Water Systems: Larry gave the report. Systems continue to operate in line with expectations. Major work was completed in 2022 to improve both the pool (water level systems) and potable water (pressure pump) systems. Kudos went out to Larry and Kevin O'Brien for their work on both systems. With regard to the booster pumps, Larry noted that the pumps are higher volume, but lower pressure than the pumps they replaced. This means that the pumps will replenish the holding tank system much faster than the old system, but the pressure in the overall water system is about 6psi lower than what we had previously. Larry also put together an emergency kit of supplies in the event work needs to be done on any system valves or lines. This should help to quickly address any issues we encounter instead of having to find the appropriate materials in the heat of the moment. Scott commented that if water usage in our community was converted to a monthly bill using other municipal water rates, households would be facing water bills of several hundred dollars per month. This is one of the advantages of having our own wells and keeping them in good condition. Diane Boyd asked if the monthly water use tracking could be resumed on the website. The board will look into resuming that informative item.

Social Committee: Leslie Michotte gave the report. She would appreciate if anyone wishes to “adopt” an event and be a planner/host for events of interest. This year we anticipate some clean-up days (with possible potlucks following) in concert with the Area A committee (check your emails for upcoming dates), and another children’s Polar Bear Plunge event, in addition to the other traditional neighborhood events. Invitations are sent out using the email addresses from the directory, so if you are not getting invites, be sure to check that your email is correct.

OLD BUSINESS: Scott thanked Bill Walther for maintaining our website, Tracie Munn for maintaining the community calendar and reservations, and Larry Bourne for his tireless efforts to keep up with our water systems.

Additionally this year, Larry has been doggedly pursuing our trash/recycling collection vendor to make progress on re-negotiating our contract which is up for renewal this year. His latest communication with Republic (our vendor) was today. We have proposed three options to the collection vendor (as well as looking at other vendors); 1) renewing current service, 2) same pick up arrangements (days and number of included bins) but trying to do the pickups on one side of the street to reduce wear and tear on the roads, and 3) adding an additional included trash bin (so 2 trash bins per household and one recycling bin) but only collect all items once per week with service provided on one side of the street. We have also asked for an annual allowance of a roll-off to assist with our community clean-up day(s). An informal show of hands from the floor indicated an interest in the third option noted above.

Scott noted that he did look into solar options as a way to reduce our electric bill for the common area and the wells. He reported that he was in touch with a couple of vendors and the cost to make a significant dent in our electric bill would be prohibitive.

At last year’s meeting Scott had proposed a new committee – the Services Committee which was to be focused on regular outside services provided to our community including Garbage/Recycling collection, common area landscaping, and pool cleaning and servicing, as possible initial focus areas. The board, at a subsequent meeting, declined to form the committee as most of these items were already being addressed by other committees or on an ad-hoc basis by board members.

Mark noted that the County continues to work through their long list of neighborhood roads. The County is currently in the fourth year of their program to improve all roads in the county. There is another Transportation Advisory Committee meeting tomorrow. Mark will send out the meeting notice after the meeting tonight for anyone interested in getting the latest updates. The County recently put out to bid several of the roads surrounding our neighborhood (Leonardo Da Vinci, Camino Desierto, etc...) which should be an indication that our roads should be close to being included in an upcoming release of roads out to bid. There is some concern within the County with regard to funding and anticipated higher costs for road projects. Mark encouraged members to continue to use the County website to submit pothole requests. Some pothole repair work was recently completed on Comobabi and Samalayuca. Mark recently submitted a request for work on Vamori and Ko Vaya.

Scott recognized two of our outgoing board members, Jennifer Esparza (present) and Chuck Hess (not present) for their work on the board. Kevin O’Brien has offered to serve on the board and his name appears on this year’s ballot.

While a new net was acquired recently for the tennis court, work continues on evaluating options for resurfacing the court and moving to a “sports court” configuration.

Reminder to use our website: www.SamalayucaEstates.com for all things going on in the neighborhood including Board minutes and social activities. Bill Walther maintains the website and handles comments/questions.

NEW BUSINESS: No new business was presented.

A question was raised on when the board might call for any potential dues increase to be voted on? Scott responded to expect something this spring. There was also a question on if this would be a temporary (until we reached our targeted reserve amount) or permanent increase. Scott responded it would likely be permanent.

Thank you to all the members who attended.

ADJOURNMENT: Sam moved to adjourn the meeting, Amy seconded. The meeting was adjourned at 7:23 p.m.