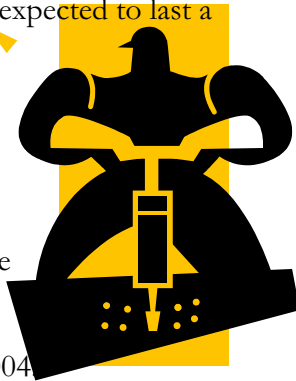

COLONIA ENCANTADA NEWS

<http://www.coloniaencantada.org>

January/February 2004

CONSTRUCTION CONTINUES ON McCORMICK PKY

The McCormick Parkway-Scottsdale Road intersection is part of a City of Scottsdale Capital Improvement Project slated for completion February of 2005. The intersection closure is expected to last a few months. The project as a whole is now 48% complete with daytime restrictions on Scottsdale Road ending late Spring 2004. Nighttime restrictions with lanes reduced to one lane each way between 7:00 p.m.-7:00 a.m. may occur through May 2004.



If you want to check on progress, you can find updates at www.scottsdaleaz.gov under Planning, Building and Zoning- Capital Improvement Projects. Our project is #S2707. We are all eager to have this project completed as soon as possible.

INSIDE THIS ISSUE

- 2 Want to Use the Clubhouse?
- 3 Annual Budget Meeting Minutes
- 5 Newsletter Request Form

Colonia Needs Your Involvement – Join a Committee

By now, you should have received an invitation to volunteer on a community committee. If you haven't received yours or misplaced it, simply contact the chairperson listed below. Your involvement makes for a vibrant community and adds to everyone's enjoyment of our beautiful Colonia Encantada.

Chairpersons Step Up to the Plate

Clubhouse - Jackie Baxter – 948-8971

Social – Sandy Glass. – 998-3413

Legal – Len Tinnan – 922-6325

Archetectural – Donnie Tash- 367-8042 and
Mary Cantrell – 556-0780

Landscaping - Andy Jurasin – 998-1218



Architectural Approval Forms

The Rules and Regulations of Colonia stipulate that any alterations or additions to the exterior of the unit or lot requires Architectural Committee and Board approval. See p. 3 of the Rules and Regs for details. For example, did you know that,

Architectural - continued on page 3

Just in Time

Thanks to Ron Cox (#32) and Sandy Glass (#43) for shopping for and erecting the new Clubhouse Christmas tree. When it was discovered that our longtime tree had fallen into disrepair, they hit the sales. The realistic appearing tree has tiny lights embedded in its branches and was topped with a large green and red plaid bow. The ties of the bow swirled throughout the branches looking quite elegant indeed. There is a 15 year warranty, so we hope the tree will be enjoyed for many holidays to come.

Know Your Board

Len Tinnan (#47) 922-6325 natnlen@aol.com

Joanne Daley (#29) 607-3015
martinsdellcom@msn.com

Harold Back (#36) 609-7379 hsback@aol.com

Bruce Kennard (#1) 767-1731

Property Management Representative: Larry Heywood – 820-1519 larry@heywoodrealty.com

If you have any good comments about the community, let your board know. They work hard and put in many hours to keep on top of community needs. When you have a concern or a matter that needs to be addressed, you can contact a board member or Larry Heywood. Larry can answer questions regarding your association account, association insurance or the Landscaping or Guard Gate crews. He is also the person to contact if you have complaints about Landscaping or Guard Gate personnel. These persons are employed by the Association, not individual Homeowners, which is why Larry handles such matters on our behalf. Members of the board meet monthly and can address concerns that need deliberation at those meetings..

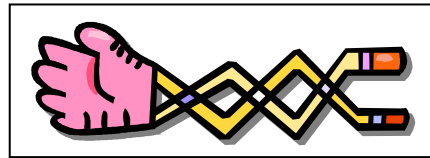
Curb your dog . . . please.

Thank you to all dog owners who remember to bring along those little plastic bags to pick up after their pets. To those who have forgotten, please do better. Your neighbors very much appreciate this courtesy.

Want to Use the Clubhouse? Here's How --

Did you know you can reserve the Clubhouse for both small or large events? There are request forms located in the guardhouse. Just ask Bill. A refundable \$50 deposit is required for events over 15 persons. No deposit is required for small group use (15 persons or less), but a reservation is necessary. Your large group (80 person maximum) reservation request requires a walk-through of the facility with a Clubhouse committee member both before and immediately after your large event. The rules for use of the Clubhouse are included in the form. Both sides need to be signed. The deposit is refunded after walk-through following your event. In addition to parties, homeowners have used the Clubhouse for bridge groups, book clubs or other interest groups. Only social functions are permitted. It's a lovely facility to be enjoyed by all.

