



Colonia Encantada News

<http://www.coloniaencantada.net>

November / December 2008

Message from the Board

As I sit down to write our message from the Board, it is not yet Thanksgiving but there is a chill in the air, pumpkins abound and I've been going back and forth between brining and traditional roasting. Thanks to our tumultuous and unpredictable economy, I believe things will be different this holiday season, but I am hoping we can make something positive out of it all. Perhaps, instead of allowing ourselves to be caught up in the hustle and bustle of the holidays, we will slow down and take the time to enjoy family and friends. We will practice patience while waiting in line and behind the wheel on our busy streets. And, maybe instead of making out our wish lists, we will be looking to give of ourselves to others in need.

Our community has a wonderful tradition of sponsoring a family in need during the holiday season and the Social Committee has been working with the Wounded Warrior Resource Center to locate just a family. Our contact at this organization related to us these wounded soldiers are humble when offered help and insist another family is suffering greater hardships than they are. In difficult times, these people are still thinking of others first. Please stop by the clubhouse to select an angel from our Giving Tree and help us make the holiday season special for this family.

Another way to give of yourself is to volunteer within our community. Opportunities abound and the various committees and clubs are always seeking those individuals who would like to help out and participate. Looking ahead, we will also be searching out residents who are interested in filling the three Board seats being vacated in March. There are many residents who have already served on the Board, so we are asking those of you who have not participated to consider contributing your time to our community.

We, the residents, make our community what it is. Each

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Annual Budget Meeting and Holiday Social Sunday, December 14th 4:00 p.m. in the Clubhouse

All residents are encouraged to attend the Annual Budget Meeting on Sunday, December 14th. Lisa Eaton, president of the Board of Directors, will be discussing the state of Colonia Encantada and the budget for 2009.

Each homeowner will be receiving the 2009 budget either by email or postal mail prior to the Budget Meeting. Please review the information you receive and bring any questions you may have to this important meeting.

The Social Committee will be hosting a wine and cheese party immediately following the budget meeting. ■

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The 2009 Budget Process

Number-crunching can seem pretty tedious to many and when it comes to the budget, all you may want to know is the bottom line.

This year the Board decided to take a different approach to come up with the bottom line. In the past, our property manager, Larry Heywood, assessed our budget and projected any anticipated increases or decreases and, along with the input of Board members, derived the budget for the coming year. For the 2009 budget, the Board has taken a more hands-on approach and Neil Stenholt, Board Treasurer, headed up the Budget Review Sub-Committee. In addition to Neil, the committee was composed of Harry Phelps, Ike Templeton and Bingo Eaton, who represented the landscape portion of the budget.

Following is the process Neil used in forecasting the numbers for 2009:

Using the bookkeeping format to categorize income and expenses, each line item for the prior two years and the first six months of 2008 was examined. Next, each expense line was converted to an average monthly cost for the past 18 months to identify any significant variations from the current budget to be certain our proposed budget would be consistent with our actual recent experience. With historical data as a guide, a new “line by line” proposed budget was created to reflect our anticipated expenditures going forward. Although a few items were reduced from the 2008 budget, most items received an increase of 3 to 5% in anticipation of normal inflation for goods, services and labor. This new preliminary budget was then reviewed by our budget sub-committee, each Board member and Larry Heywood for their comments and input. Some minor adjustments were made to arrive at the proposed budget approved by the Board.

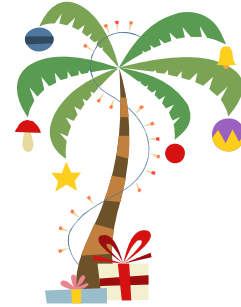
The bottom line? The 2009 budget reflects a 2% increase from the prior year’s budget and results in a

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of us can choose a role in setting the tone and we can make it a harmonious environment or one of contentiousness. I encourage those of you who want to make a positive difference in our neighborhood to be a part of the solution and to help us work toward the common good of Colonia Encantada.

On behalf of the Board,
Lisa Eaton ■



A Holiday Tradition: The Giving Tree

For the past few years our community has shown their generosity in sponsoring a family in need at Christmas time. This holiday season, with the help of the Wounded Warrior Resource Center, we have adopted the Hernandez family.

Tim Hernandez served in the Army for eight years and was wounded while on a tour of duty Iraq. He and his wife Sugar are supporting their four children as well as his younger sister and three nieces and nephews.

