

**VALENCIA OWNERS ASSOCIATION
MEETING MINUTES
August 19, 2008
CHANDLER BIBLE CHURCH**

BOARD MEMBERS PRESENT:

Holly Badke, Millie Christensen, Barbara Denault, and John Lusko.

CALL TO ORDER at 6:31 PM

REPRESENTING AAM: Paula Kennedy

LANDSCAPE

Dan Berryhill attended the meeting. Dan is the Clean Cut representative who oversees our landscape work. Clean Cut Lawns provided very detailed weekly reports that describe the work completed and any special notes related to repairs made as items of concern. Paula provided copies of the weekly reports.

Dan reported that Clean Cut had sprayed the weeds in the park. The Clean Cut proposal for \$692.50 had been approved by the Board. The weeds are very abundant and may need additional treatments. The Board reported that tire tracks are noticeable in the parks. These are probably from the mowing tractor. Flowers were planted in the monuments.

Clean Cut had provided a proposal to plant winter grass (overseed) for \$3,600. The Board had a detailed discussion and unanimously agreed not to plant the winter grass this year. The City of Chandler requested that Homeowner Associations that use potable water for irrigation to limit or forego overseeding this fall. Paula provided a copy of the letter to the Board members. Dan stated that they will try to keep the grass as green as possible for a longer period of time and will work to eliminate the broadleaf weeds and crab grass. When the summer grass does go dormant, Clean Cut will stop the irrigation except for periodic exercising of the system valves to avoid future problems. Pre-emergent can be used to help control the weeds when the summer grass is dormant. Dan reported that the Bermuda grass should come back stronger next year. The plan is to eradicate the weeds and then periodically treat so they do not return.

Dan reported that many of the trees need to be thinned, especially the large mesquites in the park. Also, one of the mesquite trees in the park should be removed. Recent storm damage costs were in the range of \$800 to \$900. The Board requested Clean Cut to prepare a proposal to selectively trim trees.

All of the planting and irrigation work in the Champagne islands is complete. The installation of new granite has been deferred until finances are available.

Clean Cut Lawns provided a proposal for leveling valve boxes and lawn areas. There are approximately 23 valve boxes and 17 low areas in the turf that should be leveled to alleviate trip hazards in the lawns. A breakdown of the costs was provided. After some discussion, the Board decided that the work needed to be done and unanimously approved the proposal for \$2,026.57.

The Board commended Clean Cut for controlling the use of water and keeping our water bills significantly under budget.

APPROVAL OF MINUTES

The minutes of the July 15, 2008 meeting were unanimously approved.

FINANCIALS

The summary financial report for July was provided and reviewed by the Board.

As of July 31, 2008, water and electricity usage continued to be below budget. Year to date sprinkler repair expenses are over budget. Overall the financials look good. There were no unusual expenses in July.

Paula provided a copy of the preliminary 2009 operating budget for the Valencia Owners Association. She requested a review by each Board member for discussion and approval at the September meeting. Clean Cut Lawns is not requesting an increase in their monthly fee. However, their labor rates are increasing. AAM is recommending a 5% increase in homeowner assessments to offset rising costs and the increasing expenses due to an aging community. Paula will also include a line item in the budget for bad debt. The usual rate is 3 – 5%. Paula will use 3% since our rate has not been too bad and will provide a revised budget.

The amount of \$969.48 for repair/replacement of timers and controllers will be paid from the Reserve Account.

Paula provided copies of the Compilation Report and Financial Statements – Cash Basis for the year ended Dec. 31, 2007 to the Board. The report was prepared by Mark Reece, CPA.

NEW BUSINESS

No new business was discussed at this meeting.

OLD BUSINESS

Paula sent a letter to the homeowner at 1187 Granada requesting payment of \$150 for tree removal as per previous agreement.

During the July meeting, the Board discussed the proposal from G. B. Contracting to troubleshoot the lighting at the Cabernet monument and relocate or replace approximately 4 new lights for \$1,452. Paula was checking if the pricing for new lights is for bullet lights or rock lights. The board approved proceeding with the lighting work if the pricing for rock lights would be an increase in the range of \$100 for a total cost of \$1,550 - \$1,600. The company is having trouble finding rock lights. Paula will continue to follow-up.

Paula provided copies of the proposals for painting of the monuments and repairing the water-damaged wall at 3480 Golden. The Board unanimously approved the award for painting to Skyline Painting for \$825 for monument painting and \$250 for the wall repair.

Paula reported on the status of the following action items from the July 15, 2008 meeting.

1. Paula to make arrangements for repair and painting of homeowners' water-damaged wall – In progress.
2. Paula to transfer funds from the Reserve Fund to cover the replacement of time clocks and controllers - Completed
3. Paula to follow up with Clean Cut on decisions made during the meeting: Proposal 314, cause of dead plants at the monuments, obtain a proposal for weed control, obtain a proposal to address the uneven grade level, and replacement of the flag emitters on the Champagne entrance island – Completed.
4. Paula to contact the Circle G community manager to discuss the overhanging trees – Completed.
5. Paula to follow up on lighting repairs at the Cabernet monument and the repair and painting pricing – In progress.

NEW ACTION ITEMS

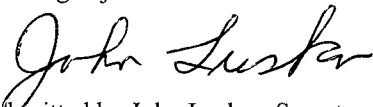
1. Paula to obtain proposal from Clean Cut Lawns to selectively trim trees.
2. Paula to provide a revised 2009 operating budget to Board members.
3. Board members to review the preliminary 2009 operating budget.
4. Paula to make arrangements for repair and painting of homeowners' water-damaged wall.
5. Paula to make arrangements for painting of the monuments.
6. Paula to follow-up on the lighting at the Cabernet monument.

NEXT MEETING

Tuesday, September 16, 2008

ADJOURNMENT

Meeting adjourned at 7:37 PM

A handwritten signature in cursive script that reads "John Lusko". The signature is written in black ink and is positioned above the typed name.

Submitted by John Lusko - Secretary