The Guard Gate Guys



Our seasoned crew at the guard gate includes:

Bill Caruso, Chief of Security – Here since the beginning and now celebrating his 25th year at Colonia Encantada

Tony Lucas – Returned from a position as Assistant Building Commissioner in Gary, IN; Tony's adult children are twins (boy and girl)

Paul Sweeney – Hails from Cozad, NE; was a mail carrier for 32 years. He and his wife have 12 active grandkids. He spends his free time golfing.

Ralph Tinsley – We'll catch up with Ralph in the next Newsletter. We appreciate his late night work, but late night interviews are more the forte of Letterman and Leno.

Jerry Stark – Jerry majored in economics and agribusiness before getting his law degree. He hails from Omaha, NE. After retiring from insurance claims work, he and his wife came to Phoenix and opened a Bed & Breakfast. He has

Guard Guys - continued on page 3

CALENDAR OF EVENTS

NEXT REGULAR BOARD MEETING

PLACE: CLUBHOUSE

DATE: FEBRUARY 9

TIME: 3:30 P.M.

All regular board meetings are open.

MARCH HOMEOWNERS MEETING EVENT

PLACE: CLUBHOUSE

DATE: SUNDAY, MARCH 7

TIME 4:00 P.M.

Election of 3 new board members.

EDITOR

SANDY GLASS

**Annual Budget Meeting Minutes
December 7, 2003**

The meeting was called to order at 4:07 p.m. In addition to homeowners, Board members present were: Ann Cavitt; Harold Back; Joanne Daley; Bruce Kennard; Len Tinnan.

A motion was made by elect Len Tinnan to preside over the meeting. The motion was seconded and was approved.

As the first order of business homeowners and the board members were introduced.

The status of the 2003 financial condition and estimated cash balances were discussed briefly.

The 2004 operating budget was discussed in depth. There was also discussion on the need for capital funds within the budget for the improvements to the west tennis court area and the conversion of the sauna to a storage room in the clubhouse area.

Budget - continued on page 4

now retired from that project, we're glad he's joined our gate guards.

And our newest guard: **David Hooper** had woodburning as a hobby. He promised to bring a sample in. When you pick up your mail on Fridays, you might want to ask to see his handiwork.

Architectural - continued from page 1

"with the exception of small (not more than 10" in diameter) pots containing live plants, nothing shall be hung from or placed on the exterior of any lot, wall, window, door, balcony, atrium, patio, or placed on the fence of any unit without written approval from the Architectural Committee or Board"? Oops, some of us forgot. If the Architectural Committee comes knocking on your door, you'll know why. Please understand their charge to maintain a certain uniformity and aesthetic appearance for the community as a whole. Forms are located at the Guard Gate.

Homeowners shall not make any alterations or additions to the exterior of units or lots without first obtaining written permission from the Architectural Committee or Board. –

Rules and Regulations

FYI: Jackie Baxter heads the Nominating Committee which will meet in the coming months to present a slate of new Board members for election at the Homeowners March 7 Meeting

You've Got Mail!

Newsletters like this one are an important means of keeping the community informed of what is going on. The expense, however, can become costly. It is in everyone's best interest if you will consider signing up for a newsletter that can be received by email . Please fill out the form on page 5 so we know how to get the newsletter to you.

Harry Phelps is our WebMaster. Thanks, Harry, for being so generous with your time on behalf of Colonia Encantada. Be sure to visit the website www.coloniaencantada.org.

Board of Directors Meeting Minutes January 12, 2004

There was discussion of the increase in the tree budget since the board received a legal opinion advising them that all maintenance costs relating to trees in the fronts of all units must be paid by the association, with the exception of the removal and replacement of trees over 15 feet in height, and should not be split 50/50 with the individual owner as was done in the past. This will certainly impact the expenses of the association and was the major cause for the anticipated deficit in the 2004 budget. Several homeowners

indicated that they felt that the 50/50 tree sharing expense should be re-implemented after proper legal amendments are made. This matter will be looked into further.

A motion was made to allocate \$3,000 to do minor improvements to the west tennis court area from the operating budget. The motion was seconded and was approved.

There was a motion to leave the saunas in the clubhouse as they were in their present condition and continue to utilize them as a store room for the present time. The motion was seconded and was approved.

The board presented several options on funding the 2004 operating budget. They are as follows:

Leave the fee at \$325 and use funds from the reserve to offset the deficit

Raise the fee to \$350 and use funds from the reserves to offset the deficit

Raise the fee to \$350 and utilize a special assessment for capital improvements in 2004

A motion was made to increase the monthly fee to \$350 and to utilize a special assessment for capital improvements in 2004. The motion was seconded and approved.