This holiday we would like to help the Hernandez family who are working to put their family and lives back together by providing gifts for the family. Stop by the clubhouse from 7 – 9 p.m. for our Ice Cream Social on Thursday, December 4th to select an angel, each representing a member of the Hernandez family, from the Giving Tree. For those residents who cannot join us on Thursday, the tree will remain up in the clubhouse through December 14th.

We are asking that the gifts be left in the clubhouse, wrapped or unwrapped, by December 20th so they can be delivered to the family by the 24th. Thank you to all who participate in this very generous and worthy tradition at Colonia Encantada. ■

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monthly assessment increase of \$10, from \$415 to \$425.

A noteworthy detail regarding our budget: most of the \$7743 increase for 2009 is composed of expenditures for the two biggest expenses in our community: landscaping (a 3%, \$3200, increase in the contract fee with Landscape & Designs) and gatehouse payroll (a 3% increase of \$3400).

Over the past few months, the Budget Review Subcommittee spent considerable time and energy to present a budget where line items have been analyzed and expenses and income projected to help give the community the most accurate financial forecast for the coming year. Our thanks go out to Neil and his committee for their efforts.■

Social Events – Save the Date!

HOA Meeting & Holiday Social	December 14 th
Valentines dinner	February 13th
St Pat’s Beer & Brats	March 15 th
Casino Night	April 18 th
Progressive Dinner	May 2

Board of Directors

Lisa Eaton, President	480-563-5967
lisa.eaton@cox.net	
Donna Kent, Vice President	480-596-1169
dkent@happyonchappy.com	
Ron Cox, Director	480-948-5751
rcox612807@aol.com	
Neil Stenholt, Treasurer	480-429-8101
neil.cmm@comcast.net	
Mick Ferrari, Secretary	480-905-8054
mick.ferrari@comcast.net	
Editor	
Lisa Eaton	480-563-5967
lisa.eaton@cox.net	
Property Manager	
Larry Heywood	480-820-1519
larry@heywoodrealty.com	

Ice Cream Social Thursday, December 4th 7 – 9 p.m.



It may be cold outside, but on Thursday December 4th you’ll find hot fudge for your ice cream sundaes in the Clubhouse. Come and join the social, catch up with your neighbors and be sure to select a family member from our Giving Tree. Bring your sweet tooth, the Social Committee will supply the sweets!



New Storage for Landscape Equipment

Upon routine inspection by the Architecture and Landscape Committees of the Clubhouse in October, it was discovered that flammable materials were being stored in the bell tower by the landscaping crew.

According to the contract Colonia Encantada has with Landscape & Designs of Arizona, the community is responsible for providing storage for the company’s equipment. The bell tower has served this purpose over the years and is used to store tools and supplies used by the landscaping crew. Additionally, the bell tower contains a sink and microwave oven the crew may use to heat lunches and houses an enclosed restroom facility. There is inadequate lighting which had been non-functioning due to a short in the electrical system and was unrelated to the bell tower construction.

The Landscape Committee worked with Dan Kelly of Landscape & Designs of Arizona to come up with a solution to the storage problem and have proposed the construction of a storage shed which will be located between the south wall of the tennis courts and the north wall of the clubhouse. The interior of the bell tower will receive a fresh coat of paint, new lighting and shelves, and a larger, more functional sink will be installed.

The Board has approved this project and work will begin in the near future. The expense for this work will come out of the Landscape budget.■



Women's Book Club

It's the book many have been talking about, "The Glass Castle: A Memoir" by Jeanette Walls, and you can talk about it too. Join us at our December meeting to discuss the author's tale of being raised by eccentric, nomadic parents, who leave her and her siblings largely to their own devices. They learn from their mistakes as they are uprooted time and again throughout their young lives. This memoir of a child of a dysfunctional family speaks candidly, yet with surprising affection, about parents and the strength of family ties. Book Club meets at 10:00 a.m. in the clubhouse.

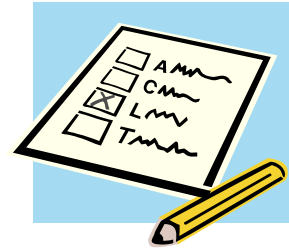
- December 16 - *The Glass Castle*
by Jeanette Walls
- January 20 - *Snow Flower and the Secret Fan*
by Lisa See
- February 17 - *Three Cups of Tea*
by Gary Mortensen
- March 17 - *Pride and Prejudice*
by Jane Austin
- April 21 - *The Friday Night Knitting Club*
by Kate Jacobs

For more information, please contact Lori Starkel at 480443-0247 or Jan Ferarri at 480-905-8054.■

Future Board Meeting Dates

Unless stated otherwise, all Board meetings will be held in the Clubhouse at 4:30 p.m. Please make note of these meeting dates.

