

**MINUTES OF MEETING
OF BOARD OF DIRECTORS
OF
ESTATE LOS ARBOLES
IMPROVEMENT ASSOCIATION**

Minutes of proceedings of the Meeting of the Board of Directors of Estate Los Arboles Improvement Association, an Arizona corporation (“the Corporation”), held on the 7th day of November, 2021, in Phoenix, Arizona.

Ivan Korolevich called the meeting to order at 12:20 pm. There were present and participated in said meeting, the following directors of the Corporation: Ivan Korolevich, Jon O’Neal, Rita Bostick, Jay Atherton, Bill Eckles and Amy Fisher. Ivan Korolevich presided during the deliberations and Amy Fisher acted as Secretary of the meeting.

Prior to commencement of the regular board business, the Chairman provided a review and commentary of the actions of the board and its members over the past year.

The Chairman announced that Anne Thorne had resigned as a member of the board.

The Chairman raised the issue that was carried over from the prior board meeting in October that the accounting records for the HOA needed to be updated in Quickbooks. He had discussed this matter with the prior treasurer of the HOA, Wendy Simeon. Wendy has agreed to provide the Quickbooks update and has also agreed to resume her position as treasurer. Upon motion made and seconded, it was unanimously approved by the board as follows:

RESOLVED, Jay Atherton shall resign as treasurer but remain a member at large of the board. Wendy Simeon shall be appointed by the board as a board member to serve the balance of Anne Thorne’s term and shall act as treasurer for the HOA. Wendy shall review all

accounting information from the beginning of the current fiscal year, input all information in Quickbooks and provide current financial reports to each board member.

Amy Fisher provided an update regarding homeowner violations as follows: Both Ploerdl's and Contreras' made efforts toward correction of their violations; both homeowners' violations were waived by the board due to sufficient efforts toward compliance. Both issues were closed.

Amy provided an update on the Wenick sale and collection of fees from the escrow company. All fees have been delivered to Estate Los Arboles HOA.

Amy provide an update on the Schuh litigation. At this point, the matter has been settled by Schuh and her creditor but it could be refiled if Schuh does not perform as agreed; at which point, the HOA could again be named as a defendant in the litigation.

Amy provided an update on the remodel status of the Donhauser (fall start for landscape installation) and Wenick (garage and solar) projects.

Amy reported that there are no new home sales pending.

Ivan Korolevich reported that there is \$7,000 in the HOA operating account and \$3,500 in the reserve account. After much discussion, upon motion duly made, seconded and carried by a majority of the board, it was:

RESOLVED, 1. New bids for maintenance of all capital improvements must be obtained to more accurately determine a reserve account going forward. 2. Ivan will work with Jeff Ploerdl, who has knowledge and experience with tennis courts, to make a final determination of a contractor to complete the tennis court repairs. 3. Ivan will contact the chosen contractor to obtain an updated bid and estimated scheduling for work to be performed. 4. Based upon the updated estimates for capital improvement maintenance and the tennis court repair contract

amount, the board will determine the need and amount for a special assessment if one is required. Once the special assessment amount, if any is determined, Amy will draft a letter to homeowners advising them of the special assessment.

Ivan presented to the board his recommended paint trim colors. Upon motion duly made, second and unanimously carried by the board, it was:

RESOLVED, Ivan's suggested trim colors consisting of shades of brown, shades of green and shades of gray are approved. All existing paint trim colors are grandfathered in until such time as a homeowner repaints their trim; at which time, only the approved new trim colors may be used. Amy shall distribute an email to all owners of the approved paint colors and Ivan will add the approved paint colors to the FAQ section of the HOA website.

The next item of business was remodels. It has come to the attention of the board that homeowners are not referring to the HOA documents for guidance on remodels and that homeowners should be reminded of what constitutes a remodel requiring approval of the board and the procedure to be followed in obtaining such approval. Upon motion duly made, seconded and unanimously approved, it was:

RESOLVED, Amy will send an email notice to all homeowners describing the remodel process and advise homeowners that they may refer to the website for further information. Ivan advised that the website now contains such information.

The Chairman raised the issue of Sheree Schuh's delinquent account. Amy suggested that the HOA offer Ms. Schuh an offer of compromise that if she would pay her account current, the Association would waive all outstanding late fees. Upon motion duly made and second and unanimously approved by the board, it was:

RESOLVED, Amy shall send an email to Sheree proposing waiver of late fees provided she pays her account current within 30 days.

The Chairman then raised the issue of Jon O'Neal's. Jon presented his plan to remove the zig zag front garden wall and a back wall not visible from neighboring property. Upon motion made and second and upon unanimous approval of the board, it was:

RESOLVED, Jon O'Neal's plan, as presented is approved.

The Chairman next proposed an amendment to the Bylaws to reduce the number of directors to 5. He asked the current board members if anyone would be interested in resigning to reduce the number of board members from 7 to 5. Jon O'Neal and Rita Bostick indicated that they might be willing to do so and would advise the board at a later date. Upon motion duly made, seconded and unanimously approved by the board, it was:

RESOLVED, amendment of the Bylaws would be tabled at this time and may be revisited when the board members are reduced by natural attrition and prior to an election reflecting more than 5 seats on the board.

The Chairman raised the issue of maintaining clean alleys. After discussion regarding both alleys and front yard maintenance, upon motion duly made and seconded, it was unanimously approved as follows:

RESOLVED, Bill Eckles shall walk the neighborhood and assess the yard and alley maintenance issue and report a list of homeowners who shall receive notices of violation. Amy will issue such notices based upon Bill's list.

The Chairman announced that the annual meeting date will be January 15, 2022, as required by the HOA documents. Due to the fact that no current board member assumed the secretarial duties currently performed by Amy, Amy agreed to serve the balance of her required

term of 2 years, as provided in the Bylaws in order to train a new secretary in 2022. Ivan's and Bill's terms as directors expire upon the 2022 annual meeting date and they have agreed to run for an additional term. No other homeowners have indicated an interest in running for the board. Based upon the fact that there are currently the maximum allowed number of board members and the only board members with expiring terms are Ivan and Bill, and further because no other homeowners have indicated an interest in running for the board, the ballot to be sent to owners with the notice of the annual meeting will contain only two board positions available and only two candidates named.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.