The homeowners thanked the board for their diligent efforts in analyzing and preparing the 2004 budget and letting the owners know in plain facts the financial condition of the association.

There being no further business, the meeting was adjourned at 5:47 p.m.

The meeting was called to order at 3:40 PM. Members present were: Harold Back; Ann Cavitt; Joanne Daley; Bruce Kennard and Len Tinnan. Larry Heywood represented management. Bruce Kennard made a motion to approve the minutes of the October 6, 2003 and November 10, 2003 board of directors meetings. The motion was seconded by Harold Back and was approved.

The financial reports were reviewed. A motion was made by Bruce Kennard to approve the December 2003 financial reports. The motion was seconded by Harold Back was approved.

The results of the proposed special assessment for the entry gate operators and the west tennis court were reviewed. It was determined that the assessment passed. There were 46 units who voted with 36 in favor and 10 opposed. The assessment will be due on May 1, 2004. Larry will notify the owners of such.

The proposed "Rules for Contractors of all Types" was reviewed. Harold Back made a motion to approve the document. The motion was seconded by Ann Cavitt and was approved.

The information from the attorney regarding the fine assessment policy was reviewed. Harold Back made a motion to approve such with the addition of the language of "...damage and/or vandalism to association property...". The motion was seconded by Bruce Kennard was and approved. This will become part of the rules and regulations once they are amended.

Sandy Glass, the Chair of the CC&Rs Revision Committee, is guiding the committee to continue to review the documents and come up with the changes they feel are needed. They will be meeting on January 13t.

There was discussion on the wages for the guards and the formula used to calculate the annual bonus'. Bill's hourly rate was adjusted and the other guards will receive a 3.5% increase. The bonus issue will be looked at in November of 2004.

The board reviewed the information from the attorney regarding the possible insurance claim and deductible regarding [one homeowner] claim. The attorney indicated that the association's board of directors can decide how the deductible is to be applied to the claim, if one is filed, as the CC&Rs are silent on the issue. An insurance claim was not filed due to the fact that the damage would have been below the \$2,500 deductible.

[One homeowner] requested that the association pay for the repair to their unit that may have been damaged. It was decided that since the association is not responsible for the repair and maintenance to the individual lots and structures, the association could provide no further assistance in this matter. Larry will inform the owner regarding such.

The board reviewed the language provided by the association’s attorney regarding the future disposition of insurance deductibles. If the claim proceeds are to cover losses in the common area, the association is responsible for the deductible. If the claim proceeds are to cover losses in the common area and individual units, the association will share in the pro-rata share of the deductible. If the claim proceeds are to cover losses on individual units and no portion of the common area, the association will not participate in the cost of the deductible. Harold Back made a motion to approve and adopt the language that the attorney provided and incorporate such into the rules and regulations. The motion was seconded by Bruce Kennard and was approved.

Harold Back reported that the committee appointed to develop the landscaping specifications will be meeting in the near future to formulate such so that they can be presented to the board for review at the February board meeting.

Len will look into various irrigation consultants to develop “as built” plans of the irrigation system for future reference. Len will report on his findings at the next board of directors meeting.

(con’t. next column)

Len will prepare specifications that can be utilized to request bids from vendors on the entry gate controllers. It was decided to hold off on the west tennis court repairs until later in the year when the landscaping issues have been resolved. There was \$2,500 allocated to do the repairs. Bruce will follow up with the Surfaces Unlimited so he can Len can meet with the contractor and discuss exactly what work the board will need him to bid on so a new price and scope can be determined.

The Architectural Committee reported that they approved the request from lot 24 to remove the block wall section and the existing gates and install wrought iron with pillars as the wall has been damaged by the large ficus tree.

The Landscaping Committee reported that the owner of lot 13 is in the process of installing saltillo tile and removing the planter in the back yard that was damaged from the water leaks.

Len reported that a new Christmas tree was purchased by Ron Cox and Sandy Glass at a 50% savings after the holidays. The old clubhouse Christmas tree was disposed of.

There being no further business, the meeting adjourned at 5:20 PM. The next meeting will be held on February 9 , 2004 at 3:30 PM in the clubhouse.

HOW DO YOU WANT TO RECEIVE YOUR COLONIA ENCANTADA NEWS?

Please detach and place in mailbox #43 for Sandy Glass by February 1. Thank you.

Remember, if you choose to receive your newsletter electronically, it saves the Association money.

Name(s) : _____

Unit #: _____

I (we) would like to receive the Colonia Encantada Newsletter by the following means:

£ Email address: _____

£ Read it at the website: <http://www.coloniaencantada.org>

£ Receive paper copy in my mailbox