- Sunday, December 14, 2008 - Annual Budget Meeting, 4:00 p.m.
- Monday, January 19, 2009
- Monday, February 15, 2009
- Sunday, March 15, 2009 - Annual Meeting
- Monday, April 20, 2009
- Monday, May 18, 2009



Nominating Committee

A nominating committee has been formed and, over the next two months, will be seeking out the best candidates for the three Board of Directors seats opening next year. The Board would like to thank the following residents for volunteering their time to work on the Nominating Committee: Ruby Gore, Harry Phelps, Jim Snyder, Jim Wells and Caro Gregg. If you are interested in serving on the Board, please contact Lisa Eaton and this information will be passed on to the Nominating Committee.



A special **Thank You** to Ron Cox on behalf of the community for putting up our Christmas tree in the Clubhouse again this year.■

Committees

Social

Donna Kent, Co-chair 480-596-1169
dkent@happyonchappy.com

Jerri Kelly, Co-chair 480-945-3738
Jerri.kelly24@gmail.com

Architecture

Ron Cox, Chair 480-948-5751
rcox612807@aol.com

Landscape

Bingo Eaton, Chair 480-563-5967
Bingo.eaton@cox.net

Andy Jurasin 480-998-1218
ajurasin@cox.net

Board of Directors Meeting October 21, 2008

(continued from left – October Meeting)

The meeting was called to order at 4:33 p.m. Members present were: Lisa Eaton and Donna Kent. Mick Ferrari, Neil Stenholt and Ron Cox were present telephonically. Larry Heywood represented management. Jan Kabbani, Joanne Daley, Denise Georgelos and Bingo Eaton were also present.

The homeowners present raised this question: if someone painted their home between the five-year prescribed schedule, would their home have to be painted again on the next five-year cycle, regardless of when the cycle came due. Pursuant to the CC&Rs, if homes are painted between the five-year cycle they will still have to be painted on the next five-year cycle, which has been the practice in the past when the issue had arisen.

The homeowners raised the concern of the clubhouse being used for business meetings. It was suggested by one of the owners present that the clubhouse could be utilized for business use for an additional fee.

Neil Stenholt made a motion to immediately establish a fee of \$50 per hour for any event in the clubhouse with advance notice and include cleaning services and a \$200 refundable cleaning deposit if excessive costs are involved in cleaning. Mick Ferrari seconded the motion. Clubhouse committee will do the inspection of the clubhouse. Ron Cox mentioned that the \$50 per hour fee for the clubhouse was excessive and that a cleaning fee should adequately cover the costs involved and the clubhouse should not be a revenue source. Motion failed.

Ron Cox made a motion to modify the Rules and Regulations to allow the use of the clubhouse to be inclusive of business or non-business use with a minimum refundable cleaning fee of \$50, if in fact the use would be permissible in the CC&Rs. The motion was seconded by Donna Kent and was approved. It was suggested to look at the existing form to see if any issues need to be addressed.

Ron Cox made a motion to approve the minutes of the September 16, 2008 Board of Directors meeting. The motion was seconded by Donna Kent and was

approved.

The Architectural Committee indicated that there was nothing new to report. An inspection of the property was held by the committee and follow up information will be sent to the owners with various issues on their properties.

The Social Committee reported that they are setting the calendar for the upcoming events. The calendar will be published in the near future.

Men's Winter Beverage Club - Ron Cox and Bingo Eaton will be working on organizing several events.

The Newsletter Committee reported that the next issue will be published in December. Neil was requested to prepare the message from the board regarding the budget review process.

The Budget Committee reported that they have been working on the budget for 2009. From the input that Neil received, it was apparent that owners prefer special assessments vs. higher fees in regards to capital improvement projects. Neil indicated, on his own behalf, as stewards of the community that the Board is being fiscally irresponsible for not funding reserves for future capital expenditures within the monthly fees. If a special assessment is voted down, it will create a real financial hardship for the association in causing deferred maintenance. Mick mentioned that he felt that "irresponsible" may be a harsh term to use and feels that the association should fund reserves and is a proponent of such. Lisa said that owners pay for improvements within a special assessment, or through the monthly fees or transfer fees and there is really only one source of funds, which is from the owners. Ron indicated that if owners did in fact defeat a special assessment it would have an adverse effect, but that special assessments for visible improvements has worked in the immediate past. Non visible improvements should be paid out of reserves. Board members will get with Neil regarding their comments so they can be incorporated into the budget. Neil's recommendation is to proceed with the revised budget he presented. The Board will look at cost cutting options for the 2010 budget after discussing some of the issues with the homeowners at various times

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Board of Directors Meeting November 18, 2008

during the year.

Financial statements were reviewed. Delinquencies were reviewed.

Paddock will be starting on the kool deck of the main pool next week on October 27th. One pool will be completed and the other will be done after the main pool.

The Clubhouse Committee will present their report at the November 2008 board meeting.

There are a couple of options for the front entry fountain rejuvenation. They are to re-tile the fountain or utilize a cantera stone base. Cantera would last longer and would match the center of the fountain base. Donna Kent made a motion to proceed and have Joanne and Bingo make a recommendation to the Board at the next meeting and that the landscaping committee would oversee the project. The motion was seconded by Ron Cox and was approved.

It was reported that the APS boxes have all been painted or replaced.

Trimming of the olive trees is on hold for the overseeding. The trimming will be completed in two weeks after the rye seed has germinated. The committee recommended to the Board they felt that it would be wise to remove two olive trees per year and to replace them with non-bearing fruit trees. There was discussion regarding roof rats. Larry will get some contact and detailed information that can be published in the next edition of the newsletter.

There was an issue with the workers using the clubhouse restrooms while the tower was under construction. The restroom in the tower is usable once again. Ron Cox made a motion to improve facilities in the tower storage area. The motion was seconded by Donna Kent and was approved. Bingo said he will look into what needs to be done. It was also mentioned that we need to move some of the items in the tower to another storage area. Bingo will work with Dan and Larry on the issue to come up with some alternatives.

There being no further business, the meeting adjourned 6:21 p.m.■

The meeting was called to order at 4:30 p.m. Members present were: Lisa Eaton, Neil Stenholt - telephonically; Ron Cox - telephonically and Mick Ferrari - telephonically. Larry Heywood represented management. Homeowners present: Jan Kabbani, Joanne Daley, Bingo Eaton, Andy Jurasin, Tim Moore, Denise Georgilos, Charley Vickery; and Mr. and Mrs. Rudin.

Ron Cox made a motion to approve the minutes of the October 21, 2008 Board of Directors meeting. Neil requested that it be stated that he felt he was misquoted in his comment about the board being irresponsible in relation to the reserve funding from the monthly assessments. The motion was seconded by Mick Ferrari and was approved.

The Architectural Committee reported that Villa # 49 will be submitting a request to modify their back yard to open up a patio enclosure, returning it to the original plan.

The Landscaping Committee reported that Villa # 49 submitted a request to remove pavers and cactus from their back yard. The owner was advised of drainage issues that may arise as a result of extensive hard scape in the backyard. The CC&Rs state that Villa # 49 needs to have a sump pump in their backyard for drainage of water.

Dan Kelly presented a bid for installing a storage room and fencing for storage of materials and equipment. The unit would be below the south tennis court wall adjacent to the north wall of the clubhouse so that it wouldn't be visible from the adjacent common areas. The Board will review the renderings and will determine the outcome once they are reviewed.

The Social Committee had nothing to report. Lisa mentioned that Jerri Kelly is looking for a family for the association to sponsor for the holidays. More details will be forthcoming.

The Newsletter Committee reported that the next edition will be published and distributed in early December.

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The Budget Committee presented its report. The budget as submitted reflected a 2.4% increase or \$10 per lot per month (\$415 to \$425) with no contribution to reserves. The committee indicated that it has been typical that special assessments have been utilized in the past for capital improvements vs. contributions within the monthly fees. Mick made a motion to approve the budget as presented with the exception of increasing the fee by \$20 per month instead of \$10 per month and that the additional \$10 be placed into the reserve account. The motion was seconded by Neil Stenholt. There was discussion on the merits of monthly contributions vs. the special assessments for capital improvements. Ron Cox felt that building a reserve from monthly assessments took away an owner's right to vote on a particular issue since the Board would then decide if a project was taken on or not. Mick mentioned that the reserve has been depleted and there are issues that need to be taken care of when in fact if they are voted down we are faced with deferred maintenance and failing of capital assets that the association is required to maintain. The motion passed 2 to 1. Lisa Eaton voted against the increase which would have tied the vote; however, due to a misunderstanding of parliamentary procedures, her vote was not counted when the vote was taken as she was the presiding officer conducting the meeting.

The Nominating Committee for the annual meeting in March is Ruby Gore, Jim Snyder and Harry Phelps. Financial statements were reviewed.

Main pool kool decking is completed with the exception of the tile markers. There is a low spot on the entry to clubhouse where water stands that needs to be addressed. The construction on the west pool has commenced. The pool had all the old plaster chipped out and the exposed rebar has been cut out and replaced.

The written report prepared by the Clubhouse Committee was reviewed by the Board. The committee recommended that the work be done in 2009 and be funded by a special assessment. The components recommended to be rejuvenated are: kitchen and common areas, furnishings and restrooms. The committee recommended that if the owners approved the project and the funding of such through a special assessment that the work be done during the

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summertime frame when there would be fewer residents in the community to impede with the construction. Ron felt that more detailed information was needed before the Board could vote to present it to the ownership for their vote and indicated that he wasn't against the concept but wants everyone to be aware of the issues. Mick thanked the committee for their work on the issue and the details that they presented and that they were able to give the recommendation that they did. The committee will be requested to provide more details to the Board at their January meeting.

Joanne Daley presented the bids for the entry fountain and they were reviewed. Mick Ferrari made a motion to select Dan Barrett of Bella Tile to complete the work from the bid that he presented. The motion was seconded by Ron Cox and was approved.

The motion that was passed at the October meeting regarding business use of the clubhouse was determined to be null and void since it was in conflict of the association's CC&Rs.

There was a discussion on the for sale sign issue. The Arizona Revised Statutes say that a sign and a sign rider can be placed on an individual lot, even though the CC&Rs restrict signs. The state statutes prevail in all cases where there is a conflict between the statutes and the CC&Rs. Signs are not permitted in the common areas. The individual lots within Colonia Encantada extend from the edge of the rolled curb to the wall in the backyard. Therefore, a sign in a front yard is considered part of the lot and not the common area. Jan Kabbani presented information to the Board regarding the issue. The literature Jan presented will be disseminated to the Board so it can be reviewed and suggestions can be made on coming up with a standard to keep uniformity and aesthetics at the forefront. Lisa and Jan will work together to come up with some resolution to the issues so it can be presented to the Board in the near future.

There was concern raised about visitors in the guardhouse over the past few months. The issue will be addressed in the upcoming newsletter.

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Kay Wheeler - Gate Guard

You may have wondered who that friendly face is that opens the gate when you enter the community and hands your mail to you. Meet Kaye Wheeler, our part-time gate guard since last February. Kaye also assisted Tom Teter by filling in when he had guards out on medical leave during the summer.

Kaye and her husband moved to the Valley from Ohio 25 years ago and have been here since. In the last three years they have been operating a successful pet and house sitting business. When Kaye is not working, she spends time with her granddaughter and their two miniature dachshunds.■

Holiday Safety

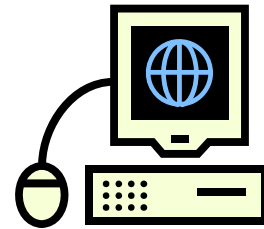
'Tis the season to celebrate, but it is also the season to be wary of burglars, thieves, pickpockets, and other holiday grinchies.

- If you are leaving town for the holidays, make sure your home appears occupied.
- If you choose to have a live Christmas tree, make sure it is always properly watered. Never leave tree lights on when no one is at home.
- Don't put out empty boxes advertising your new purchases (VCR's, microwaves, etc.). Break the boxes down and deposit them in your trash, recycle bin or dumpster away from your home.■

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The request submitted by the owner of Villa # 15 regarding a decorative sign on their front gate was reviewed. The Board reviewed the request and the applicable section of the CC&Rs that regulates such. Ron Cox made a motion that due to the special extenuating circumstances tied to the request that the Board grant a waiver for the placement of the sign. The motion was seconded by Mick Ferrari and was approved.

There being no further business, the meeting adjourned 6:11 p.m.■



Check Your SPAM Filters

In an effort to go green while at the same time saving on postage costs, most residents receive the newsletter and other community communications via email.

If you have an email account listed in the Resident Directory but have not been receiving the newsletter, check the spam filters provided by your email service. The newsletter is sent from the following Yahoo account: coloniaeditor@yahoo.com. (Spam is a term that refers to the abuse of electronic messaging systems to indiscriminately send unsolicited bulk messages.)

Residents who receive a printed copy of the newsletter are urged to contact the newsletter editor, Lisa Eaton, if you have an email address that the newsletter may be sent to instead.■